

**Company Registration No SC 284546(Scotland)**

**AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE**

**(a company limited by guarantee)**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2007**

**Scottish Charity No. : SC 036623**



## AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

### COMPANY INFORMATION

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

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# AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

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# **AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2007**

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The directors present their report and audited financial statements for the year ended 30 June 2007. 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 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 served throughout the period unless otherwise noted:

Rhoda Marjorie Clelland  
John Smillie  
Robin Ghosh  
Alex Gemmell  
Neil McGhee (appointed during March 2007)

#### **Reporting Accountant**

JRD Partnership LLP were appointed as Reporting Accountant of the company's financial statements during the year 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 YEAR ENDED 30 JUNE 2007**

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### **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. The primary operational risk is in relation to construction as part of the main project. Related health and safety risks are fully considered.

### **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 Year**

- The propagation of plants for the beautification of the village, and sale at attractive prices to local residents
- The design and construction of 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**

6 community garden projects have now been completed.

# **AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE**

## **DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2007**

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### **Achievements and Performance**

The Community Gardening Initiative's initial sites were completed during the year. The charity sought additional resources to maintain and enhance these sites as well as considering additional sites. Staff continued to work with all three schools and their Eco Garden programmes.

### **Financial Review**

#### **Reserves policy**

The unrestricted general fund carried forward primarily represents funds transferred from the former unincorporated body (£4,722).

#### **Principle Funding Sources**

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

#### **Review of Financial Period**

The net surplus of income over expenditure for the year was £11,350 (2006 £11,901). Total funds carried forward at 30 June 2007 were £27,973 (2006 £16,623) including £7,000 net book value of fixed assets, which has been allocated to a separate designated fund. The notes to the financial statements contain a detailed statement of financial activities that further analyse the restricted and unrestricted funds and sources of related income.

#### **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**

ACDI will continue to build up a portfolio of assets by applying for relevant funding. 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 YEAR ENDED 30 JUNE 2007

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### 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

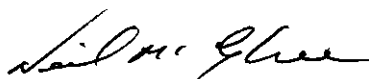
The directors are required to act in accordance with the constitution and within the framework of relevant charity legislation. They are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the charity's financial position, and to ensure that the accounts 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 28 April 2008 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

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We report on the financial statements for the year ended 30 June 2007 set out on pages 2 to 9

#### **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 9 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 LLP**

**Reporting Accountants**

**28 April 2008**

**JRD Partnership LLP  
Chartered Accountants  
11 Portland Road  
Kilmarnock  
KA1 2BT**



# AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 JUNE 2007

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £	Total Funds 2006 £
<b>Incoming Resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	88,884			88,884	48,886
Investment income		237		237	85
Incoming resources from charitable activities					
Other incoming resources		225		225	2,074
<b>Total Incoming Resources</b>	<b>88,884</b>	<b>462</b>		<b>89,346</b>	<b>51,045</b>
<b>Resources Expended</b>					
<b>Costs of generating funds</b>					
Charitable activities	73,908		3,500	77,408	38,674
Governance costs		588		588	470
<b>Total Resources Expended</b>	<b>73,908</b>	<b>588</b>	<b>3,500</b>	<b>77,996</b>	<b>39,144</b>
<b>Net Incoming/(Outgoing) Resources Before Transfers</b>	<b>14,976</b>	<b>(126)</b>	<b>(3,500)</b>	<b>11,350</b>	<b>11,901</b>
Gross transfers between funds					
<b>Net Movement In Funds</b>	<b>14,976</b>	<b>(126)</b>	<b>(3,500)</b>	<b>11,350</b>	<b>11,901</b>
Total funds brought forward	115	6,008	10,500	16,623	4,722
<b>Fund Balances Carried Forward</b>	<b>15,091</b>	<b>5,882</b>	<b>7,000</b>	<b>27,973</b>	<b>16,623</b>

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 2007

		2007		2006	
	Notes	£	£	£	£
<b>Fixed Assets</b>	<b>5</b>		7,000		10,500
<b>Current assets</b>					
Cash at bank and in hand	6	<u>44,061</u>		<u>6,593</u>	
		44,061		6,593	
Creditors, amounts falling due within one year	7	<u>(588)</u>		<u>(470)</u>	
Net current assets			43,473		6,123
Deferred income	8		<u>(22,500)</u>		
Total assets less current liabilities			<u><b>27,973</b></u>		<u><b>16,623</b></u>
<b>Funds</b>					
Restricted Funds	9/10		15,091		115
Unrestricted Funds	9/10		5,882		6,008
Designated Funds	9/10		<u>7,000</u>		<u>10,500</u>
			<u><b>27,973</b></u>		<u><b>16,623</b></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 28 April, 2008  
and signed on its behalf by

Neil McGhee  
Director



# AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 30 JUNE 2007

		2007		2006	
	Notes	£	£	£	£
<b>Income</b>					
Grants and donations	10	88,884		34,886	
Asset donated from Minerals Trust	10			14,000	
Other income	10	225		2,074	
Bank interest	10	<u>237</u>		<u>85</u>	
			89,346		51,045
<b>Expenditure</b>					
Building Materials		5,444		432	
Plants		1,501		1,984	
Insurance				696	
Light and heat		217		164	
Advertising				1,077	
Motor expenses				208	
Training				110	
Events and hospitality		74		529	
Sundry expenses		188		89	
Reporting Accountant's fees		588		470	
British Trust for Conservation Volunteers		66,484		29,885	
Depreciation	5	<u>3,500</u>		<u>3,500</u>	
			77,996		39,144
<b>Excess Income Over Expenditure</b>			<u><b>11,350</b></u>		<u><b>11,901</b></u>

## AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2007

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#### **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 YEAR ENDED 30 JUNE 2007

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#### **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 £40 (2006 £50) were reimbursed to 1 director

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 YEAR ENDED 30 JUNE 2007

### 4 Taxation

The company is recognised as a Scottish 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 £
<b>Cost</b>	
At 1 April 2006	14,000
Additions	
At 31 March 2007	<u>14,000</u>
<b>Depreciation</b>	
At 1 April 2006	3,500
Charge for the year	3,500
At 31 March 2007	<u>7,000</u>
<b>Net book value</b>	
At 31 March 2007	<u><u>7,000</u></u>
<b>Net book value</b>	
At 31 March 2006	<u><u>10,500</u></u>

### 6 Bank and cash balances

	2007 £	2006 £
Bank current account	44,061	6,593
	<u><u>44,061</u></u>	<u><u>6,593</u></u>

### 7 Creditors amounts falling due within one year

	2007 £	2006 £
Accrued charges	588	470
	<u><u>588</u></u>	<u><u>470</u></u>

### 8 Deferred Income

	£
Grants received during year	30,000
Released to income and expenditure account	<u>(7,500)</u>
Balance carried forward	<u><u>22,500</u></u>

This deferred income relates specifically to East Ayrshire Council grant for the BTCV project expenditure for the period to 31 March 2008.

## AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2007

#### 9 Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
Fixed Assets			7,000	7,000
Current Assets	37,591	6,470		44,061
Current Liabilities		(588)		(588)
Deferred Income	(22,500)			(22,500)
Net Assets	<u>15,091</u>	<u>5,882</u>	<u>7,000</u>	<u>27,973</u>

In addition to the above fixed assets figure (see note 5), the following contributions by East Ayrshire Council are not included in the accounts

- a) Computer equipment owned by East Ayrshire Council is utilised free of charge on the BTCV project
- b) 2 geodesic greenhouses and 3 20ft shipping containers have been provided by East Ayrshire Council. These are regarded by the directors as assets of the company and will be valued for the purposes of the 2008 financial statements

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)  
FOR THE YEAR ENDED 30 JUNE 2007

10 Analysis of Statement of Financial Activities									
	BTCV Project	Youth Project	Work Project	Restricted Funds	Total Unrestricted General Fund	Designated Fund	Total Funds	2006	Total Funds
	£	£	£	£	£	£	£	£	£
<b>Incoming Resources</b>									
<u>Incoming resources from generated funds.</u>									
<i>Voluntary income</i>									
Minerals Trust	-	-	-	-	-	-	-	-	14 000
East Ayrshire Council - CPP	43 500	-	-	43 500	-	-	43 500	-	34 886
Big Lottery TYS Fund	40 384	-	-	40 384	-	-	40 384	-	-
Nationwide Foundation	-	5 000	-	5 000	-	-	5 000	-	-
	83 884	5 000	-	88 884	-	-	88 884	-	48 886
<i>Investment income</i>									
Bank Interest	-	-	-	-	237	-	237	-	85
	-	-	-	-	237	-	237	-	85
<u>Incoming resources from charitable activities.</u>									
Sundry income	-	-	-	-	-	-	-	-	-
	-	-	-	-	225	-	225	-	2 074
	-	-	-	-	225	-	225	-	2 074
Total Incoming Resources	83 884	5 000	-	88 884	462	-	89 346	-	51 045
<b>Resources Expended</b>									
<u>Cost of generating funds</u>									
Costs of generating grant income from charitable activities	-	-	-	-	-	-	-	-	-
<i>Charitable activities</i>									
Charitable expenditure	73 908	-	-	73 908	-	3 500	77 408	-	37 946
Support costs	-	-	-	-	-	-	-	-	728
	73 908	-	-	73 908	-	3 500	77 408	-	38 674
<i>Governance costs</i>									
	-	-	-	-	588	-	588	-	470
Total Resources Expended	73 908	-	-	73 908	588	3 500	77 996	-	39 144
<b>Net Incoming/(Outgoing) Resources Before Transfers</b>	9 976	5 000	-	14 976	(128)	(3 500)	11 350	-	11 901
<i>Transfer between funds</i>									
	-	-	-	-	-	-	-	-	-
<b>Net Movement in Funds</b>	9 976	5 000	-	14 976	(128)	(3 500)	11 350	-	11 901
Balances brought forward	115	-	-	115	6 008	10 500	16 623	-	4 722
<b>Fund Balances Carried Forward</b>	10 091	5 000	-	15 091	5 882	7 000	27 973	-	16 623