



GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL
(a company limited by guarantee)

FINANCIAL STATEMENTS
for the year ended 31 March 2009

Charity Commission Reference Number 1054282

Company Registered Number 3181755



GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL
TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

INFORMATION

Trustees (who are also directors)

The Trustees who served throughout the year are as follows:-

Board of Trustees

Elected Members:

H M Lord Lieutenant Henry W. G. Elwes	- President and Ex Officio
Mr John Hazelwood CBE DL	- Chairman
Mr Michael Heenan	- Vice Chairman
Mr Edward H. Elwes	- Honorary Treasurer
Mrs Gill Crooke	- elected October 2008
Professor Nigel Curry	
Mr David Fowles	
Mr Michael Hill	- resigned June 2008
Mr John Loosley	
Mr Gordon B Love	
Professor Stephen Owen	
Mr Keith Rog	

Appointed Members:

Mr Charles Gillams	- Gloucestershire County Council
Mr Terence E. Parker	- Gloucestershire Association of Parish and Town Councils
Mrs Valerie Hooper	- Gloucestershire Federation of WIs

Company Secretary

Mr Edward H Elwes

Senior Management Team:

Mrs Lesley Archer	- Chief Executive
Ms Barbara Piranty	- Assistant Chief Executive
Mrs Elin Tattersall	- Assistant Chief Executive

Registered Office: Community House, 15 College Green, Gloucester, GL1 2LZ

Bankers: The Co-operative Bank plc, 23a St Aldate Street, Gloucester, GL1 1RU.

Auditors and Accountants: Griffiths Marshall, Beaumont House, 172 Southgate Street, Gloucester GL1 2EZ

Solicitors: Tayntons, 8-12 Clarence Street, Gloucester, GL1 1DZ

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL
Financial Statements for the year ended 31 March 2009

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GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

Structure, Governance and Management Governing Document

The organisation is a charitable company limited by guarantee, incorporated February 1996, but originally registered as a charity in May 1923. In 1996 the company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Election of the Board of Trustees

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Trustees. Under the requirements of the Memorandum and Articles of Association a minimum of ten members of the Board of Trustees are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. They may serve for a maximum of three terms, plus an additional one year in exceptional circumstances.

A further four trustees are Appointed (one each) by:
The Gloucestershire County Council
The Four Gloucestershire Rural District Councils
The Gloucestershire Association of Parish and Town Councils
The Gloucestershire Federation of WIs

They are, under the requirements of the Memorandum and Articles of Association re-appointed each year.

Due to the nature of the Charity's work in and with the rural communities of Gloucestershire (to this end the definition always followed by the GRCC of a rural community is one that is a Civil Parish) the Board of Trustees seeks to ensure that the needs of these communities are appropriately reflected through the diversity of the trustee body. To enhance the potential pool of trustees, the charity has of late utilised both the local media through articles and profiles and other forms of advertising to recruit suitable Trustees. Informal and formal discussions and interviews are undertaken with all, before they are proposed to the Membership.

The more traditional business and technical skills are well represented on the Board of Trustees. In an effort to maintain this broad skill mix, members of the Board of Trustees are asked to complete a register of their skills and this is kept up to date. This ensures that we maintain a balance of skills.

Trustee Induction and Training

All trustees are expected to undertake the necessary training to meet the requirements of a Trustee of a Charity. All Trustees are expected to take part in GRCC's Trustee induction programme. Trustees are encouraged to chair steering groups related to their interest or skill. A GRCC Away Day is held which includes Trustees, Staff, Associates and Volunteers. Trustees are encouraged to attend trustee induction days at ACRE (Action with Communities in Rural England), undertake other relevant Governance training and to attend regional and national events on behalf of the organisation.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

All Trustees receive a Trustee Induction pack which has been prepared drawing information from the various Charity Commission publications signposted through the Commission's guide "the Essential Trustee" as a follow up to these sessions. This is distributed to all new trustees together with the Memorandum and Articles and the latest financial statements, GRCC publications and publicity information.

Risk Management

The Board of Trustees maintains a risk register.

GRCC systems and procedures have been reviewed in conjunction with staff and trustees in order to mitigate risks to the Charity.

GRCC is developing future areas of work in response to local need. The Charity continues to use its Trading subsidiary "Gloucestershire Rural Projects Ltd" as appropriate.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the Offices of the GRCC and regular reports are produced, which are then discussed and acted upon by the Senior Management Team.

Organisational Structure

The Board of Trustees meets quarterly and is attended by the Senior Management Team. It has two main committees:

The Chairman's Committee is chaired by the Chairman of the Board and comprises of the Vice-Chairman and the Honorary Treasurer and two additional Trustees. It is serviced by the Chief Executive and other members of staff as appropriate. The Committee meets on a bi-monthly basis or as appropriate.

The Local History Committee is chaired by a Trustee and meets four times a year, reporting to the Board of Trustees and is serviced by a member of the GRCC team.

In addition, many discreet Projects have a Steering Group – normally (but not exclusively) chaired by a Trustee and comprising interested parties, funders and stakeholders.

The Chief Executive reports to the Chairman of the Board of Trustees and is charged with implementing Board Policy and ensuring compliance. She is also responsible for ensuring that the Charity delivers the services specified and that key performance indicators are met.

The Senior Management Team comprising of the Chief Executive and two Assistant Chief Executives, meets weekly and a full Staff Team Meeting is held monthly. The priority at both meetings is ACTION.

Related Parties

The GRCC is founder member of both ACRE (Action with Communities in Rural England) the national association of RCCs, and of SWAN (the Southwest ACRE Network – the regional association). The GRCC Chairman served as Chairman of SWAN and as a member of the Board of ACRE. The Chairman and Chief Executive is a Director of SWAN.

The Chief Executive is a board member of Gloucestershire Assembly.

The Chief Executive is a board member of Gloucestershire Infrastructure Group (GIG).

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

The Chairman is a member of the Gloucestershire First Board (the Economic Partnership for Gloucestershire) and of its Rural Economy Advisory Panel. He also sits on the SOUTHWEST CORE (Council for Rural Enterprise) and on two national Panels under the auspices of DEFRA (The Department of Environment, Food and Rural Affairs).

In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy. The continued representation of GRCC on local partnerships and organisations has proved invaluable to the charity in establishing improved links within the community and identifying relevant policy developments and prospective funding.

Objectives and Activities:

MISSION STATEMENT

"GRCC is dedicated to enriching the lives of people living in rural Gloucestershire by supporting them through change and by enabling them to determine and develop their own communities."

Aims (2008/2009)

Organisational Aims

- To be the leader in inclusive and sustainable rural community development
- To ensure the voice of rural communities is heard
- To predict change and respond with innovative solutions
- To maintain and increase the organisation's high profile
- To ensure that GRCC continues to be fit for purpose and give best value

Objectives (2008/2009)

GRCC will:

- Maintain its position as a lead provider of support to rural communities and as a "preferred provider" to DEFRA.
- Pursue excellence in its rural delivery.
- Maintain and develop funding streams.
- Work in partnership with other relevant bodies.
- Build rural community capacity.
- Advise rural communities on opportunities to maximise funding.
- Further develop and expand its research capacity.

Achievements and Performance

1) *To be the leader in inclusive and sustainable rural community development*

During the year the following has been achieved:

- 32 parish plans progressed
- Parish and community-led planning toolkit revised – available to communities working in conjunction with a rural adviser.
- Parish and community-led plans written into the LAA
- GRCC worked with GCC on parish charter revision and on GCC officer protocol for following up parish plan actions
- Independent data analysis (free to end user) by GRCC has raised the standard + consistency of parish plan questionnaire analysis and robustness of final plans

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

- Database – all action plans (where permission was granted) included in county parish plan database available on GRCC website. All action plans linked to individual parish profiles on MAIDeN website
- GRCC is seen as the lead advice organisation for parish planning
- 295 Parishes supported, many on more than one occasion and by more than one member of staff.
- Business planning advice 11 community groups
- Funding advice/assistance 109 parishes
- Affordable housing advice/assistance 19 parishes
- Advice/assistance to parish councils 111 parishes
- Advice/assistance to village/community halls 100 parishes
- Advice/assistance to community groups 117 parishes
- Advice via telephone 118 parishes
- Advice via email 124 parishes
- Advice via informal face-to-face contact 53 parishes
- Parish-based meetings attended 99 parishes
- Additionally, Village Agent active in community in 161 parishes
- Working with communities to help develop and implement solutions following the Office Network Change Programme
- Develop and implement a grants programme for communities through the Rural Services Support Group
- 3 Sector Match bringing new dimensions to service delivery and volunteering
- Gloucestershire Village Agents involved in directing service provision
- New strand of Jump2 (wheels to work) introduced through mountain bike initiative
- Involvement in 36 enterprises in communities
- Quality standards Hallmark Scheme for village and community halls introduced in Gloucestershire. 8 halls have achieved Level 1, 3 halls have achieved Level 2.
- Regular meetings with rural MPs
- Engagement in Gloucestershire Infrastructure Group
- Bereavement Facilitation training resulted in Learning to Cope initiative
- Community Agents appointed with specific skills relating to BME migrant workers ; their primary focus is to work with excluded groups
- Countywide funding surgeries
- Expression of interest and bid development for Rural Development Programme for England (RDPE)
- Steering group member of successful Forest of Dean Local Action Group
- Tewkesbury Pub Club Pilot rolled out
- Equalities check shows greater diversity within GRCC staff in terms of age and ethnicity e.g. British White – 49; White Other – 2; Black Caribbean – 1; Asian British – 2 and Chinese British – 1.

2) To ensure the voice of rural communities is heard

- Parish plan database data used to inform LSPs of community priorities.
- Rural services, Parish and Community-led plan and Village of the Year case studies in place
- Parish plan database in use to show evidence of need.
- GRCC involved with all rural LSPs
- GRCC represents the voluntary Sector on GSP
- Regional: Member of SWRAF representing RCCs.
- Strong regional representation through SWAN
- Represents "Rural" on Gloucestershire Assembly
- Chair of VCS Safer & Stronger Strategy Group
- Active member of 36 partnerships

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

3) To predict change and respond with innovative solutions

- Performance Improvement For All (PIFA) Big Lottery funded Project underway. 57 groups supported with mentoring, bursaries or consultancy
- Gloucestershire Local Involvement networks (LINKs) established
- SWRDA funded training delivered collaboratively with 7 South West RCCs (SWAN)
- Defra RCAN contract in place to fund GRCC strategic voice activity
- Village Agents Project funding renegotiated as a service
- Rural Services Support Group (RSSG) grant scheme supported 12 rural communities
- Grass Roots Grants bid developed with Gloucestershire Community Foundation - subsequently 55 awards made to communities.
- 16 new opportunities identified and bids/tenders submitted
- 11 successful bids/ tenders

4) To maintain and increase the organisation's high profile

- 31,722 visits from 16,934 unique visitors in the period April 08 to March 09
- GRCC website Forum in place but external involvement variable
- New 3 Sector Match website in place
- New LINK website built and launched
- 127 countywide email alerts containing web links, each sent out to 2,500 people
- 44 GRCC events attended by 2098 individuals
- Suite of leaflets reviewed on a quarterly basis to ensure appropriateness of content.
- 12 Cotswold Life articles produced
- 9 Radio Gloucestershire interviews/ presentations and panel programmes
- 16 case studies developed and used
- 71 press releases sent
- Presentations about new projects at Team and Board meetings

5) To ensure that GRCC continues to be fit for purpose and give best value

- Continuous monitoring and review of GRCC performance against ACRE Good Practice Quality Standard
- Changes in systems and working practices introduced to increase effectiveness
- GRCC team away day to consider Monitoring and Evaluation and impact on the environment
- Monthly monitoring of organisational and project budget and cash flow

The above was achieved through projects in the following areas:

InTouch; Jump2; LINK; Performance Improvement for All(PIFA); Rural Housing Enabler; Three Sector Match; Village and Community Hall Support and Rural Advice and Community Support.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

Investment Policy

Any operating funds within the financial year that are not required immediately are invested in COIF Deposit Account providing over the market rate. The Charity's Endowments Funds are invested in named COIF accounts, other than the Goodeve Legacy which is invested in MG Charifund. The Chairman's Committee are of the view that the return on these investments is more than the normal rate of return from other investment fund opportunities and of course are paid gross.

Reserves Policy

GRCC aims to have total cash from reserves to provide working capital of not less than 3 months unrestricted operating costs. Based on the accounts to 31 March 2009 this target level would be £41,884, whilst unrestricted reserves are shown as £178,507.

Position

As at 31st March 2009 the current level of unrestricted reserves stand at £178,507. The Charity also holds £209,508 in restricted funds and a permanent endowment of £26,642.

Fixed Assets

The GRCC owns Community House, 15 College Green, Gloucester (all but "The Archway" room over the flying freehold into Miller's Green). The latest valuation has indicated a figure of around £400,000, as against a net book value of £16,686.

Plans for Future Periods

The adopted Business Plan for 2007-2010, in consultation with Trustees, staff, Associates and Volunteers, Stakeholders and Funders, resulted in the following Organisational Aims.

Mission Statement

"GRCC is dedicated to enriching the lives of people living in rural Gloucestershire by supporting them through change and by enabling them to determine and develop their own communities."

Strapline

"Supporting Gloucestershire's rural communities through change"

Values

GRCC seeks to incorporate the following principles in all its activities:

- Sustainability
- Pursuit of excellence and best value
- Adaptability and responsiveness
- Inclusion and equal opportunities
- Participation and partnership
- Openness and accountability
- Empowerment and enablement

Organisational Aims

A: To be the leader in inclusive and sustainable rural community development

B: To ensure the voice of rural communities is heard

C: To predict change and respond with innovative solutions

D: To maintain and increase the organisation's high profile

E: To ensure that GRCC continues to be fit for purpose and give best value

A detailed strategy for 2008/09 to achieve each of these aims was developed with specific actions identified.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2009

Responsibilities of the Board of Trustees

Company law requires the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the Board of Trustees should follow best practice and:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the 'going concern' basis unless it is inappropriate to assume that the company will continue on that basis.

The Board of Trustees is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Board of Trustees is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Board of Trustees

Members of the Board of Trustees, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

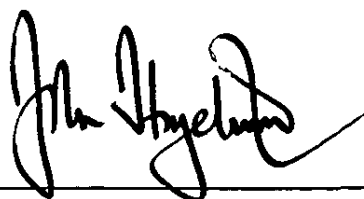
- So far as we are aware, there is no relevant audit information of which the company's Auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

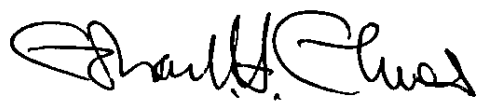
Griffiths Marshall were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the Board of Trustees on 20th July 2009 and signed on its behalf by:



John G. Hazelwood CBE MA DL
(Chairman)



Edward Elwes
(Honorary Treasurer)

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF THE GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

FOR THE YEAR ENDED 31 MARCH 2009

We have audited the financial statements of the Gloucestershire Rural Community Council for the year ended 31 March 2009, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been in accordance with the accounting policies set out therein.

This report is made solely to the organisation's members as a body. Our audit work has been undertaken so that we might state to the organisation's members those matters that we require to state to them in an auditors 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 organisation's members as a body, for our audit work, for this report, or for the opinions that we have formed.

Respective responsibilities of trustees and auditor

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustee's Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) as set out in the Statement of Trustees' Responsibilities on Page 8.

Our Responsibility is to audit the financial statement in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, 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 the information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read the Trustees Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Trustees in the preparation of the financial statements, and whether the accounting policies are appropriate to the charitable 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 information in the financial statements.

Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2009 and of its incoming resources and application of resources in
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustee's Report is consistent with the financial statements.

 31/3/2010

GRIFFITHS MARSHALL

Registered Auditors

Gloucester

Date

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2009

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund Goodeve Legacy	Total Funds 2009	Total Funds 2008
		£	£	£	£	£
<u>INCOMING RESOURCES</u>						
Incoming resources from generated funds:						
- Voluntary income						
- Grants receivable	2	178,248	0	0	178,248	200,849
- Donations		1,521	0	0	1,521	351
- Subscriptions and memberships		3,321	0	0	3,321	4,273
- Activities for generating funds						
- Consultancy fees		0	0	0	0	1,000
- Office service sales		12,882	0	0	12,882	14,060
- Letting		6,523	0	0	6,523	8,247
- Investment income	3	12,781	628	2,428	15,837	13,788
Incoming resources from charitable activities						
- Project funding and grants	4	35,679	777,544	0	813,222	613,947
Other incoming resources		0	0	0	0	1,615
Total incoming resources		250,955	778,171	2,428	1,031,554	858,130
<u>RESOURCES EXPENDED</u>						
Costs of generating funds						
- Office service costs		63,653	0	0	63,653	47,930
- Costs of generating voluntary income						
- Publicity	6	9,119	0	0	9,119	21,482
Charitable activities	5,17	72,148	783,501	0	855,649	726,425
Governance costs	7	22,614	0	0	22,614	30,419
Total resources expended	5	167,535	783,501	0	951,036	826,256
Net incoming resources / (resources expended) before transfers		83,420	(5,330)	2,428	80,518	31,873
Transfers		(17,110)	19,538	(2,428)	0	0
Net incoming resources / (resources expended) before revaluations and investment asset disposals		66,310	14,208	(0)	80,518	31,873
Gain / (loss) on investment assets unrealised	11	0	0	(15,957)	(15,957)	(10,379)
Net movement in funds	15	66,310	14,208	(15,957)	64,561	21,494
Reconciliation of funds						
Fund balances at 31 March 2008		112,197	195,300	42,598	350,095	328,601
Fund balances at 31 March 2009	15,17	178,507	209,508	26,641	414,656	350,095

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2009

	2009 £	2008 £
Income	1,015,717	844,342
Expenditure	951,036	826,256
Operating Surplus / (Deficit)	64,681	18,086
Income from fixed asset investments	2,428	2,316
Other interest receivable and similar income	13,409	11,472
Net income / (expenditure) for the year	80,518	31,873

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

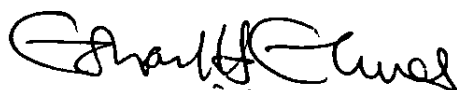
BALANCE SHEET AT 31 MARCH 2009

	Notes	2009 £	2008 £
Fixed Assets			
- Tangible fixed assets	10	63,508	60,851
- Investments	11	26,641	42,598
		<u>90,149</u>	<u>103,449</u>
Current Assets			
- Debtors	12	198,866	67,920
- Cash at bank and in hand		324,225	235,316
		<u>523,091</u>	<u>303,236</u>
Liabilities			
Amounts falling due within one year	13	198,582	56,590
Net Current Assets		<u>324,509</u>	<u>246,646</u>
NET ASSETS		<u>414,658</u>	<u>350,095</u>
FINANCED BY:			
Capital funds			
- Endowment	15	26,641	42,598
Income funds			
- Restricted	17	209,509	195,300
- Unrestricted	15	127,488	61,177
- Unrestricted - Designated	16	51,020	51,020
		<u>414,658</u>	<u>350,095</u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

Approved by the Trustees on 20 July 2009

and signed on their behalf by:



Edward Elwes

John G Hazelwood CBE MA DL



Company Registration N° 3181755

The notes on pages 13 to 20 form part of these accounts.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the provisions of the Companies Act 1985, the latest Statement of Recommended Practice on accounting and reporting by charities (SORP 2005) and the Financial Reporting Standard for Smaller Entities (effective January 2007). Where necessary the headings laid down in the Companies Act have been adapted to meet the special activities of the Project. The Project qualifies as a small company under the Companies Act 1985, and the Trustees have elected to take advantage of the exemption under FRS1 not to prepare a cash flow statement.

(a) Accounting convention

- * The financial statements have been prepared under the historical cost convention.

(b) Incoming resources

- * Legacies, donations, gifts and bank interest are accounted for when they are received unless amounts receivable can be determined with reasonable activity.
- * Grants received for specific purposes are recorded as restricted grants in the period in which the grant relates as directed by the donor.
- * Grants received for a specific future period are recorded as restricted grants when received but deferred and held as a creditor until the period in which they relate.
- * Grants which relate to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performance.
- * Endowment fund income is unrestricted.
- * Income from sales of donated goods is recognised when the goods are sold.

(c) Resources expended

- * Expenditure is recorded on the accruals basis and liabilities are included when the legal obligation has been created.
- * Expenditure in Charitable activities represents the costs incurred in carrying out the charitable objectives of the Project.
- * Publicity costs represent the staff, travel and advertising costs of obtaining funding.
- * Governance costs represent the cost of general administration functions of the charity.
- * Basis of appointment of expenditure:
 - Staff costs are allocated on a basis of time spent on each category of activity
 - Premises costs are allocated to direct charitable support costs
 - Depreciation provision is allocated on basis of use of the assets
 - All other overheads are allocated to projects as a percentage of direct expenditure
- * All direct expenditure has been specifically allocated.

(d) Taxation

As a registered charity, the activities are generally exempt from Income Tax and Capital Gains Tax in connection with its direct charitable purpose, but not from VAT.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation of tangible fixed assets is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	2% reducing balance
Freehold improvements	20% straight line
Fixtures, fittings and equipment	20% reducing balance
Motor vehicles	20% reducing balance
Computer equipment	20% straight line method on original equipment
	33% straight line method on restricted fund assets
	33% reducing balance method on unrestricted fund assets

(f) Fixed asset investments

Fixed asset investments are included at market value as required by the Statement of Recommended Practice - Accounting by Charities. Realised and unrealised gains and losses are shown on the Statement of Financial Activities.

(g) Restricted funds

These represent grants received for specific purposes, less revenue expenditure incurred. Where the grant was received for capital purposes, the expenditure has been capitalised and is included in fixed assets.

Designated fund

This represents an amount allocated by the Trustees towards specific purposes as shown in note 16.

Unrestricted fund

The 'general fund' represents income received less expenditure other than of a restricted nature.

Endowment fund

This represents the net assets, including unrealised gains on the investment of the Goodeve Legacy.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

(h) Operating leases

Payments under operating leases are charged to the Statement of Financial Activities in the period in which they are incurred.

(i) Deferred Income

Income is deferred when the donor specifies the income is for a future period or applies conditions that cannot be met until a future period.

(j) Pension scheme

The Charity operates a defined contribution scheme for which the contributions are charged to the profit and loss account in the period in which they arise.

2 GRANTS RECEIVABLE

	2009 Unrestricted £	2009 Restricted £	2009 TOTAL £	2008 TOTAL £
Gloucestershire County Council	53,500	-	53,500	64,000
Government Office South West	-	-	-	92,352
DEFRA / ACRE	83,117	-	83,117	-
Cotswold District Council	20,500	-	20,500	20,500
Stroud District Council	12,000	-	12,000	15,000
Forest of Dean District Council	9,131	-	9,131	8,997
	<u>178,248</u>	<u>-</u>	<u>178,248</u>	<u>200,849</u>

3 INVESTMENT INCOME

	2009 £	2008 £
Listed UK investments	2,428	2,316
Cash investments	13,409	11,472
	<u>15,837</u>	<u>13,788</u>

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Grants and Project Funding

Grants	2009 Unrestricted £	2009 Restricted £	2009 TOTAL £	2008 TOTAL £
Gloucestershire County Council	-	499,684	499,684	351,959
Stroud District Council	-	5,000	5,000	7,000
Cotswold District Council	-	4,000	4,000	2,000
Forest of Dean District Council	-	5,480	5,480	7,125
Tewkesbury Borough Council	-	2,000	2,000	2,000
Bromford Housing Association	-	8,000	8,000	5,000
Severn Vale Housing Association	-	8,000	8,000	5,000
Gloucester Housing Association	-	8,000	8,000	5,000
Two Rivers Housing Association	-	8,000	8,000	5,000
Gloucestershire Environment Trust	-	-	-	1,545
Help the Aged	-	-	-	3,000
Citizens Advice Bureau	-	-	-	1,750
Rural Initiative fund	-	-	-	10,345
Big Lottery Fund	-	101,029	101,029	-
Red Cross	-	10,700	10,700	-
SWRDA	10,025	-	10,025	-
RISE	1,500	-	1,500	-
	11,525	659,893	671,418	406,724
Direct income from project activities				
Enterprising Communities	10,986	46,899	57,885	68,498
Researching Communities	-	-	-	-
Inclusive Communities	13,169	70,751	83,920	129,588
Strategy	-	-	-	9,137
	24,155	117,650	141,805	207,223
	35,680	777,543	813,222	613,947

5 RESOURCES EXPENDED

Allocation of costs by activity

	Direct Expenditure £	Grants Paid £	Support costs allocation £	2009 TOTAL £	2008 TOTAL £
Enterprising communities	113,283	4,830	12,375	130,489	291,408
Researching communities	-	-	-	-	86
Inclusive communities	650,469	3,632	71,059	725,160	427,068
Strategy	-	-	-	-	7,864
	763,753	8,462	83,434	855,649	726,426
Funded support costs	-	-	-	-	-
	763,753	8,462	83,434	855,649	726,426
Activities to generate funds					
Publicity	-	-	9,119	9,119	21,482
Office service costs	63,653	-	-	63,653	47,930
Governance	22,615	-	-	22,615	30,419
	850,020	8,462	92,553	951,036	826,257

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

6 PUBLICITY

	Unrestricted Funds £	Restricted Funds £	TOTAL 2009 £	TOTAL 2008 £
Professional fees	1,150	-	1,150	-
Publications and publicity	2,590	-	2,590	9,680
Staff costs	4,903	-	4,903	10,370
Other labour related costs	476	-	476	1,432
	<u>9,119</u>	<u>-</u>	<u>9,119</u>	<u>21,482</u>

7 GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	TOTAL 2009 £	TOTAL 2008 £
Trustee expenses	2,210	-	2,210	2,993
Meetings and contacts	2,155	-	2,155	1,725
Printing and publications	796	-	796	3,578
Auditors remuneration	5,100	-	5,100	8,800
Staff costs	11,654	-	11,654	11,650
Other labour related costs	649	-	649	1,604
Other governance costs	50	-	50	69
	<u>22,614</u>	<u>-</u>	<u>22,614</u>	<u>30,419</u>

Trustees expenses were expenses reimbursed to trustees who incurred expenses for travel, secretarial costs and stationery on behalf of the company.

8 GRANTS PAYABLE

	2009 £	2008 £
Institutions		
Cheltenham Volunteer Centre	-	2,000
Voluntary & Community Action	-	2,000
Co-operative Futures	-	2,000
Linking Communities	-	2,000
GCVYS	-	2,000
Aggregate of grants less than £1,000 to institutions	6,725	9,355
Aggregate of grants less than £1,000 to individuals	1,737	7,402
	<u>8,462</u>	<u>26,757</u>

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

9 ANALYSIS OF COSTS

	2009 £	2008 £
Staff costs		
Wages and salaries	540,281	451,333
Social Security costs	41,559	38,277
Pension contributions		
- Money purchase schemes	17,921	18,232
Severance pay	-	1,704
PAYE assessment	-	440
Benefits in kind	-	-
	<u>599,762</u>	<u>509,986</u>

Number of staff with benefits accruing under:

Money purchase schemes	12	11
Defined benefit scheme	-	-

The average number of employees, analysed by function, was:

Charitable activities	22	21
Management and administration	3	2
	<u>25</u>	<u>23</u>

10 TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Furniture & Equipment £	Computer equipment £	Motor Vehicles £	TOTAL £
Cost						
At April 1 2008	21,852	28,257	28,634	49,039	32,915	160,697
Additions	-	-	4,687	12,185	4,675	21,547
Disposals	-	-	-	(5,583)	(5,940)	(11,523)
At 31 March 2009	<u>21,852</u>	<u>28,257</u>	<u>33,321</u>	<u>55,641</u>	<u>31,650</u>	<u>170,721</u>
Depreciation						
At April 1 2008	6,688	25,207	24,621	28,464	14,931	99,846
Charge for the year	303	1,225	1,018	9,417	3,679	15,642
On disposals	-	-	-	(5,060)	(3,280)	(8,340)
At 31 March 2009	<u>6,991</u>	<u>26,432</u>	<u>25,639</u>	<u>32,821</u>	<u>15,330</u>	<u>107,148</u>
Net book values:						
at 31 March 2009	<u>14,861</u>	<u>1,825</u>	<u>7,682</u>	<u>22,820</u>	<u>16,320</u>	<u>63,508</u>
at 31 March 2008	<u>15,163</u>	<u>3,114</u>	<u>4,013</u>	<u>20,577</u>	<u>17,984</u>	<u>60,851</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

11 FIXED ASSET INVESTMENTS (GOODEVE LEGACY)

	2009 £	2008 £
UK Quoted investments - Charifund Income units		
Market value at 31 March 2008	42,598	52,977
Unrealised (loss)	(15,957)	(10,379)
Market value at 31 March 2009	<u>26,641</u>	<u>42,598</u>
Historical cost	6,053	6,053

12 DEBTORS

	2009 £	2008 £
Trade debtors	100,937	41,556
Prepayments	15,605	8,132
Accrued income	82,324	18,232
	<u>198,866</u>	<u>67,920</u>

13 LIABILITIES

	2009 £	2008 £
Trade creditors	28,921	11,208
Taxes and Social Security	1,039	97
Other	1,318	-
Accruals	25,074	17,785
Deferred income	142,230	27,500
	<u>198,582</u>	<u>56,590</u>

Deferred income

The deferred income of £142,230 (2008 - £27,500) represents grants received from donors for work that is not to be performed until after 31 March 2009.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Investments £	Net current assets £	Total net assets £
Restricted funds	-	-	209,507	209,507
Permanent endowments				
Goodeve legacy	-	26,642	-	26,642
Unrestricted funds				
Designated	-	-	51,020	51,020
Other	63,508	-	63,977	127,485
	<u>63,508</u>	<u>26,642</u>	<u>324,505</u>	<u>414,654</u>

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

15 RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	Unrestricted £	Unrestricted & Designated (note 16) £	Restricted (note 17) £	Endowment (Goodeve legacy) £	TOTAL £
Balance at 1 April 2008	61,177	51,020	195,300	42,598	350,095
Net movement in funds	66,310	-	14,207	(15,956)	64,561
Balance 31 March 2009	127,487	51,020	209,507	26,642	414,656

16 DESIGNATED FUNDS

	2009 £	2008 £
Building contingency	15,000	15,000
Working capital fund	26,020	26,020
Project guarantee fund	10,000	10,000
	51,020	51,020

17 RESTRICTED FUNDS

	Balance at 1 April 2008 £	Movement in resources			Balance at 31 March 2009 £
		Incoming £	Transfer £	Outgoing £	
Direct activity					
Rural Initiative Fund	1,132	258	1,917	3,308	-
Jump Start	-	60,766	2,626	63,392	-
Rural Housing Enabler	20,558	45,406	-	46,833	19,131
In Touch	82,945	58,092	-	64,692	76,345
Village of the Year competition	-	8,250	2,079	10,329	-
GAP analysis	7,866	2,324	-	6,520	3,670
3 Sector Match	-	35,564	2,907	38,471	-
Village / Community Agents	-	273,491	-	260,290	13,201
Help the Aged flood fund	169	-	(1)	168	(0)
P.I.F.A.	-	101,029	-	93,217	7,812
Rural Partnership conference	-	5,256	(536)	4,720	-
LINK	-	164,567	-	155,269	9,299
Pub Clubs	-	4,240	-	4,117	123
Bereavement facility	3,500	99	607	4,206	-
Red Cross	-	10,700	-	10,531	169
GFAN	-	-	1,263	1,263	-
LAG event	-	-	4,796	4,796	-
Community resilience	-	-	202	202	-
Addit'l support - Rural Serv's	-	7,500	3,678	11,178	-
Interim Parish Plan grant	942	-	-	-	942
	117,111	777,543	19,538	783,501	130,691
Residual funds					
North Cotswold Family Centres	4,226	-	-	-	4,226
Transport Solutions	5,453	-	-	-	5,453
Youth Parish Councils	5,001	-	-	-	5,001
	14,680	-	-	-	14,680
Restricted Investments					
Fowler Wright fund	13,850	628	-	-	14,478
Anniversary fund	49,659	-	-	-	49,659
	63,509	628	-	-	64,137
	195,300	778,171	19,538	783,501	209,508

All funds are for specific projects as detailed above for which the GRCC obtains and administers the resources. These funds are held in current assets and are spent in line with any specific restrictions imposed by the donor.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2009

18 OPERATING LEASE COMMITMENTS

	2009 £	2008 £
Annual operating lease commitments in respect of leases expiring:		
Within one year	-	-
Between two and five years	-	-
	<u>-</u>	<u>-</u>

19 CAPITAL COMMITMENTS

	2009 £	2008 £
Capital expenditure that has been authorised by the Board of Trustees but not yet contracted for.	nil	nil
	<u>nil</u>	<u>nil</u>

20 RELATED PARTY TRANSACTIONS

The Charity controls "Gloucestershire Rural Projects" (GRP), a company limited by guarantee, by way of the directors. Three directors were also directors of GRCC. There is a deed of covenant in place to donate profits to GRCC. At the year end GRP owed GRCC £27 (2007: £27). The Balance Sheet and Profit and Loss account of GRP are disclosed in note 22.

There were no other transactions such as are required to be disclosed under the Financial Reporting Standard for Smaller Entities.

21 INDEMNITY INSURANCE

The Charity has both a public and employer's liability insurance policy for £5 million and £10 million respectively (2008: same) to cover claims that might arise. The cost of this policy was £3,014 (2008 £2,786).

22 FINANCIAL POSITION OF GLOUCESTERSHIRE RURAL PROJECTS LTD

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2009

	2009 £	2008 £
Income	-	-
Expenditure	(477)	541
Operating surplus /(deficit)	<u>477</u>	<u>(541)</u>
Interest receivable	-	35
Net income for the year	<u>477</u>	<u>(506)</u>

BALANCE SHEET AS AT 31 MARCH 2008

Current Assets		
Cash at bank	1,894	1,894
Creditors		
Amounts falling due within one year	27	504
Net Current Assets	<u>1,867</u>	<u>1,390</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>1,867</u>	<u>1,390</u>

RESERVES

Profit and loss account	<u>1,867</u>	<u>1,390</u>
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