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**Mid Ulster Community  
Services Limited**

**Financial statements for the  
year ended 31 July 2005**

**Registered No: NI 36635**



## **Contents**

	<b>Page (s)</b>
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**

Kate Breen  
Cherry Dickson  
Seamus Davey  
Martin McErlean  
Noel Maguire  
Faith Wood  
George Shiels

### **Secretary**

Katrina McCallion

### **Registered office**

Unit B12  
The Business Centre  
80-82 Rainey Street  
Magherafelt

### **Auditors**

ASM Horwath (S) Limited  
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 2005.

### **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 2005, who have all been directors for the whole of the year ended on that date, are noted on page 1.

### **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") set out on page 7, 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.

## **Directors report (continued)**

### ***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 an increase in restricted funds of £5,008 and a net increase in unrestricted funds of £40,231.

### ***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 £82,346 at 31 July 2005.

### **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 2005. 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.

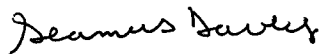
The company's systems of financial control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss.

## **Directors report (continued)**

### **Auditors**

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

### **On behalf of the board**



**Seamus Davey**  
**Director**

**Magherafelt**  
**28 April 2006**

## **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 2005 which comprise the Statement of Financial Activities, the 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 2005 and of its net movement in funds for the year then ended and have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986.

*Alan Horwath (S) Ltd*

**ASM Horwath (S) Limited**  
**Chartered Accountants and Registered Auditors**

**Magherafelt**  
**28 April 2006**



## Statement of financial activities

	Notes	Unrestricted funds	Restricted funds	Total 2005	Total 2004
		£	£	£	£
<b>Incoming resources</b>					
Income from funding bodies		-	157,014	<b>157,014</b>	110,774
Minibus hire income		58,414	-	<b>58,414</b>	32,232
Registration fee income		1,481	-	<b>1,481</b>	2,011
Other income		9	-	<b>9</b>	1,165
<b>Total incoming resources</b>	1	<u>59,904</u>	<u>157,014</u>	<u><b>216,918</b></u>	<u>146,182</u>
<b>Resources expended</b>					
Direct charitable expenditure		13,028	58,671	<b>71,699</b>	58,861
Management and administration		6,645	93,335	<b>99,980</b>	75,258
<b>Total resources expended</b>	2	<u>19,673</u>	<u>152,006</u>	<u><b>171,679</b></u>	<u>134,119</u>
<b>Net movement in funds</b>	5	<u>40,231</u>	<u>5,008</u>	<u><b>45,239</b></u>	<u>12,063</u>
<b>Reconciliation of movement in funds</b>					
At 1 August 2004		34,940	2,167	<b>37,107</b>	25,044
Net movement in funds for the year		40,231	5,008	<b>45,239</b>	12,063
<b>At 31 July 2005</b>	10	<u>75,171</u>	<u>7,175</u>	<u><b>82,346</b></u>	<u>37,107</u>
<b>Net movement in funds available for future activities</b>		<u>40,231</u>	<u>5,008</u>	<u><b>45,239</b></u>	<u>12,063</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	2005 £	2004 £
Income	1	216,918	144,182
Net operating expenses	2	171,679	134,119
<b>Operating surplus</b>		<b>45,239</b>	<b>10,063</b>
Taxation	6	-	-
<b>Retained surplus for the year</b>		<b>45,239</b>	<b>10,063</b>

### Reconciliation to the statement of financial activities

Net movement in funds per statement of financial activities	45,239	12,063
Capital funding received during the year	-	(2,000)
Release of grants	-	-
<b>Retained surplus for the year</b>	<b>45,239</b>	<b>10,063</b>

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 equivalents.

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

## Balance sheet

	Notes	2005 £	2004 £
<b>Fixed assets</b>			
Tangible fixed assets	7	<u>48,263</u>	<u>36,046</u>
<b>Current assets</b>			
Debtors	8	3,864	2,137
Cash at bank and in hand		<u>31,479</u>	<u>12,045</u>
		<u>35,343</u>	<u>14,182</u>
<b>Creditors: amounts falling due within one year</b>	9	<u>1,260</u>	<u>13,121</u>
<b>Net current assets</b>		<u>34,083</u>	<u>1,061</u>
<b>Net assets</b>		<u>82,346</u>	<u>37,107</u>
<b>Funds employed</b>			
Issued share capital	14	-	-
Unrestricted funds		75,171	34,940
Restricted funds		<u>7,175</u>	<u>2,167</u>
	10	<u>82,346</u>	<u>37,107</u>

Approved by the board and signed on its behalf by:

Seamus Davey

Seamus Davey  
Director

28 April 2006

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

## **Notes to the financial statements**

### **1. Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom. A summary of the more important policies, which have been applied consistently, is set out below.

#### ***Basis of accounting***

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

#### ***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)

### *Tangible fixed assets*

Tangible fixed assets are stated at their purchase cost, net of depreciation and any provision for impairment.

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
Motor vehicle	20

### *Cash flow statement*

The company is exempt from the requirements of Financial Reporting Standard No.1 to present a cash flow statement as it qualifies as a small company under Article 255 of the Companies (Northern Ireland) Order 1986.

## 2. Analysis of total resources expended

	Staff costs	Depreciation	Other costs	Total 2005	Total 2004
	£	£	£	£	£
Direct charitable expenditure	-	12,181	59,518	71,699	58,861
Management and administration	88,378	-	11,602	99,980	75,258
	<u>88,378</u>	<u>12,181</u>	<u>71,120</u>	<u>171,679</u>	<u>134,119</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:

	2005 Number	2004 Number
<b>By activity:</b>		
Administration	<u>8</u>	<u>5</u>
	2005	2004
	£	£
<b>Staff costs (for the above persons)</b>		
Salaries	80,600	60,295
Social security costs	<u>7,778</u>	<u>5,749</u>
	<u>88,378</u>	<u>66,044</u>

## Notes to the financial statements (continued)

### 5. Net movement in funds

	2005 £	2004 £
Net movement in funds is stated after charging:		
Auditors' remuneration	1,200	1,200
Depreciation on tangible fixed assets	<u>12,181</u>	<u>9,427</u>

### 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 £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 August 2004	1,546	7,293	41,000	49,839
Additions	-	-	24,398	24,398
Disposals	-	-	-	-
<b>At 31 July 2005</b>	<u>1,546</u>	<u>7,293</u>	<u>65,398</u>	<u>74,237</u>
<b>Accumulated depreciation</b>				
At 1 August 2004	488	3,239	10,066	13,793
Charge for the year	212	1,403	10,566	12,181
Disposals	-	-	-	-
<b>At 31 July 2005</b>	<u>700</u>	<u>4,642</u>	<u>20,632</u>	<u>25,974</u>
<b>Net book value</b>				
<b>At 31 July 2005</b>	<u>846</u>	<u>2,651</u>	<u>44,766</u>	<u>48,263</u>
At 1 August 2004	<u>1,058</u>	<u>4,054</u>	<u>30,934</u>	<u>36,046</u>

### 8. Debtors

	2005 £	2004 £
Amounts falling due within one year		
Prepayments	3,369	969
Other debtors	<u>495</u>	<u>1,168</u>
	<u>3,864</u>	<u>2,137</u>

## Notes to the financial statements (continued)

### 9. Creditors: amounts falling due within one year

	2005	2004
	£	£
Bank overdraft	-	5,826
Other taxation and social security	-	3,136
Accruals and deferred income	1,260	4,159
	<u>1,260</u>	<u>13,121</u>

### 10. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total 2005	Total 2004
	£	£	£	£
Tangible fixed assets	-	48,263	48,263	36,046
Net current assets	75,171	(41,088)	34,083	1,061
<b>Total net assets</b>	<u>75,171</u>	<u>7,175</u>	<u>82,346</u>	<u>37,107</u>

### 11. Financial Commitments

At 31 July 2005 the company had annual commitments under operating leases as follows:

	Land and Buildings	
	2005	2004
	£	£
Expiring within one to five years	<u>4,314</u>	<u>4,314</u>

### 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.

There were no other contingent liabilities at 31 July 2005 or 31 July 2004.

### 13. Capital commitments

There were no capital commitments at 31 July 2005 or 31 July 2004.

### 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.

**The following schedules do not form  
part of the audited statutory financial  
statements of the company**



## Incoming resources

	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
<b>Income from funding bodies:</b>				
DRD. RTF funding	-	-	-	49,000
NIHSSB funding	-	86	86	19,655
RDC	-	9,684	9,684	26,980
DOE	-	112,277	112,277	-
SEUPB	-	29,967	29,967	-
Lloyds TSB	-	5,000	5,000	-
RCN	-	-	-	900
LSP	-	-	-	14,239
<b>Total income from funding bodies</b>	-	157,014	157,014	110,774
 <b>Transport services:</b>				
Minibus hire income	58,414	-	58,414	32,232
<b>Total income from transport services</b>	58,414	-	58,414	32,232
 <b>Registration fees:</b>				
Registration	1,481	-	1,481	2,011
<b>Total income from registration fees</b>	1,481	-	1,481	2,011
 <b>Other income:</b>				
Sundry income	9	-	9	1,165
<b>Total income from other income</b>	9	-	9	1,165
 <b>Total incoming resources</b>	59,904	157,014	216,918	146,182

## Direct charitable expenditure

	Unrestricted Funds £	Restricted Funds £	Total 2005 £	Total 2004 £
<b>Volunteer and transport costs:</b>				
Travel expenses	-	36,304	36,304	27,913
Minibus leasing	-	6,071	6,071	5,087
Subscription	-	175	175	-
Volunteer expenses	-	4,691	4,691	3,989
Staff training	-	129	129	1,133
<b>Total volunteer and transport costs</b>	-	47,370	47,370	38,122
<b>Other costs:</b>				
Rent	-	4,089	4,089	4,089
Insurance	-	3,537	3,537	721
Telephone and postage	-	2,120	2,120	3,107
Advertising	-	596	596	1,646
Electricity	-	959	959	616
Promotional costs	-	-	-	742
<b>Total other costs</b>	-	11,301	11,301	10,921
<b>Depreciation:</b>				
Office equipment	1,403	-	1,403	1,228
Plant and equipment	212	-	212	265
Motor vehicles	10,566	-	10,566	7,934
<b>Total depreciation</b>	12,181	-	12,181	9,427
<b>Bank interest and charges:</b>				
Bank interest and charges	847	-	847	391
<b>Total bank interest and charges</b>	847	-	847	391
<b>Total resources expended</b>	13,028	58,671	71,699	58,861

## Management and administration

	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
<b>Staff costs:</b>				
Gross salaries	-	80,600	80,600	60,295
Employers' NIC	-	7,778	7,778	5,479
<b>Total staff costs</b>	-	88,378	88,378	65,774
<b>Other costs:</b>				
Casual labour	-	-	-	3,672
Stationery and printing costs	5,121	-	5,121	1,356
Audit and accountancy	-	1,575	1,575	1,234
Administration charge	-	3,382	3,382	3,222
Entertainment	1,524	-	1,524	-
<b>Total other costs</b>	6,645	4,957	11,602	9,484
<b>Total resources expended</b>	6,645	93,335	99,980	75,258