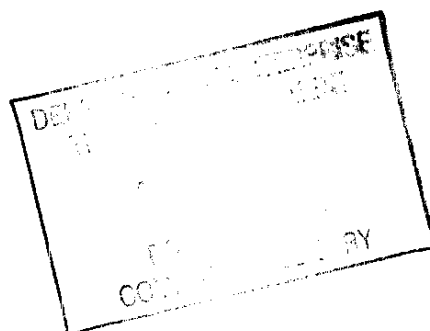


**Mid Ulster Community
Services Limited**

**Financial statements for the
year ended 31 July 2002**

Registered No: NI 36635



Contents

	Page (s)
Directors and advisors	1
Directors report	2 – 4
Report of the auditors	5 – 6
Statement of financial activities	7
Summary income and expenditure account	8
Balance sheet	9
Notes to the financial statements	10 – 13

Directors and advisors

Directors

Faith Wood
George Shiels
Kate Ryder
Seamus Davey
Noel Maguire
Chris McCarney

Secretary

Kate Ryder

Registered office

23 – 25 Broad Street
Magherafelt

Auditors

ASM Horwath
Chartered Accountants and Registered Auditors
The Diamond Centre
Market Street
Magherafelt

Bankers

Northern Bank
Broad Street
Magherafelt

Solicitors

PA Duffy and Co
27 – 29 Broad Street
Magherafelt

Directors report

The directors present their report and the audited financial statements for the year ended 31 July 2002.

Principal activity

The principal activity of the company is to facilitate and manage various community transport schemes for disadvantaged individuals and members of designated community and voluntary groups.

Corporate governance

Mid Ulster Community Services Limited is a company limited by guarantee and as such it does not have a share capital. The company was incorporated on 26 July 1999 and its governing instruments are the Memorandum and Articles of Association. The address of the company's registered office, which is also its principal address, is given on page 1.

The company became registered with the Inland Revenue as a charitable body for taxation purposes on 25 April 2001 (Inland Revenue Charity No XR43240).

Directors

The directors of the company at 31 July 2002, all of whom have been directors for the whole of the year ended on that date, except as stated below, are noted on page 1.

Chris McCarney (resigned 17 April 2002)

Remuneration

The directors of the company receive no remuneration other than the reimbursement of out of pocket expenses.

Commentary on the financial statements

Financial statements presentation

The company's financial statements have been presented in the format set out as best practice by the Statement of Recommended Practice ("SORP"), "Accounting by Charities" issued by the Charity Commissioners in England and Wales.

The Statement of Financial Activities ("SOFA") focuses on showing the total incoming resources, both revenue and capital, which have been made available to the company during the year and the way in which those resources have been used, whether as direct charitable expenditure in carrying out and supporting the company's community driven activities, or in the management and administration of the organisation itself. The SOFA also shows those incoming resources for the year received from sources which place restrictions on the way in which the company can use the funds, and the level of incoming resources that can be used by the company without restriction, within the company's charitable objects.

Financial results and the funding of future work

Both the level of business and the year end financial position were satisfactory and the directors expect that this level of activity will be sustained for the foreseeable future.

The Statement of Financial Activities shows a decrease in restricted funds of £23,716 and a net increase in unrestricted funds of £3,656.

Directors report (continued)

Expenditure on equipment

The movements in fixed assets during the year are set out in note 7 to the financial statements.

Reserves

The company had net assets of £7,748 at 31 July 2002.

Responsibilities of the directors

The directors are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the surplus or deficit of the company for that year.

The directors confirm that suitable accounting policies have been used and applied consistently and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31 July 2002. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Internal financial control

The directors have overall responsibility for ensuring that the company has in place an appropriate system of controls, financial and otherwise, to provide reasonable assurance that:

- ◆ the company is operating efficiently and effectively;
- ◆ its assets are safeguarded against unauthorised use or disposition;
- ◆ proper records are maintained and financial information used within the company or for publication is reliable; and
- ◆ the company complies with relevant laws and regulations.

The company's systems of financial control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss.

Auditors

A resolution to re-appoint the auditors, ASM Horwath, will be proposed at the Annual General Meeting.

Directors report (continued)

Special provisions relating to small companies

These financial statements have been prepared in accordance with the Special Provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to small companies.

On behalf of the board



Seamus Davey
Director

Magherafelt
1 May 2003

Report of the auditors to the members of Mid Ulster Community Services Limited

We have audited the financial statements of Mid Ulster Community Services Limited for the year ended 31 July 2002 which comprise the Statement of Financial Activities, a Summary Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Article 234 of the Companies (Northern Ireland) Order 1986. Our audit work has been undertaken so that we might state to company's members those matters we are required to state to them in an auditor's report 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 opinion we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibility.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you, if in our opinion, the Directors report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

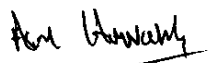
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Report of the auditors to the members of Mid Ulster Community Services Limited (continued)

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 2002 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.



ASM Horwath
Chartered Accountants and Registered Auditors

Magherafelt
1 May 2003

Statement of financial activities

	Notes	Unrestricted funds	Restricted funds	Total 2002	Total 2001
		£	£		£
Incoming resources					
Income from funding bodies		-	41,010	41,010	60,400
Minibus hire income		6,625	-	6,625	2,031
Registration fee income		695	-	695	60
Consultancy income		-	-	-	1,500
Total incoming resources		<u>7,320</u>	<u>41,010</u>	<u>48,330</u>	<u>63,991</u>
Resources expended					
Direct charitable expenditure		738	19,238	19,976	23,550
Management and administration		2,926	45,488	48,414	31,060
Total resources expended	2	<u>3,664</u>	<u>64,726</u>	<u>68,390</u>	<u>54,610</u>
Net movement in funds	5	<u>3,656</u>	<u>(23,716)</u>	<u>(20,060)</u>	<u>9,381</u>
Reconciliation of movement in funds					
At 1 August 2001		672	27,136	27,808	18,427
Net movement in funds for the year		3,656	(23,716)	(20,060)	9,381
At 31 July 2002	10	<u>4,328</u>	<u>3,420</u>	<u>7,748</u>	<u>27,808</u>
Net movement in funds available for future activities		<u>3,656</u>	<u>(23,716)</u>	<u>(20,060)</u>	<u>9,381</u>

All amounts above relate to the continuing operations of the company.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the net movement in funds for the year stated above, and their historical cost equivalents.

The notes on pages 10 to 13 form part of these financial statements.

Summary income and expenditure account

	Notes	2002 £	2001 £
Income	1	72,046	54,922
Net operating expenses	2	<u>68,390</u>	<u>54,610</u>
Operating surplus		3,656	312
Taxation	6	<u>-</u>	-
Retained surplus for the year		<u>3,656</u>	<u>312</u>

Reconciliation to the statement of financial activities

Net movement in funds per statement of financial activities	(20,060)	9,381
Funding received during the year	(41,010)	(60,400)
Release of grants	<u>64,726</u>	<u>51,331</u>
Retained surplus for the year	<u>3,656</u>	<u>312</u>

The summary income and expenditure account is presented in order to ensure compliance with the Companies (Northern Ireland) Order 1986. The differences in the figures from those presented in the Statement of Financial Activities are that grants received are not regarded as income for the year but are deferred and released to income in the same year as the related expenditure is incurred.

All amounts above relate to the continuing operations of the company.

The company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the surplus on ordinary activities stated above, and the historical cost equivalent.

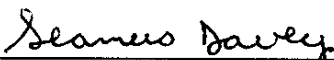
The notes on pages 10 to 13 form part of these financial statements.

Balance sheet

	Notes	2002	2001
		£	£
Fixed assets			
Tangible fixed assets	7	<u>2,128</u>	<u>1,818</u>
Current assets			
Debtors	8	747	631
Cash at bank and in hand		<u>17,196</u>	<u>28,906</u>
		<u>17,943</u>	<u>29,537</u>
Creditors: amounts falling due within one year	9	<u>12,323</u>	<u>3,547</u>
Net current assets		<u>5,620</u>	<u>25,990</u>
Net assets		<u>7,748</u>	<u>27,808</u>
Funds employed			
Unrestricted funds	10	4,328	672
Restricted funds	10	<u>3,420</u>	<u>27,136</u>
	10	<u>7,748</u>	<u>27,808</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part VIII of the Companies (Northern Ireland) Order 1986.

Approved by the board and signed on its behalf by:


Seamus Davey
Director

1 May 2003

The notes on pages 10 to 13 form part of these financial statements.

Notes to the financial statements

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements have been prepared in accordance with the recommendations contained in Statement of Recommended Practice ("SORP") "Accounting by Charities".

Income

All incoming resources are recognised in the Statement of Financial Activities when the conditions for receipt have been met and there is reasonable assurance of receipt. When an incoming resource relating to a future accounting period is received, the amount is treated as deferred income and it is included within creditors in the balance sheet.

Capital grants

Prior to adoption of the SORP, grants specifically for capital expenditure were credited to a deferred credit account and released to income and expenditure over the expected useful lives of the related assets.

In accordance with the SORP, capital grants receivable are recognised immediately in the Statement of Financial Activities unless they are restricted to future accounting periods or may become repayable under the terms attached.

Funds

Mid Ulster Community Services Limited has various types of funds for which it is responsible and which require separate disclosure. These are as follows:

- ◆ restricted income funds: income which is earmarked by the donor for specific purposes. Such purposes are within the overall aims of the organisation;
- ◆ unrestricted funds: funds which are expendable at the discretion of the directors in furtherance of the objects of the company. In addition to expenditure on transport provision, such funds may be held in order to finance capital investment and working capital.

Deferred income

Deferred income relates to incoming resources in the current year which are specifically to fund activities in future accounting periods.

Costs

Management and administration costs relate to the costs of running the company such as the costs of meetings, audit and statutory compliance and include any costs which cannot be specifically identified to another expenditure classification.

Notes to the financial statements (continued)

Depreciation

Depreciation is calculated to write off the original cost less the estimated residual value of the fixed assets on a straight line basis over their expected useful lives, as follows:

	%
Plant and equipment	20
Office equipment	20

2. Analysis of total resources expended

	Staff costs	Depreciation	Other costs	Total 2002	Total 2001
	£	£	£	£	£
Direct charitable expenditure	-	531	19,445	19,976	23,550
Management and administration	38,080	-	10,334	48,414	31,060
	<u>38,080</u>	<u>531</u>	<u>29,779</u>	<u>68,390</u>	<u>54,610</u>

3. Directors' emoluments

There were no emoluments paid to the directors during the year.

4. Staff numbers and costs

The average weekly number of persons employed by the company during the year was:

	2002 Number	2001 Number
Administration	<u>3</u>	<u>1</u>
	2002	2001
	£	£
Staff costs (for the above persons)		
Salaries	35,475	16,132
Social security costs	<u>2,605</u>	<u>1,471</u>
	<u>38,080</u>	<u>17,603</u>

5. Net movement in funds

	2002 £	2001 £
Net movement in funds is stated after charging:		
Auditors' remuneration	800	600
Depreciation on tangible fixed assets	<u>531</u>	<u>401</u>

Notes to the financial statements (continued)

6. Taxation

No provision for taxation is required as the company has charitable status approved by the Inland Revenue.

7. Fixed assets

	Plant & equipment £	Office equipment £	Total £
Cost			
At 1 August 2001	-	2,274	2,274
Additions	171	670	841
Disposals	-	-	-
At 31 July 2002	171	2,944	3,115
Accumulated depreciation			
At 1 August 2001	-	456	456
Charge for the year	12	519	531
Disposals	-	-	-
At 31 July 2002	12	975	987
Net book value			
At 31 July 2002	159	1,969	2,128
At 31 July 2001	-	1,818	1,818

During the year the company received funding of £511 from the Peace and Reconciliation Phase III in respect of capital expenditure on office equipment.

8. Debtors

	2002 £	2001 £
Amounts falling due within one year:		
Prepayments and accrued income	747	631
	747	631

9. Creditors: amounts falling due within one year

	2002 £	2001 £
Taxation and social security	-	37
Accruals and deferred income	12,323	3,510
	12,323	3,547

Notes to the financial statements (continued)

10. Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total 2001 £	Total 2000 £
Tangible fixed assets	2,128	-	2,128	1,818
Net current assets	2,200	3,420	5,620	25,990
Total net assets	4,328	3,420	7,748	27,808

11. Financial Commitments

At 31 July 2002 the company had annual commitments under operating leases as follows:

	2002 £	2001 £
Expiring within one year	3,706	4,428
Expiring with in one to five years	6,250	9,234
Expiring within more than 5 years	-	-
	9,956	13,662

12. Contingent liabilities

A contingent liability exists to repay grants received should certain conditions not be fulfilled by the company. In the opinion of the directors the terms of the letters of offer have been complied with and a liability is not expected to arise.

13. Capital commitments

There were no capital commitments at 31 July 2002 or 31 July 2001.

14. Guarantors

The Company is a company limited by guarantee and it does not have share capital. The liability of members is limited to £1 in the event of the company being wound up.