

Company Registration No SC 284546(Scotland)

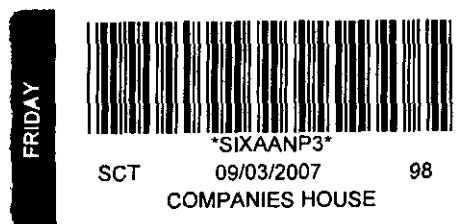
AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

(a company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2006

Scottish Charity No. : SC 036623



AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

COMPANY INFORMATION

Directors	Listed on Directors' Report
Secretary	Neil McGhee
Company number	SC 284546
Registered office	18 Well Road Auchinleck KA18 2LA
Reporting Accountants	JRD Partnership 11 Portland Road Kilmarnock KA1 2BT
Business address	18 Well Road Auchinleck KA18 2LA
Bankers	Bank of Scotland 43/45 Townhead Street Cumnock KA18 1LF

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

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AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2006

The directors present their report and audited financial statements for the period ended 30 June 2006. The Board considers that the following report on pages I – IV represents the directors' report required by the Companies Act 1985 and also the trustees' report required by Scottish charities legislation and the Statement of Recommended Practice – Accounting By Charities issued in March 2005.

Legal and Administrative Information

Constitution

The company was incorporated on 10 May 2005 and took over the activities of the former unincorporated trust of the same name, from that date. The company is recognised by the relevant authorities as a Scottish charity. A copy of the company's Memorandum and Articles of Association, which deal with the appointment and termination of directors, restrictions imposed on the company and powers of investment, among other matters, is available from the directors at the registered office.

Board of Directors

The following directors were appointed on incorporation and served throughout the period unless otherwise noted.

Rhoda Marjorie Clelland (appointed 21/7/05)
John Smillie (appointed 20/4/06)
Robin Ghosh (appointed 20/4/06)
Alex Gemmell (appointed 16/5/06)
George Laughlan (resigned during period)
Evelyn Robertson (resigned during period)
Daniel Gemmell (resigned during period)

Neil McGhee has been appointed since the balance sheet date.

Reporting Accountant

JRD Partnership Chartered Accountants were appointed as Reporting Accountant of the company's financial statements during the period, having previously acted for the former unincorporated trust, and stand for reappointment at the charity's forthcoming AGM.

Structure, Governance and Management

Recruitment and Appointment of Trustees

Directors are appointed in accordance with the company's constitution.

Induction and Training of Trustees

This is currently under development by the Board.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2006

Organisational Structure

The Board is responsible for policy decisions and ensuring that the company operates within its constitution. Regular meetings are held to effect policy decisions. Directors are trustees in law for the charity and have a fiduciary responsibility over its assets and finances. There are currently no employees but one member of staff is employed through BTCV and is supported by part time staff on job creation schemes. All other activities are carried out by the directors and community volunteers.

Related Parties

There were no transactions during the period between the charity and a related party of any trustee.

Risk Assessment

In common with many third sector organisations, the trustees consider the key risk to the charity to be the uncertainty of guaranteed funding beyond a relatively short period.

Objectives and Activities

Objectives

The company's principal activity is the promotion of community development, health and environmental improvement initiatives in Auchinleck.

Aims

The Directors see their role as encouraging the regeneration of Auchinleck, through a range of activities including community gardening and youth engagement projects.

Objectives for the Period

- The propagation of plants for the beautification of the village, and sale at attractive process to local residents
- The design and construction of five community garden projects
- Support of Eco-garden projects at Auchinleck Schools
- Co-operation with residents of Sorn Road in the provision of planters on the streetscape

Strategies

A specialist volunteering organisation (BTCV) has been contracted to lead the day to-day community engagement activities, supported by EAC Community planning partners, Ayrshire Key Fund, Forward Scotland, Cumnock & Doon Valley Minerals Trust and Barr Ltd.

Significant Activities

This was a significant period for the charity as it saw the beginning of the transition from one site to multiple improvement sites. Extensive community consultation took place regarding the location and design of community garden sites.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2006

Achievements and Performance

Grant funding totaling £120,000 was awarded to the charity during the period for the Community Gardening Initiative. A full time Project Officer was recruited by BTCV and Cumnock and Doon Valley Minerals Trust provided a new van specially designed to facilitate community gardening. Over 2000 plants were raised in the geodome and 120 hanging baskets were filled for public display or sold to local residents. Contributions from residents and local businesses for this activity exceeded £2,000

Financial Review

Reserves policy

There is a small underspend for the year and the unrestricted general fund carried forward primarily represents funds transferred to the company at commencement from the former unincorporated body (£4,722)

Principle Funding Sources

- East Ayrshire Community Planning Partnership
- East Ayrshire Council
- Forward Scotland (Transforming Yours Space scheme)
- Ayrshire Key Fund
- Cumnock and Doon Valley Minerals Trust
- Barr Limited

Review of Financial Period

An apparent surplus of £11,901 is primarily due to the accounting treatment of a donated vehicle (£10,500 after depreciation). This is separately allocated to a designated fund in the SoFA (note 9)

Investment Policy and Objectives

The charity invests in programmes which will improve the look and feel of Auchinleck, while encouraging its citizens to improve their locality and quality of life

Future Plans

The Community Gardening Initiative's five initial sites will be completed in the next financial year. The charity will seek additional resources to maintain and enhance these sites as well as considering additional sites. Staff will continue to work with all three schools and their Eco-Garden programmes. ACDI will seek to build up a portfolio of assets by applying for funding to the Growing Community Assets Fund. Possible projects include a dedicated youth café, a tenant garden improvement scheme, youth training and diversion projects, community woodland project and possible community enterprises

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 JUNE 2006

Directors' Responsibilities

The directors are required to prepare accounts for each financial period which show a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period, which have been properly prepared from and are in agreement with the accounting records and which comply with relevant disclosure regulations. In preparing these accounts, the directors are required to

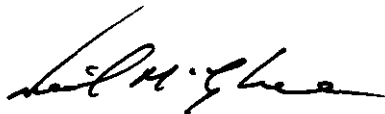
- Select suitable accounting policies and apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- Follow applicable accounting standards subject to any material departures disclosed and explained in the accounts, and
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the organisation will continue its activities

The directors are required to act in accordance with the constitution and within the framework of relevant charity legislation. They are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the charity's financial position, and to enable them to ensure that the accounts comply with the applicable requirements of the following

- Law Reform (Miscellaneous Provisions) (Scotland) Act 1990
- The Companies Act 1985
- Statement of Recommended Practice Accounting and Reporting By Charities ('SORP 2005')

The directors have the responsibility for taking reasonable steps to safeguard the assets of the charity and to prevent and detect fraud and other irregularities

Approved by the Board on 7 March 2007 and signed on its behalf by



Neil McGhee
Director

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

ACCOUNTANTS REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL STATEMENTS OF AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

We report on the financial statements for the period ended 30 June 2006 set out on pages 2 to 8

Respective responsibilities of directors and reporting accountants

As described on the directors' report, the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. In accordance with their instructions and in order to assist them to fulfil their responsibilities, we have prepared the financial statements on pages 2 to 8 from the accounting records and information supplied to us. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the period specified in section 249A(4) of the Act as modified by section 249a(5) and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)



JRD Partnership

Reporting Accountants

8 March 2007

**JRD Partnership
Chartered Accountants
11 Portland Road
KILMARNOCK
KA1 2BT**

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 30 JUNE 2006

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
Incoming Resources				
Incoming resources from generated funds				
Voluntary income			14,000	14,000
Investment income		85		85
Incoming resources from charitable activities	30,000	4,886	-	34,886
Other incoming resources		2,074	-	2,074
Total Incoming Resources	30,000	7,045	14,000	51,045
Resources Expended				
Costs of generating funds				
Charitable activities	29,885	5,289	3,500	38,674
Governance costs		470		470
Total Resources Expended	29,885	5,759	3,500	39,144
Net Incoming/(Outgoing) Resources Before Transfers	115	1,286	10,500	11,901
Gross transfers between funds		-		
Net Movement In Funds	115	1,286	10,500	11,901
Total funds brought forward		4,722		4,722
Fund Balances Carried Forward	115	6,008	10,500	16,623

An analysis of Incoming Resources and Resources Expended is included at Note 9 to the financial statements

Resources expended are allocated to the above cost categories on the basis of the accounting policy disclosed at Note 1 (d) to the financial statements

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

BALANCE SHEET AS AT 30 JUNE 2006

		2006	
	Notes	£	£
Fixed Assets	5		10,500
Current assets			
Cash at bank and in hand	6	6,593	
		<u>6,593</u>	
Creditors amounts falling due within one year	7	<u>(470)</u>	
Net current assets			<u>6,123</u>
Total assets less current liabilities			<u><u>16,623</u></u>
Funds			
Restricted Funds	8/9		115
Unrestricted Funds	8/9		6,008
Designated Funds	8/9		10,500
			<u><u>16,623</u></u>

In preparing these financial statements

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985,
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts 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 profit or loss for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies

The financial statements were approved by the Board on 7 March, 2007
and signed on its behalf by



Neil McGhee
Director

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 30 JUNE 2006

		2006	
	Notes	£	£
Income			
Grants and donations	9	34,886	
Asset donated from Minerals Trust	9	14,000	
Other income	9	2,074	
Bank interest	9	<u>85</u>	
			51,045
Expenditure			
Building Materials		432	
Plants		1,984	
Insurance		696	
Light and heat		164	
Advertising		1,077	
Motor expenses		208	
Training		110	
Events and hospitality		529	
Sundry expenses		89	
Reporting Accountant's fees		470	
British Trust for Conservation Volunteers		29,885	
Depreciation	5	<u>3,500</u>	
			<u>39,144</u>
Surplus/(Deficit)			<u><u>11,901</u></u>

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2006

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or grantor.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income.

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a special performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2006

1 Accounting policies (continued)

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred

Costs of generating funds comprise the costs associated with attracting voluntary income and grants

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 those costs of an indirect nature necessary to support them

Governance costs includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the Reporting Accountant's fees and costs linked to the strategic management of the charity which are voluntary other than Directors' travelling expenses reimbursed

All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis such as staff time pro rata

(e) Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. Minor additions costing below £250 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which is estimated at 4 years

2 Staff costs and numbers

The average number of employees during the period was nil

3 Trustee Remuneration and Related Party Transactions

No Directors received any remuneration during the year. Expenses amounting to £50 were reimbursed to directors

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2006

4 Taxation

The company is recognised by the Inland Revenue as a charity and no corporation tax liability arises. The company is not VAT registered and irrecoverable VAT is allocated to the relevant category of expenditure.

5 Tangible fixed assets

	Total £
Cost	
At 10 May 2005	
Donated by Minerals Trust	14,000
At 31 March 2006	<u>14,000</u>
Depreciation	
At 29 March 2005	
Charge for the year	3,500
At 31 March 2006	<u>3,500</u>
Net book value	
At 31 March 2006	<u><u>10,500</u></u>

All assets are considered by the Directors to be used for charitable purposes.

6 Bank and cash balances

	2006 £
Bank current account	<u>6,593</u>
	<u><u>6,593</u></u>

7 Creditors : amounts falling due within one year

	2006 £
Accrued charges	<u>470</u>
	<u><u>470</u></u>

8 Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
Fixed Assets			10,500	10,500
Current Assets	115	6,478		6,593
Current Liabilities		(470)		(470)
Net Assets	<u><u>115</u></u>	<u><u>6,008</u></u>	<u><u>10,500</u></u>	<u><u>16,623</u></u>

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 30 JUNE 2006

9 Analysis of Statement of Financial Activities

	Restricted Fund £	Unrestricted General Fund £	Designated Fund £	Total Funds £
Incoming Resources				
<u>Incoming resources from generated funds:</u>				
<i>Voluntary income</i>				
Donations and grants			14,000	14,000
<i>Investment income</i>				
Bank Interest		85		85
<u>Incoming resources from charitable activities:</u>				
East Ayrshire Council CPP (CRF)	30,000	4,886		34,886
	30,000	4,886	-	34,886
 Sundry income		2,074		2,074
	-	2,074	-	2,074
 Total Incoming Resources	30,000	7,045	14,000	51,045
 Resources Expended				
<u>Cost of generating funds:</u>				
Costs of generating grant income from charitable activities				-
 <u>Charitable activities:</u>				
Grants payable				-
Charitable expenditure	29,885	4,561	3,500	37,946
Support costs		728		728
 Governance costs		470		470
 Total Resources Expended	29,885	5,759	3,500	39,144
 Net Incoming/(Outgoing) Resources Before Transf	115	1,286	10,500	11,901
 Transfer between funds				
 Net Movement In Funds	115	1,286	10,500	11,901
 Total funds transferred from former unincorporated		4,722		4,722
 Fund Balances Carried Forward	115	6,008	10,500	16,623