

REGISTERED COMPANY NUMBER: SC238445 (Scotland)
REGISTERED CHARITY NUMBER: SC033676

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 October 2019
for
Muirkirk Enterprise Group

WR Accountants

Bank Chambers
31 The Square
Cumnock
Ayrshire
KA18 1AT



Muirkirk Enterprise Group

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for the Year Ended 31 October 2019

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Muirkirk Enterprise Group

Report of the Trustees for the Year Ended 31 October 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 October 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of the charity as expressed in its Memorandum and Articles of Association are:

- the promotion for the public benefit of rural regeneration in the area of social and economic deprivation of Muirkirk.
- to provide sustainability, respect and hope for the village for future generations.
- the maintenance, improvement or provision of public amenities over and above that which is the statutory obligation of the local authority to provide.
- the provision of recreational facilities for the public at large.
- the protection of conservation of the environment.
- the promotion, establishment and operation of other schemes of a charitable nature for the benefit of the community.

Significant activities

In pursuance of those aims the charity will:

- invest in land and property that can be used for the benefit of the community.
- manage a nearly new shop which facilitates the recycling of goods and provides a viable source of income for the group.
- design and develop projects to improve the physical appearance of the village.
- work in partnership with public and private organisations such as East Ayrshire Council, Scottish Natural heritage and Scottish Coal.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the year ended 2019 the directors of MEG have worked tirelessly and hard to continue to improve and develop the charity's aims and objectives.

the Hub facility is now available to the community, it has a flexible modern space and kitchen available for the community whilst also providing a modern library and Gym.

Raising funds

The charitable activities of the group continue to be supported by the work of the nearly new shop which through recycling unwanted goods to raise charitable funds provides essential cashflow and helps the village become more environmentally friendly location, while helping Muirkirk residents acquire nearly new goods at reasonable prices. Funds have also been raised through the new Hub, primarily Gym memberships and use of the kitchen facilities.

FINANCIAL REVIEW

Financial position

The financial results are set out in the attached financial statements.

Investment policy and objectives

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

Reserves policy

The trustees aim to hold sufficient Unrestricted General Funds to ensure the charitable company is on a sound financial footing.

Muirkirk Enterprise Group

Report of the Trustees for the Year Ended 31 October 2019

FINANCIAL REVIEW

Going concern

The financial statement have been prepared on the going concern basis. The Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The Unrestricted General Fund has a surplus which can be utilised to assist its operations. There are no material uncertainties about the charity's ability to continue as a going concern.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Muirkirk Enterprise Group is a company limited by guarantee not having a share capital and is regulated by its Memorandum and Articles of Association. The company is registered with the Office of the Scottish Charity Regulator and has charitable status.

Recruitment and appointment of new trustees

The appointment and removal of Trustees are as set in the Articles of Association. The minimum number of trustees as set out in the Articles of Association is two, there is no maximum number (subject to any amendment permitted by ordinary resolution).

The Trustees of the company are local people who share a commitment in promoting the regeneration of the village of Muirkirk. The group is composed of all sections of the community and all meetings are advertised and open to any member of the public to attend.

Decision making

The trustees are responsible for the decisions as to the direction and strategy of the charity.

Induction and training of new trustees

Induction and training as required is given to new trustees by the serving trustees.

Key management remuneration

The trustees are the key management of the charity being responsible for the decisions as to the direction and strategy of the charity. They receive no remuneration for their role as a trustee.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

SC238445 (Scotland)

Registered Charity number

SC033676

Registered office

Garan House
26-28 Main Street
Muirkirk
Cumnock
KA18 3RA

Muirkirk Enterprise Group

Report of the Trustees
for the Year Ended 31 October 2019

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

W D Kirk

H Moorhead

Miss D Trotter

Miss J Trotter

Mrs H Morrison

A P Young

Ms S Dempster

- resigned 16.9.19

Ms C M Hunter

- resigned 18.2.19

T D Bark

D D McLatchie

Ms J Linton

Ms K M Hignett

D R Norman

Company Secretary

W D Kirk

Independent examiner

W Russell Cowan

ICAS

WR Accountants

Bank Chambers

31 The Square

Cumnock

Ayrshire

KA18 1AT

Approved by order of the board of trustees on 30 July 2020 and signed on its behalf by:



A P Young - Trustee

Independent Examiner's Report to the Trustees of
Muirkirk Enterprise Group

I report on the accounts of the Society for the year ended 31 December 2019.

Respective responsibilities of Members of the Committee and examiner

The charity's Members of the Committee are responsible for the preparation of the accounts in accordance with the terms of the Charities Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The charity's Members of the Committee consider that the audit requirement of Regulation 10(1) (d) 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 matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006. An examination includes 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 of disclosures in the accounts and seeks explanations from the charity's Members of the Committee concerning 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

1. 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 and Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 9 of the 2006 Accounts Regulations

have not been met or,

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



W Russell Cowan
ICAS
WR Accountants
Bank Chambers
31 The Square
Cumnock
Ayrshire
KA18 1AT

30 July 2020

Muirkirk Enterprise Group

Statement of Financial Activities
for the Year Ended 31 October 2019

	Notes	Unrestricted fund £	Restricted fund £	31.10.19 Total funds £	31.10.18 Total funds £
INCOME AND ENDOWMENTS FROM					
Other trading activities	2	14,366	10,601	24,967	14,771
Total		14,366	10,601	24,967	14,771
EXPENDITURE ON					
Raising funds		3,828	1,304	5,132	13,376
Charitable activities					
Regeneration of Muirkirk		8,878	835	9,713	6,395
Total		12,706	2,139	14,845	19,771
NET INCOME/(EXPENDITURE)		1,660	8,462	10,122	(5,000)
RECONCILIATION OF FUNDS					
Total funds brought forward		142,645	3,862	146,507	151,507
TOTAL FUNDS CARRIED FORWARD		144,305	12,324	156,629	146,507

The notes form part of these financial statements

Muirkirk Enterprise Group

Balance Sheet

At 31 October 2019

	Notes	Unrestricted fund £	Restricted fund £	31.10.19 Total funds £	31.10.18 Total funds £
FIXED ASSETS					
Tangible assets	6	71,865	7,455	79,320	71,809
Investment property	7	50,000	-	50,000	50,000
		<u>121,865</u>	<u>7,455</u>	<u>129,320</u>	<u>121,809</u>
CURRENT ASSETS					
Debtors	8	1,676	-	1,676	2,178
Cash at bank and in hand		21,723	4,868	26,591	23,386
		<u>23,399</u>	<u>4,868</u>	<u>28,267</u>	<u>25,564</u>
CREDITORS					
Amounts falling due within one year	9	(959)	1	(958)	(866)
NET CURRENT ASSETS		<u>22,440</u>	<u>4,869</u>	<u>27,309</u>	<u>24,698</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>144,305</u>	<u>12,324</u>	<u>156,629</u>	<u>146,507</u>
NET ASSETS		<u>144,305</u>	<u>12,324</u>	<u>156,629</u>	<u>146,507</u>
FUNDS	10				
Unrestricted funds				144,305	142,645
Restricted funds				12,324	3,862
TOTAL FUNDS				<u>156,629</u>	<u>146,507</u>

The notes form part of these financial statements

Muirkirk Enterprise Group

Balance Sheet - continued

At 31 October 2019

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 October 2019.

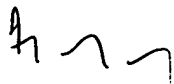
The members have not required the company to obtain an audit of its financial statements for the year ended 31 October 2019 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 30 July 2020 and were signed on its behalf by:



A P Young -Trustee

W D Kirk -Trustee



The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets

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

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

2. OTHER TRADING ACTIVITIES

	31.10.19	31.10.18
	£	£
Shop income	9,241	8,669
Gym Memberships	3,370	-
Health & Social Care Partnership (Hub)	10,600	2,000
Kitchen Equipment (Hub)	-	2,000
Information Office - Rent/Lets	1,437	1,999
Plantations - Scottish Power Pylon Rental	39	39
Donations	280	64
	<u>24,967</u>	<u>14,771</u>

3. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.10.19	31.10.18
	£	£
Depreciation - owned assets	<u>835</u>	<u>-</u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 October 2019 nor for the year ended 31 October 2018.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 October 2019 nor for the year ended 31 October 2018.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Other trading activities	10,771	4,000	14,771
Total	<u>10,771</u>	<u>4,000</u>	<u>14,771</u>
EXPENDITURE ON			
Raising funds	12,613	763	13,376
Charitable activities			
Regeneration of Muirkirk	5,908	487	6,395
Total	<u>18,521</u>	<u>1,250</u>	<u>19,771</u>
NET INCOME/(EXPENDITURE)	<u>(7,750)</u>	<u>2,750</u>	<u>(5,000)</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	150,395	1,112	151,507
TOTAL FUNDS CARRIED FORWARD	<u>142,645</u>	<u>3,862</u>	<u>146,507</u>

6. TANGIBLE FIXED ASSETS

COST

At 1 November 2018 and 31 October 2019

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

The group have received various grants to enable them to acquire the land held as assets. These grants become repayable in the event of the land being sold. The following standard securities are held over the assets:

Asset:	Security Held By:	Grant Repayable
Smallburn & Community Woodlands	EB Scotland	£19,230
Heritage Park: 15-21 Main Street	Cumnock & Doon Valley Minerals Trust	£15,000

7. INVESTMENT PROPERTY

	Property £
Market Value at 1st November 2017 and 31st October 2018	50,000

The property (Garan House) 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 by Bell Ingram Ayrshire Limited on 13th August 2004. In the opinion of the Trustees the market value has not materially changed since then.

Cumnock & Doon Valley Minerals Trust holds a standard security over the property. Should the property be sold their original grant of £27,500 is repayable.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.19 £	31.10.18 £
Accrued Income	-	146
Prepayments	<u>1,676</u>	<u>2,032</u>
	<u>1,676</u>	<u>2,178</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.10.19 £	31.10.18 £
Deferred Income	-	266
Accrued expenses	958	600
	<u>958</u>	<u>866</u>

10. MOVEMENT IN FUNDS

	At 1.11.18 £	Net movement in funds £	At 31.10.19 £
Unrestricted funds			
General fund	142,645	1,660	144,305
Restricted funds			
East Ayrshire Council Participatory Budget	3,862	8,462	12,324
TOTAL FUNDS	<u>146,507</u>	<u>10,122</u>	<u>156,629</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	14,366	(12,706)	1,660
Restricted funds			
East Ayrshire Council Participatory Budget	10,601	(2,139)	8,462
TOTAL FUNDS	<u>24,967</u>	<u>(14,845)</u>	<u>10,122</u>

Comparatives for movement in funds

	At 1.11.17 £	Net movement in funds £	At 31.10.18 £
Unrestricted Funds			
General fund	150,395	(7,750)	142,645
Restricted Funds			
East Ayrshire Council Participatory Budget	1,112	2,750	3,862
TOTAL FUNDS	<u>151,507</u>	<u>(5,000)</u>	<u>146,507</u>

Notes to the Financial Statements - continued
for the Year Ended 31 October 2019

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	10,771	(18,521)	(7,750)
Restricted funds			
East Ayrshire Council Participatory Budget	4,000	(1,250)	2,750
TOTAL FUNDS	<u>14,771</u>	<u>(19,771)</u>	<u>(5,000)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.11.17 £	Net movement in funds £	At 31.10.19 £
Unrestricted funds			
General fund	150,395	(6,090)	144,305
Restricted funds			
East Ayrshire Council Participatory Budget	1,112	11,212	12,324
TOTAL FUNDS	<u>151,507</u>	<u>5,122</u>	<u>156,629</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	25,137	(31,227)	(6,090)
Restricted funds			
East Ayrshire Council Participatory Budget	14,601	(3,389)	11,212
TOTAL FUNDS	<u>39,738</u>	<u>(34,616)</u>	<u>5,122</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 October 2019.

Muirkirk Enterprise Group

Detailed Statement of Financial Activities
for the Year Ended 31 October 2019

	31.10.19 £	31.10.18 £
INCOME AND ENDOWMENTS		
Other trading activities		
Shop income	9,241	8,669
Gym Memberships	3,370	-
Health & Social Care Partnership (Hub)	10,600	2,000
Kitchen Equipment (Hub)	-	2,000
Information Office - Rent/Lets	1,437	1,999
Plantations - Scottish Power Pylon Rental	39	39
Donations	280	64
	<hr/>	<hr/>
	24,967	14,771
Total incoming resources	<hr/>	<hr/>
	24,967	14,771
EXPENDITURE		
Other trading activities		
Hub - Cookery Club/Kitchen	1,380	-
Hub - Gym	664	-
Garan House Repairs	765	10,780
Heat & Light	1,418	1,442
Rent & Rates	406	396
Insurance	499	758
	<hr/>	<hr/>
	5,132	13,376
Charitable activities		
Grants to individuals	700	1,254
Support costs		
Management		
Rent & Rates	1,140	557
Insurance	3,306	2,184
Light and heat	426	12
Repairs and Maintenance	1,406	952
Skateboard Park	150	383
Subscriptions	38	38
Sundries	551	530
Bank Charges	-	(15)
Plant and machinery	606	-
Fixtures and fittings	229	-
	<hr/>	<hr/>
	7,852	4,641

This page does not form part of the statutory financial statements

• Muirkirk Enterprise Group

Detailed Statement of Financial Activities
for the Year Ended 31 October 2019

	31.10.19 £	31.10.18 £
Governance costs		
Accountancy and legal fees	1,161	500
Total resources expended	14,845	19,771
Net income/(expenditure)	10,122	(5,000)

This page does not form part of the statutory financial statements