

REGISTERED NUMBER 05188971 (England and Wales)

**Report of the Directors and
Audited Financial Statements
for the Year Ended 31 March 2010
for
Coventry and Warwickshire Reinvestment
Trust Limited**

TUESDAY



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**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

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for the Year Ended 31 March 2010**

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**Coventry and Warwickshire Reinvestment
Trust Limited**

**Company Information
for the Year Ended 31 March 2010**

DIRECTORS:

D N E Rowe
S R Mason
N Thakrar
R D Shearing
Mrs S Arkley
Mrs S Redman
R Brennan
S Vasey

SECRETARY:

M Bygrave

REGISTERED OFFICE:

PO BOX 4915
Suite 23 Block 1
Copthall House
Coventry
West Midlands
CV1 2FY

REGISTERED NUMBER:

05188971 (England and Wales)

**SENIOR STATUTORY
AUDITOR:**

C A Christou FCCA MAE

AUDITORS:

Leigh, Christou LLP
Chartered Certified Accountants and
Registered Auditors
Leofric House
Binley Road
Coventry
West Midlands
CV3 1JN

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

**Report of the Directors
for the Year Ended 31 March 2010**

The directors present their report with the financial statements of the company for the year ended 31 March 2010

PRINCIPAL ACTIVITIES

The principal activities of the company in the year under review were those of the promotion of social inclusion amongst disadvantaged communities and groups, through the encouragement of entrepreneurship by the provision of finance to new and existing business and social enterprises in Coventry and Warwickshire, together with affordable loans to individuals

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2009 to the date of this report

D N E Rowe
S R Mason
N Thakrar
R D Shearing
Mrs S Arkley
Mrs S Redman
R Brennan

Other changes in directors holding office are as follows

S Vasey was appointed as a director after 31 March 2010 but prior to the date of this report

J Patel ceased to be a director after 31 March 2010 but prior to the date of this report

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

The auditors, Leigh, Christou LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting

**Coventry and Warwickshire Reinvestment
Trust Limited**

**Report of the Directors
for the Year Ended 31 March 2010**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'D N E Rowe', written in a cursive style.

D N E Rowe - Director

14 December 2010

**Report of the Independent Auditors to the Members of
Coventry and Warwickshire Reinvestment
Trust Limited**

We have audited the financial statements of Coventry and Warwickshire Reinvestment Trust Limited for the year ended 31 March 2010 on pages six to twelve. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Report of the Independent Auditors to the Members of
Coventry and Warwickshire Reinvestment
Trust Limited**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies regime



C A Christou FCCA MAE (Senior Statutory Auditor)
for and on behalf of Leigh, Christou LLP
Chartered Certified Accountants and
Registered Auditors
Leofric House
Binley Road
Coventry
West Midlands
CV3 1JN

14 December 2010

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

**Profit and Loss Account
for the Year Ended 31 March 2010**

		31 3 10		31 3 09 as restated	
	Notes	£	£	£	£
TURNOVER			222,305		181,051
Cost of sales			22,570		17,586
GROSS PROFIT			199,735		163,465
Administrative expenses			631,832		720,064
			(432,097)		(556,599)
Other operating income			69,157		181,583
OPERATING LOSS	2		(362,940)		(375,016)
Interest receivable and similar income			99		1,136
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION			(362,841)		(373,880)
Tax on loss on ordinary activities	3		-		-
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION			(362,841)		(373,880)
Retained profit brought forward					
As previously reported		1,192,578		760,615	
Prior year adjustment	4	(996,289)		(570,019)	
As restated			196,289		190,596
			(166,552)		(183,284)
Transfer from capital reserve to profit and loss account			340,896		379,573
RETAINED PROFIT CARRIED FORWARD			174,344		196,289

The notes form part of these financial statements

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

**Statement of Total Recognised Gains and Losses
for the Year Ended 31 March 2010**

	31 3 10	31 3 09 as restated
	£	£
LOSS FOR THE FINANCIAL YEAR	(362,841)	(373,880)
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>(362,841)</u>	<u>(373,880)</u>
Prior year adjustment	Note 4	
	<u>(996,289)</u>	<u>(570,019)</u>
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT	<u><u>(1,359,130)</u></u>	<u><u>(943,899)</u></u>

The notes form part of these financial statements

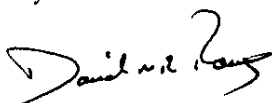
**Coventry and Warwickshire Reinvestment
Trust Limited**

**Balance Sheet
31 March 2010**

		31.3.10	31 3 09 as restated
	Notes	£	£
FIXED ASSETS			
Tangible assets	5	5,774	6,050
CURRENT ASSETS			
Debtors	6	922,806	920,437
Cash at bank and in hand		209,078	169,598
		<u>1,131,884</u>	<u>1,090,035</u>
CREDITORS			
Amounts falling due within one year	7	5,275	59,708
NET CURRENT ASSETS		<u>1,126,609</u>	<u>1,030,327</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,132,383</u></u>	<u><u>1,036,377</u></u>
RESERVES			
Capital funding reserve	8	958,039	840,088
Profit and loss account		174,344	196,289
		<u><u>1,132,383</u></u>	<u><u>1,036,377</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Directors on 14 December 2010 and were signed on its behalf by



D N E Rowe - Director



S R Mason - Director

The notes form part of these financial statements

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number. 05188971)**

**Notes to the Financial Statements
for the Year Ended 31 March 2010**

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Turnover

Turnover represents loan interest receivable and loan arrangement fees

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Fixtures and fittings - Straight line over 10 years

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Grants Received

Certain grants are credited to deferred revenue. Grants toward capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

Capital grants received for lending onward but not disbursed at the balance sheet date are credited to other creditors. When a loan is made from these funds a transfer is made between other creditors and other reserves.

The capital grants for onward lending are then transferred to profit and loss as the loans are repaid, less the calculated provision for bad debts.

The balance retained in the capital funding reserve account equals the grant funded element of the performing loan book, net of specific bad debt provisions.

Capital loan funding

Loan funding is credited to the capital funding reserve account to the value of the grant element at the point the loan is made. A transfer to profit and loss account is then made as the loans are repaid. The amount remaining in the capital funding reserve account equals the grant funded element of the performing loan book, net of specific bad debt provisions.

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number 05188971)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2010**

1 ACCOUNTING POLICIES - continued

Loan bad debt and doubtful provisions

Understanding the appetite for risk inherent in the market sector in which the Company operates, the directors have made a provision for bad and doubtful loan debts on the following basis,

- Debts deemed irrecoverable are written off in full as soon as it becomes clear that repayment will not be received
- 10% of the value of loans 30-60 days in arrears will be provided for
- 20% of the value of loans 60-90 days in arrears will be provided for
- 30% of the value of loans 90-180 days in arrears will be provided for
- 100% of the value of loans 180 plus days will be provided for

This policy applies to all categories of loan. However in cases where tangible security has been assigned to the company a 10% 'write back' of the value of these cases will be performed as it is considered that in many cases the company will receive repayment of the loan capital outstanding, or a substantial proportion thereof

2 OPERATING LOSS

The operating loss is stated after charging

	31 3 10	31 3 09 as restated
	£	£
Depreciation - owned assets	2,327	3,653
Auditors' remuneration	6,773	3,163
Pension costs	<u>5,769</u>	<u>3,326</u>
Directors' remuneration and other benefits etc	<u>-</u>	<u>-</u>

3 TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2010 nor for the year ended 31 March 2009

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2010**

4 PRIOR YEAR ADJUSTMENT

a Capital Funding Reserve

The accounts of the company for the years from inception to 2009 were prepared on the basis that all capital grant income received in respect of loan funding was credited to the profit and loss account at the point of receipt

Subsequently the board members have decided that this accounting policy was fundamentally flawed and that the balance sheet did not accurately reflect the true reserves position of the company in respect of reserves available for capital loan funding as these were being treated as general profit and loss reserves

Accordingly, these accounts have been amended by way of a prior year adjustment which creates a new Loan Funding Reserve account which has received a transfer from general Profit & Loss reserves to the value of the grant element at the point the loan is made. A transfer to profit and loss account is then made as the loans are repaid. The amount remaining within the general Profit & Loss reserves equals the grant funded element of the performing loan book, net of specific bad debt provisions

b Bad Debt Provision

The accounts of the company for the years from commencement of trading to 2009 were prepared on the basis that the performing loan book included in the balance sheet was net of a general bad debt provision of 10% on commercial loans and 20% on personal loans

Subsequently the board members have decided that this accounting policy in respect of bad debts was not adequate

Accordingly, these accounts have been amended by way of a prior year adjustment in order to bring the bad debt provision in line with the revised accounting policy outlined above

5 TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2009	2,181	16,152	18,333
Additions	-	2,053	2,053
	<u>2,181</u>	<u>18,205</u>	<u>20,386</u>
At 31 March 2010	2,181	18,205	20,386
DEPRECIATION			
At 1 April 2009	787	11,498	12,285
Charge for year	219	2,108	2,327
	<u>1,006</u>	<u>13,606</u>	<u>14,612</u>
At 31 March 2010	1,006	13,606	14,612
NET BOOK VALUE			
At 31 March 2010	<u>1,175</u>	<u>4,599</u>	<u>5,774</u>
At 31 March 2009	<u>1,394</u>	<u>4,654</u>	<u>6,048</u>

**Coventry and Warwickshire Reinvestment
Trust Limited (Registered number: 05188971)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2010**

6 DEBTORS

	31 3 10	31 3 09 as restated
	£	£
Amounts falling due within one year		
Trade debtors	328,428	304,578
Amounts due from collection agencies	77,092	152,067
Other debtors	2,161	16,604
	<u>407,681</u>	<u>473,249</u>
Amounts falling due after more than one year		
Trade debtors	<u>515,125</u>	<u>447,188</u>
Aggregate amounts	<u>922,806</u>	<u>920,437</u>

7 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 3 10	31 3 09 as restated
	£	£
Trade creditors	-	1,150
Other creditors	5,275	58,558
	<u>5,275</u>	<u>59,708</u>

8 RESERVES

	Capital funding reserve £
At 1 April 2009	840,088
Transfer from capital reserve to profit and loss account	(340,896)
New loan capital funding	458,847
At 31 March 2010	<u>958,039</u>