

MUIRKIRK ENTERPRISE GROUP
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st OCTOBER 2008

Company No. SC 238445
Charity No. SC 033676

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MUIRKIRK ENTERPRISE GROUP

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ADMINISTRATIVE INFORMATION

DIRECTORS

Mr J.P. Currie	Chairman
Mr. D. M. Ashcroft	Treasurer
Mrs M.S.M. Currie	Company Secretary
Mr W.D. Kirk	Vice Chairman
Mrs S.E. Essex	
Mr S. Hilditch	
Mr H. Moorhead	
Mr J.D. Smith	
Mrs M.G. Weir	
Ms V. Trotter	
Mr J. McLaren	

REGISTERED OFFICE

Garan House
26-28 Main Street
Muirkirk
KA18 3RA

INDEPENDENT EXAMINER

K. Tudhope C.A.
Kilmarnock

BANKERS

Clydesdale Bank plc
Cumnock

ANNUAL REPORT**FOR THE YEAR ENDED 31st OCTOBER 2008**

The Directors present their Report and Financial Statements for the year ended 31st October 2008.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company is incorporated as a company limited by guarantee without a share capital. The Company is a registered charity no. SC033676.

The directors of the company are local people who share a commitment in promoting the regeneration of the village of Muirkirk. Muirkirk Enterprise Group was started as an offshoot from Muirkirk Community Council in an effort to regenerate Muirkirk. Most of the Community Councillors are members of the group, which was formed after a public meeting, and the group is composed of all sections of the community and all meetings are advertised and open to any members of the public to attend.

Members of the Management Committee, who are the Directors for the purpose of Company Law and Trustees for the purpose of Charity Law, are listed on Page 1 of this Report. The members are appointed in accordance with the Company's Articles of Association.

OBJECTIVES AND ACTIVITIES

Muirkirk Enterprise Group (MEG) was set up in 1999 with the aim of regenerating Muirkirk which was, at one time, labelled the most socially deprived village in Scotland. The ongoing aim of MEG is to regenerate the whole village community to provide sustainability, respect and hope for the village for future generations.

Issues MEG had to address

Muirkirk is a rural village set in the border of East Ayrshire and South Lanarkshire with a population of around 1800. At one time Muirkirk was a hive of industry with coalmining, rail connections and ironworks.

The demise of the mines brought widespread unemployment and the village suffered from relatively high levels of poverty. Muirkirk was rated as one of the most deprived areas of Scotland by the Scottish Index of Multiple Deprivation 2003. At that time the village experienced an unemployment rate of 30 per cent.

MEG identified a number of local issues in consultation with the local community. These included:

- A lack of community facilities including provision for young people
- A need for local training for work
- A need for encouragement to seek work
- A need to improve the local environment
- The need to regenerate the local economy and attract inward investment.

MEG's approach to the issues

Muirkirk Enterprise Group designed and developed a large number of projects to improve the physical appearance of the village, encourage tourists and visitors, increase employment opportunities, improve community safety and create a community where people want to live.

Partnerships

The group is fully involved in partnership working with many public and private organisations including East Ayrshire Council, Scottish Natural Heritage, Scottish Coal, East Ayrshire Woodlands and Scottish Enterprise Ayrshire.

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FOR THE YEAR ENDED 31st OCTOBER 2008

ACHIEVEMENTS AND PERFORMANCE TO DATE:

- **Two community plantations** the Kirk plantation and the Community Plantation which are managed by East Ayrshire Woodland. These are complemented by a large number of paths and walkways.
- **Two heritage parks** with murals depicting the history of Muirkirk.
- **Three totem poles** depicting different aspects of community life. The pole in the centre of the village depicts the past industrial life of the village and another is the result of a competition by the local school and depicts Muirkirk through the eyes of our young people.
- **An audio tour guide of the village** the first of its kind in Scotland – which allows visitors to explore the village and its rich history at their own pace.
- **Annual walking festival** promoting the series of walks prepared within the village.
- **An Environmental Plastic Greenhouse** cared for by local school children. The local primary school have also formed a gardening class to allow them to grow plants for the greenhouse and heritage parks.
- **A bothy and bird hide** at the side of Glenbuck Loch and a further bothy at the Walker's car park.
- **The establishment of a caravan park** with plans to build chalets to boost tourist accommodation.
- **The refurbishment of buildings** including accommodation for the Scottish Coal headquarters, a beautician, a new fish and chip shop and a bakers shop. Muirkirk Enterprise Group also provide accommodation for a weekly Citizens Advice Bureau, a Job Action Team which has been highly successful in helping people access work and training courses for PSV and HGV licences, and support for travelling to work outwith the village.
- **Support for a diverse range of groups and activities within the village** including a local learning group for anyone who wishes to learn new computer skills and a snooker club attracting young people.
- **The construction of a skateboard park in 2006** designed in consultation with local young people.
- **An outdoor sports complex** designed and built by the Muirkirk Enterprise Group, with facilities for tennis, volleyball, netball and basketball. Managed by East Ayrshire Council, the complex continues to prove popular with many people travelling from outwith the village to use the facilities.
- **The construction of a cairn** to commemorate the Life & Works of Sir Thomas Symington who was born and raised in Muirkirk
- **Dry Stane Dyke Projects (2008)** - Muirkirk Enterprise Group was awarded Big Lottery funding for Dry Stane Dyke projects opposite the cemetery and beside the Kirk Plantation and that project was completed in 2008.
- **Building of roadside signage** at each of the 3 main entrances to the village, in the style of the Dry Stane Dyke

ANNUAL REPORT**FOR THE YEAR ENDED 31st OCTOBER 2008****ACHIEVEMENTS AND PERFORMANCE (ctd.)****Evidence of success**

- Muirkirk is now a place where people want to live; a few years ago it was almost impossible to sell houses in the area, now all houses that are on the market are sold almost immediately.
- In 2003, 30 per cent of the population was unemployed, by 2005 this figure had fallen to 10 per cent.
- The local crime rate has dropped dramatically in recent years.
- It is estimated that in 2008 around 5000 tourists visited Muirkirk to see the various attractions
- Muirkirk's regeneration has attracted private investment with a building project by M.P.V. A number of other house building projects are at various stages of planning.
- In 1999 Muirkirk won the Scottish Calor Gas Community of the Year Award for Community Life.
- In 2000 Muirkirk was highly commended in both the Business and Elderly sections of the Scottish Calor Gas Awards.
- In December 2005 Muirkirk was commended in the Environment, Business and Older People categories of the Calor Scottish Community of the Year Awards.
- In November 2006 Muirkirk was commended in the Communications category of the Calor Scottish Community of the Year Awards.
- Our founder and chairman, Jim Currie, was awarded an MBE in the 2008 New Year's Honours list for services to the community of Muirkirk. This richly deserved accolade reflects the work put in by Jim in particular, but also the work of all of the volunteer members of MEG who have contributed to our success.

FINANCIAL REVIEW

Having spent the funds received in 2007 which were earmarked for specific purposes, mainly for the Dry Stane Dyke project, the Company made a deficit for the year of £16,370 (2007 - surplus £18,548) and the funds carried forward to further benefit the village and its community were £98,713 (2007 - £115,083). The Company continues to benefit from grant support from a number of bodies as shown on page 10.

INVESTMENT POLICY

The directors have considered the most appropriate policy for investing surplus funds, other than holding a prudent level of cash on deposit, is in property which can in turn be used for the benefit of the community

RESERVES POLICY

It is the policy of the Company to maintain unrestricted funds at a level to provide sufficient funds to cover management, administration and support costs to ensure the continuation of the Group in the medium term.

PLANS FOR FUTURE PERIODS

The Company plans to continue the activities outlined above in future years subject to obtaining sufficient funding.

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FOR THE YEAR ENDED 31ST OCTOBER 2008

DIRECTORS' RESPONSIBILITIES

Legislation requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Group and of the surplus or deficit of the Trust for that period. In preparing those Financial Statements, the Directors are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements.;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the Group will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the Financial Statements comply with appropriate legislation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

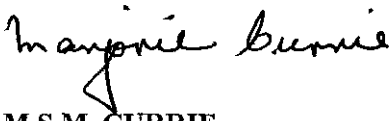
MEMBERS OF THE MANAGEMENT BOARD

The members of the management board are the directors listed on page 1.

SMALL COMPANY EXEMPTIONS

This Report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD



MRS M.S.M. CURRIE
Secretary

29TH January 2009

REPORT OF THE INDEPENDENT EXAMINER**FOR THE YEAR ENDED 31st OCTOBER 2008****Respective responsibilities of trustees and examiner**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the Accounts Regulations does not apply. It is my responsibility to examine the accounts as required under section 44(1) (c) of the Act and to state whether particular matters have come to my attention.

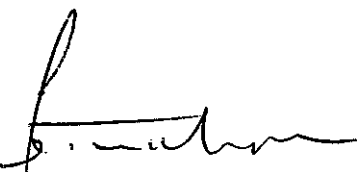
Basis of independent examiner's statement

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In the course of my examination, no matter has come to my attention which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with Section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
 - to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations
- have not been met.



K.W.M. TUDHOPE
Chartered Accountant

Kilmarnock,

29th January 2009

INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31st OCTOBER 2008

	Notes	2008 Restricted Funds £	2008 Unrestricted Funds £	2008 Total £	2007 £
Incoming Resources					
Incoming resources from charitable activities	2	27,714	800	28,514	25,583
Voluntary Income			2,642	2,642	1,369
Investment Income			12,198	12,198	10,374
Total Incoming Resources		27,714	15,640	43,354	37,326
Resources Expended					
Charitable Activities	3	45,293	13,931	59,224	18,278
Governance Costs	5	-	500	500	500
Total Resources Expended		45,293	14,431	59,724	18,778
Net income/(expenditure) for the year		(17,579)	1,209	(16,370)	18,548
Transfer between funds		-	-	-	-
Funds brought forward		17,579	97,504	115,083	96,535
Funds carried forward		-	98,713	98,713	115,083

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

BALANCE SHEET

AS AT 31st OCTOBER 2008

	Notes	£	2008 £	£	2007 £
FIXED ASSETS					
Tangible Fixed Assets	6	23,163		23,163	
Investments	7	<u>50,000</u>		<u>50,000</u>	
			73,163		73,163
CURRENT ASSETS					
Cash at Bank		22,590		46,408	
Debtors		<u>3,460</u>		<u>-</u>	
		26,050		46,408	
CURRENT LIABILITIES					
Creditors	8	<u>(500)</u>		<u>(4,488)</u>	
NET CURRENT ASSETS			<u>25,550</u>		<u>41,920</u>
TOTAL ASSETS					
LESS CURRENT LIABILITIES			<u>98,713</u>		<u>115,083</u>
FUNDS					
Restricted Funds		-		17,579	
Unrestricted Funds		<u>98,713</u>		<u>97,504</u>	
TOTAL FUNDS			<u>98,713</u>		<u>115,083</u>

In approving these Financial Statements, as Directors of the Company, we hereby confirm:-

- (a) that for the year ended 31st October 2008 the Company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985.
- (b) that no notice has been deposited at the Registered Office of the Company pursuant to Section 249B(2) requesting that an audit be conducted for the year ended 31st October 2008.
- (c) that we acknowledge our responsibilities for:-
 - (i) ensuring that the Company keeps accounting records which comply with Section 221; and
 - (ii) preparing Financial Statements which give a true and fair view of the state of affairs of the Company as at the end of the financial year and of its surplus/(deficit) for the year then ended in accordance with the requirements of Section 226 and which otherwise comply with the provisions of the Companies Act relating to Financial Statements, so far as applicable to the Company.

These Financial Statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

The Financial Statements were approved by the Board on 29th January 2009 and are signed on its behalf by:-

Director *William R Kirk*

DIRECTOR WILLIAM D KIRK

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st OCTOBER 2008

1. ACCOUNTING POLICIES

Basis of Accounting

The Financial Statements have been prepared under the historical cost convention and in accordance with applicable accounting standards in the United Kingdom, the Companies Act 1985 and the Statement of Recommended Practice - Accounting and Reporting by Charities (2006).

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the Group's general objectives

Designated funds are unrestricted funds which have been earmarked by the Management Committee for particular purposes.

Restricted funds are subject to restrictions on the purpose to which grants and/or donations are used as specified by the provider or donor.

Incoming Resources

All incoming resources are included in the Statement of Financial Activities where the Group is entitled to receive income and the amount can be quantified with reasonable accuracy.

Resource Expended

Expenditure is recognised on an accrual basis as a liability is incurred.

Charitable Expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and costs of an indirect nature necessary to support them.

Governance Costs include those costs associated with meeting the constitutional and statutory requirements of the charity.

Taxation

The Company is regarded as a charity for taxation purposes under Section 505 Income and Corporation Taxes Act 1988.

Freehold land

Freehold land is shown at cost. No depreciation is charged in accordance with the Statement of Recommended Practice.

Investments

Investments are shown at estimated market value in accordance with the Statement of Recommended Practice. Any gains or losses are recognized at the point of sale; unrealised gains and losses from changes in market value will be shown in an Investment Revaluation Reserve.

NOTES TO THE ACCOUNTS (Contd.)

FOR THE YEAR ENDED 31st OCTOBER 2008

2. GRANTS RECEIVED

	Unrestricted 2008 £	Restricted 2008 £	Total £	2007 £
Awards for All	-	7,814	7,814	-
Cumnock & Doon Valley Minerals Trust	-	1,400	1,400	-
East Ayrshire Council	-	1,200	2,350	3,465
Infinis	-	-	800	-
Lottery Fund	-	17,300	17,300	17,300
Scottish Executive – Burns memorial	-	-	-	4,818
	800	27,714	28,514	25,583

3. DIRECT CHARITABLE EXPENDITURE

	Unrestricted 2008 £	Restricted 2008 £	Total £	2007 £
Staff Costs – Cleaner	840	-	840	700
Skateboard Park	836	2,532	3,368	3,285
Plaques, Banners & Signs	-	7,157	7,157	1,400
Merchandise	1,005	-	1,005	400
Printing, Stationery & Telephone	817	-	817	695
Heat & Light	(1,777)	-	(1,777)	1,807
Rent & Rates	1,010	-	1,010	995
Insurance	381	-	381	346
Repairs & Maintenance	5,251	-	5,251	1,490
Sundry	1,752	-	1,752	1,444
Project Manager	170	-	170	164
Subscriptions	302	-	302	400
Burns Memorial Bust	-	-	-	4,539
Dry Stane Dyke Project	3,344	34,600	37,944	-
Community Activities	-	1,004	1,004	267
	13,931	45,293	59,224	18,278

NOTES TO THE ACCOUNTS (Contd.)

FOR THE YEAR ENDED 31st OCTOBER 2008

4. TRUSTEE REMUNERATION AND EXPENSES

No Trustees received any remuneration or were paid any expenses.

5. GOVERNANCE COSTS

Accountancy	<u>500</u>	<u>500</u>
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6. TANGIBLE FIXED ASSETS

	Land	Property
	£	£
Cost		
At 1 st November 2007 and 31 st October 2008	<u>17,000</u>	<u>6,163</u>

Land at 15/21 Main Street Muirkirk was donated by the previous non-incorporated group on incorporation of Muirkirk Enterprise Group.

Cumnock & Doon Valley Minerals Trust holds a Standard Security over 15/21 Main Street & 26/28 Main Street Muirkirk. East Ayrshire Council holds a Standard Security over 23A Pagan Walk and 23B Pagan Walk, Muirkirk.

7. INVESTMENTS

	Garan House
	£
Market Value	
At 1 st November 2007 and 31 st October 2008	<u>50,000</u>

The property has been classified as being held for investment purposes. Its main purpose is to enhance the village of Muirkirk and to offer office/retail accommodation from which rental income is generated. It was valued at £50,000 by Bell Ingram Ayrshire Limited on 13th August 2004. In the opinion of the directors the market value has not materially changed since then. Cumnock & Doon Valley Minerals Trust holds a Standard Security over the property.

8. CREDITORS

Accrued Charges	<u>500</u>	<u>4,488</u>
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9. RELATED PARTY TRANSACTIONS

There were no transactions in the year with parties related to any director.

NOTES TO THE ACCOUNTS (Contd.)

FOR THE YEAR ENDED 31st OCTOBER 2008

10. FUNDS

	Balance b/f £	Incoming Resources £	Outgoing Resources £	Balance 31 October 2008 £
Restricted Funds				
Scottish Executive	279	-	279	-
Lottery Fund	17,300	17,300	34,600	-
Other Grants	-	10,414	10,414	
Unrestricted Funds				
General Funds	97,504	15,640	14,431	98,713
	<u>115,083</u>	<u>43,354</u>	<u>59,724</u>	<u>98,713</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
Fixed Assets	73,163	-	73,163	73,163
Net Current Assets	25,550	-	25,550	41,920
	<u>98,713</u>	<u>-</u>	<u>98,713</u>	<u>115,083</u>