



GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL
(a company limited by guarantee)

FINANCIAL STATEMENTS

for the year ended 31 March 2010

Charity Commission Reference Number 1054282

Company Registered Number 3181755

WEDNESDAY



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GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL
Financial Statements for the year ended 31 March 2010

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GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2010

INFORMATION

Trustees (who are also directors)

The Trustees who served throughout the year are as follows -

Board of Trustees

Elected Members:

Sir Henry W G Elwes KCVO	-	President and Ex Officio
Mr John Hazelwood CBE DL	-	Chairman
Mr Michael Heenan	-	Vice Chairman
Mr Edward H Elwes	-	Honorary Treasurer
Mrs Jill Crooke		
Professor Nigel Curry		
Mr David Fowles	-	re-elected October 2009
Mr John Loosley	-	re-elected October 2009
Mr Gordon B Love		
Professor Stephen Owen		
Mr Keith Rog	-	re-elected 2009

Appointed Members:

Mr Shaun Parsons	-	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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2010

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 take advantage of GRCC training. 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 2010

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 are Directors 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 2010

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

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 (2009/2010)

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 (2009/2010)

GRCC will:

- Actively work towards sustainable, resilient communities
- Promote community leadership and empowerment
- Use GRCC activities to build leadership capacity within rural communities
- Maintain the quality of GRCC's unique projects
- Maintain GRCC's position as a strategic influencer at local, regional and national level
- Build on relationships with funders to increase their understanding of the needs of rural communities
- Review GRCC's reach in rural Gloucestershire
- Demonstrate the links between parish and community-led planning and Gloucestershire's wider agenda
- Support grassroots activity to address environmental and climate change issues
- Identify new areas of activity to shape GRCC's future work to meet community need in readiness for next funding cliff
- Capitalise on GRCC's expertise and reputation to support any opportunities in urban areas
- Support voluntary and community organisations and social enterprises to increase their effectiveness during a time of great uncertainty
- Review GRCC's marketing materials and approaches
- Use Quality Standards as evidence of being a well run and effective organisation
- Develop a sustainable Board of Trustees. Develop a 2010 -13 strategic plan reflecting changes in funding profile and community need

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2010

Achievements and Performance

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

During the year the following has been achieved

- 33 parish and community plans in progress including 7 communities refreshing their plans
- Parish and community-led planning review and refresh guidance information produced for communities
- Parish and community-led plans continue to be reflected in the LAA
- GRCC worked with GCC and Gloucestershire Assembly on revision of Compact
- GRCC is seen as the lead advice organisation for parish planning
- 268 Parishes supported, many on more than one occasion and by more than one member of staff
- Funding advice/assistance 108 parishes
- Affordable housing advice/assistance 44 parishes
- Advice/assistance to parish councils 182 parishes
- Advice/assistance to village/community halls 125 parishes
- Advice/assistance to community groups 118 parishes
- Advice via telephone 172 parishes
- Advice via email 205 parishes
- Advice via informal face-to-face contact 61 parishes
- Parish-based meetings attended 80 parishes
- Additionally, Village Agents active in community in 203 communities
- 3 Sector Match bringing new dimensions to service delivery and volunteering
- Gloucestershire Village Agents involved in directing service provision
- Quality standards Hallmark Scheme for village and community halls gaining momentum in Gloucestershire 21 halls have achieved Level 1, 10 halls have achieved Level 2 and 3 have achieved level 3
- Regular meetings with rural MPs
- Engagement in Gloucestershire Infrastructure Group
- 3 Learning to Cope initiatives delivered using 8 facilitators trained in previous year
- 139 attendees at Cotswold funding fayre organised by GRCC
- Successful RDPE collaborative bid by GRCC, Gloucestershire First, SWAN and the other South-West RCC's
- GRCC Local Action Group Board member in the Forest of Dean

2) To ensure the voice of rural communities is heard

- 70 communities' action plans entered on to the Parish plan database
- 3 Parish plan database workshops delivered for district and county officers and members
- Presentation on the work of GRCC to Gloucestershire Constabulary Community Safety Teams
- Parish and community led plan action status reports developed for each district plus a county overview
- On the ground report on community achievements in the Cotswold District produced
- State of Rural Gloucestershire report produced and distributed
- GRCC involved with all rural LSPs
- GRCC represents the voluntary Sector on GSP
- Regional Member of SWRAF representing RCCs
- Strong regional representation through SWAN
- GRCC represents "Rural" on Gloucestershire Assembly
- Chair of VCS Safer & Stronger Strategy Group
- Active member of 38 partnerships

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2010

3) To predict change and respond with innovative solutions

- 2 Gloucestershire Local Involvement networks (LINKs) task/focus groups formed following public consultation events
- GRCC involved in development of Social Enterprise Forum which reports to Gloucestershire Infrastructure Group
- Tewkesbury Pub Club Pilot replicated in the Stroud District
- 6 additional Community Agents appointed to work in urban areas
- 3 Sector Match working with Businesses and the education Sector focusing on "Pre NEETs"
- Recruitment of 6 additional Urban Agents(PPF pilot)
- 17 new opportunities identified and bids/tenders submitted
- 5 successful bids/ tenders to date

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

- 39,373 visits from 31,722 unique visitors to the GRCC website in the period April 09 to March 10
- Performance Improvement for All (PIFA) project social network launched
- Twitter and You Tube used by the 3SM project
- 91 countywide email alerts containing web links, each sent out to 2,500 people
- 12 Cotswold Life articles produced
- 19 Radio Gloucestershire interviews/ presentations and panel programmes
- Village Agents held up as best practice in Conservative Party manifesto
- Village Agents highlighted as an example of an innovative service that can make a real difference -Cabinet Office strategy "Building a Society for All Ages" July 2009
- Presentations about new projects at Team and Board meetings

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

- First RCC to be successfully reassessed at ACRE Good Practice Quality Standard level 3
- Refinement in systems and working practices introduced to increase effectiveness
- 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 2010

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 2010 this target level would be £33,451, whilst unrestricted reserves are shown as £252,460.

Position

As at 31st March 2010 the current level of unrestricted reserves stand at £252,460. The Charity also holds £201,521 in restricted funds and a permanent endowment of £36,004.

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 £14,564.

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 2009/10 to achieve each of these aims was developed with specific actions identified.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2010

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 2006. 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

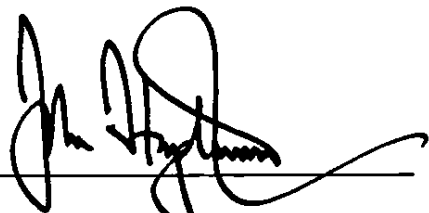
- So far as we are aware, there is no relevant audit information of which the company's Auditors are unaware, and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's 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 15 of the Companies Act 2006 relating to small entities.

Approved by the Board of Trustees on 19th July 2010 and signed on its behalf by



John G. Hazelwood CBE MA DL
(Chairman)



Edward H. Elwes
(Honorary Treasurer)

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

We have audited the financial statements of Gloucestershire Rural Community Council for the year ended 31 March 2010 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of trustees and auditors

The trustees' (who are also directors of the company for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Trustees' Responsibilities on page 8.

Our responsibility is to audit the financial statements 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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with those financial statements.

In addition we report to you, if in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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

Basis of Audit 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 of whether the accounting policies are appropriate to the charity'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.

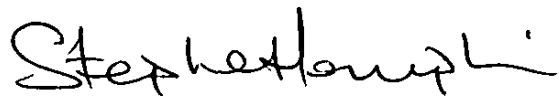
Opinion

In our opinion -

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Trustee's Annual Report is consistent with the financial statements



Steve Humphries (Senior Statutory Auditor)
For and on behalf of Griffiths Marshall

Chartered Accountants
Statutory Auditors

Beaumont House
172 Southgate Street
Gloucester
GL1 2EZ

Dated 2010

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted Funds	Restricted Funds	Endowment Fund Goodeve Legacy	Total Funds 2010	Total Funds 2009
		£	£	£	£	£
<u>INCOMING RESOURCES</u>						
Incoming resources from generated funds						
- Voluntary income						
- Grants receivable	2	157,553	0	0	157,553	178,248
- Donations		210			210	1,521
- Subscriptions and memberships		4,080			4,080	3,321
- Activities for generating funds						
- Consultancy fees		0			0	0
- Office service sales		9,565			9,565	12,882
- Letting		5,262			5,262	6,523
- Investment income	3	2,363	114	2,054	4,531	15,837
Incoming resources from charitable activities						
- Project funding and grants	4	10,750	960,341		971,091	813,222
Other incoming resources		10,488			10,488	0
Total incoming resources		<u>200,271</u>	<u>960,455</u>	<u>2,054</u>	<u>1,162,780</u>	<u>1,031,554</u>
<u>RESOURCES EXPENDED</u>						
Costs of generating funds						
- Office service costs		47,256	0	0	47,256	63,653
- Costs of generating voluntary income						
- Publicity	6	11,793	0	0	11,793	9,119
Charitable activities	5,17	55,187	963,012	0	1,018,199	855,649
Governance costs	7	19,566	0	0	19,566	22,614
Total resources expended	5	<u>133,802</u>	<u>963,012</u>	<u>0</u>	<u>1,096,814</u>	<u>951,035</u>
Net incoming resources / (resources expended) before transfers		66,469	(2,557)	2,054	65,966	80,519
Transfers		11,062	(9,008)	(2,054)	0	0
Net (resources expended) / incoming resources before revaluations and investment asset disposals		<u>77,531</u>	<u>(11,565)</u>	<u>0</u>	<u>65,966</u>	<u>80,519</u>
Gain / (loss) on investment assets unrealised	11			9,362	9,362	(15,957)
Net movement in funds	15	<u>77,531</u>	<u>(11,565)</u>	<u>9,362</u>	<u>75,328</u>	<u>64,562</u>
Reconciliation of funds						
Fund balances at 31 March 2009		178,508	209,509	26,641	414,658	350,095
Fund balances at 31 March 2010	15,17	<u>256,039</u>	<u>197,944</u>	<u>36,003</u>	<u>489,986</u>	<u>414,657</u>

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010

	2010 £	2009 £
Income	1,158,249	1,015,717
Expenditure	1,096,814	951,035
Operating Surplus / (Deficit)	61,435	64,682
Income from fixed asset investments	2,054	2,428
Other interest receivable and similar income	2,477	13,409
Net income / (expenditure) for the year	65,966	80,519

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

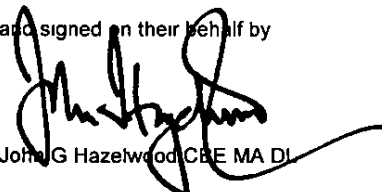
BALANCE SHEET AT 31 MARCH 2010

	Notes	2010 £	2009 £
Fixed Assets			
- Tangible fixed assets	10	74,133	63,508
- Investments	11	36,003	26,641
		<u>110,136</u>	<u>90,149</u>
Current Assets			
- Stocks		6,000	0
- Debtors	12	201,588	198,866
- Cash at bank and in hand		362,167	324,225
		<u>569,755</u>	<u>523,091</u>
Liabilities			
Amounts falling due within one year	13	189,906	198,582
Net Current Assets		<u>379,849</u>	<u>324,509</u>
NET ASSETS		<u>489,985</u>	<u>414,658</u>
FINANCED BY			
Capital funds			
- Endowment	15	36,004	26,641
Income funds			
- Restricted	17	197,944	209,509
- Unrestricted	15	205,017	127,488
- Unrestricted - Designated	16	51,020	51,020
		<u>489,985</u>	<u>414,658</u>


These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and with the Financial Reporting for Smaller Entities (effective April 2008)

Approved by the Trustees on 19th July 2010

and signed on their behalf by


John G Hazelwood CBE MA DL

Edward H Elwes



The notes on pages 12 to 19 form part of these accounts

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1 ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the provisions of the Companies Act 2006, the latest Statement of Recommended Practice on accounting and reporting by charities (SORP 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008). 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 2006, 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.

(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.

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

1 ACCOUNTING POLICIES (continued)

(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 AND S L A 's RECEIVABLE

	2010 Unrestricted £	2010 Restricted £	2010 TOTAL £	2009 TOTAL £
Gloucestershire County Council	50,000	0	50,000	53,500
ACRE (DEFRA)	66,553	0	66,553	83,117
Cotswold District Council	19,000	0	19,000	20,500
Stroud District Council	12,000	0	12,000	12,000
Forest of Dean District Council	10,000	0	10,000	9,131
	157,553	0	157,553	178,248

3 INVESTMENT INCOME

	2010 £	2009 £
Listed UK investments	2,054	2,428
Cash investments	2,477	13,409
	4,531	15,837

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

Grants and Project Funding

Grants	2010 Unrestricted £	2010 Restricted £	2010 TOTAL £	2009 TOTAL £
Gloucestershire County Council	0	674,287	674,287	499,684
Stroud District Council	0	13,118	13,118	5,000
Cotswold District Council	0	9,000	9,000	4,000
Forest of Dean District Council	0	4,000	4,000	5,480
Tewkesbury Borough Council	0	2,000	2,000	2,000
Cheltenham Borough Council	0	12,700	12,700	0
Bromford Housing Association	0	8,000	8,000	8,000
Severn Vale Housing Association	0	8,000	8,000	8,000
Gloucester Housing Association	0	8,000	8,000	8,000
Two Rivers Housing Association	0	8,000	8,000	8,000
Big Lottery Fund	0	109,986	109,986	101,029
Red Cross	0	9,300	9,300	10,700
SWRDA	0	0	0	10,025
RISE	0	0	0	1,500
Severn Trent	0	9,000	9,000	0
South West Foundation	0	780	780	0
Gloucestershire Infrastructure Group	0	7,114	7,114	0
University of West of England	0	20,000	20,000	0
Digital Outreach	0	17,950	17,950	0
	0	921,235	921,235	671,418
Direct income from project activities				
Enterprising Communities	4,442	7,630	12,072	57,885
Researching Communities			0	0
Inclusive Communities	6,309	31,476	37,784	83,920
Strategy			0	0
	10,750	39,106	49,856	141,805
	10,750	960,341	971,091	813,222

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

5 RESOURCES EXPENDED

Allocation of costs by activity	Direct Expenditure £	Grants Paid £	Support costs allocation £	2010 TOTAL £	2009 TOTAL £
Enterprising communities	242,195	6,368	38,914	287,476	130,489
Researching communities	0	0	0	0	0
Inclusive communities	626,933	3,060	100,730	730,723	725,160
Strategy	0	0	0	0	0
	869,128	9,428	139,644	1,018,199	855,649
Funded support costs				0	0
	869,128	9,428	139,644	1,018,199	855,649
Activities to generate funds					
Publicity			11,793	11,793	9,119
Office service costs	47,256			47,256	63,653
Governance	19,566			19,566	22,614
	935,950	9,428	151,436	1,096,814	951,035

6 PUBLICITY

	Unrestricted Funds £	restricted Funds £	TOTAL 2010 £	TOTAL 2009 £
Professional fees	(1,150)		(1,150)	1,150
Publications and publicity	5,902		5,902	2,590
Staff costs	6,200		6,200	4,903
Other labour related costs	841		841	476
	11,793	0	11,793	9,119

7 GOVERNANCE COSTS

	Unrestricted Funds £	Restricted Funds £	TOTAL 2010 £	TOTAL 2009 £
Trustee expenses	1,005		1,005	2,210
Meetings and contacts	1,350		1,350	2,155
Printing and publications	804		804	796
Auditors remuneration	5,288		5,288	5,100
Staff costs	10,053		10,053	11,654
Other labour related costs	1,007		1,007	649
Other governance costs	61		61	50
	19,566	0	19,566	22,614

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

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

8 GRANTS PAYABLE

		2010 £	2009 £
Aggregate of grants more than £1,000			
	to institutions	-	-
	to individuals	-	-
Aggregate of grants less than £1,000			
	to institutions	6,760	6,725
	to individuals	2,668	1,737
		<u>9,428</u>	<u>8,462</u>

9 ANALYSIS OF COSTS

	2010 £	2009 £
Staff costs		
Wages and salaries	604,603	540,281
Social Security costs	40,579	41,559
Pension contributions		
- Money purchase schemes	20,459	17,921
Benefits in kind	0	0
	<u>665,641</u>	<u>599,761</u>
 Number of staff with benefits accruing under		
Money purchase schemes	11	12
Defined benefit scheme	0	0
 The average number of employees, analysed by function, was		
Charitable activities	25	22
Management and administration	3	3
	<u>28</u>	<u>25</u>

There were no employees whose annual emoluments were £60,000 or more

10 TANGIBLE FIXED ASSETS

	Freehold property £	Building improvements £	Furniture & Equipment £	Computer equipment £	Motor Vehicles £	TOTAL £
Cost						
At April 1 2009	21,852	28,257	33,321	55,641	31,650	170,721
Additions	0	0	5,900	21,347	7,319	34,566
Disposals	0	0	(21,433)	(17,391)	(5,505)	(44,329)
At 31 March 2010	<u>21,852</u>	<u>28,257</u>	<u>17,790</u>	<u>59,597</u>	<u>33,463</u>	<u>160,959</u>
Depreciation						
At April 1 2009	6,991	26,432	25,639	32,821	15,330	107,213
Charge for the year	297	521	4,112	12,942	3,864	21,735
On disposals	0	0	(21,433)	(17,391)	(3,300)	(42,124)
At 31 March 2010	<u>7,288</u>	<u>26,955</u>	<u>8,317</u>	<u>28,372</u>	<u>15,895</u>	<u>86,826</u>
Net book values						
at 31 March 2010	<u>14,564</u>	<u>1,303</u>	<u>9,473</u>	<u>31,225</u>	<u>17,568</u>	<u>74,133</u>
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>

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

11 FIXED ASSET INVESTMENTS (GOODEVE LEGACY)

	2010 £	2009 £
UK Quoted investments - Charifund Income units		
Market value at 31 March 2009	26,641	42,598
Unrealised gain / (loss)	9,362	(15,957)
Market value at 31 March 2010	36,003	26,641
Historical cost	6,053	6,053

12 DEBTORS

	2010 £	2009 £
Trade debtors	102,461	100,937
Prepayments	12,165	15,605
Accrued income	86,962	82,324
	201,588	198,866

13 LIABILITIES

	2010 £	2009 £
Trade creditors	34,392	28,921
Taxes and Social Security	1,093	1,039
Other	259	1,318
Accruals	26,095	25,074
Deferred income	128,067	142,230
	189,906	198,582

Deferred income

The deferred income of £128,067 (2008 - £142,230) represents grants received from donors for work that is not to be performed until after 31 March 2010

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed Assets £	Investments £	Net current assets £	Total net assets £
Restricted funds	0	0	201,520	201,520
Permanent endowments				
Goodeve legacy	0	36,004	0	36,004
Unrestricted funds				
Designated	0	0	51,020	51,020
Other	74,133	0	71,620	145,753
	74,133	36,004	324,160	434,297

15 RECONCILIATION OF MOVEMENTS IN MEMBERS FUNDS

	Unrestricted Unrestricted & Designated £	Unrestricted & Designated (note 16) £	Restricted (note 17) £	Endowment (Goodeve legacy) £	TOTAL £
Balance at 1 April 2009	127,487	51,020	209,508	26,642	414,657
Net movement in funds	77,530	0	(11,564)	9,362	75,328
Balance 31 March 2010	205,017	51,020	197,944	36,004	489,985

GLOUCESTERSHIRE RURAL COMMUNITY COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

16 DESIGNATED FUNDS

	2010 £	2009 £
Building contingency	15,000	15,000
Working capital fund	26,020	26,020
Project guarantee fund	10,000	10,000
	<u>51,020</u>	<u>51,020</u>

17 RESTRICTED FUNDS

	Balance at 1 April 2009 £	Movement in resources Incoming £	Transfer £	Outgoing £	Balance at 31 March 2010 £
Direct activity					
Jump Start	0	37,159	32,091	69,250	0
Rural Housing Enabler	19,131	46,000	0	48,255	16,876
In Touch	76,345	60,441	0	62,013	74,773
Village of the Year competition	0	5,750	4,844	10,594	0
GAP analysis	3,670	5,000	(8,670)	0	0
3 Sector Match	0	35,554	5,881	41,435	0
Village / Community Agents	13,201	321,550	(32,239)	302,512	(0)
RSSG	0	23,550	2,079	25,629	0
P I F A	7,812	109,986	0	110,447	7,351
LINK	9,299	233,658	(12,529)	230,428	0
Pub Clubs	123	1,680	15	1,818	0
Bereavement facility	0	0	811	811	0
Red Cross	169	18,300	0	17,843	626
GFAN	0	780	1,300	2,080	0
LAG event	0	4,772	(4,772)	0	0
Community resilience	0	5,500	1,207	6,707	0
PP database	0	0	415	415	0
GIG	0	0	268	268	(0)
Basis 2 - Village Halls	0	7,114	96	7,210	(0)
Grey and Pleasant Land	0	20,000	0	14,568	5,432
NLDC - FOD	0	569	195	764	(0)
FOD Hall baseline	0	5,028	0	2,812	2,216
Digital Switchover	0	17,950	0	7,153	10,797
Interim Parish Plan grant	942	0	0	0	942
	<u>130,691</u>	<u>960,341</u>	<u>(9,008)</u>	<u>963,012</u>	<u>119,013</u>
Residual funds					
North Cotswold Family Centres	4,226	0	0	0	4,226
Transport Solutions	5,453	0	0	0	5,453
Youth Parish Councils	5,001	0	0	0	5,001
	<u>14,680</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>14,680</u>
Restricted Investments					
Fowler Wright fund	14,478	0	0	0	14,478
Anniversary fund	49,659	114	0	0	49,773
	<u>64,137</u>	<u>114</u>	<u>0</u>	<u>0</u>	<u>64,251</u>
	<u>209,508</u>	<u>960,455</u>	<u>(9,008)</u>	<u>963,012</u>	<u>197,944</u>

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 2010

18 OPERATING LEASE COMMITMENTS

	2010 £	2009 £
Annual operating lease commitments in respect of leases expiring		
Within one year	-	-
Between two and five years	-	-

19 CAPITAL COMMITMENTS

	2010 £	2009 £
Capital expenditure that has been authorised by the Board of Trustee's but not yet contracted or provided for	nil	nil

20 RELATED PARTY TRANSACTIONS

The Charity controls 'Gloucestershire Rural Projects Ltd' (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 end of the year GRP owed GRCC £27 (2009 £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 (2009 same) to cover claims that might arise. The cost of this policy was £2,378 (2009 £3,014).

22 FINANCIAL POSITION OF GLOUCESTERSHIRE RURAL PROJECTS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2010			2010 £	2009 £
Income			-	-
Expenditure			-	(477)
Net income for the year			-	477
BALANCE SHEET AS AT 31 MARCH			2010 £	2009 £
Current assets				
- Cash at bank			1,894	1,894
Creditors				
Amounts falling due within one year			27	27
Net Current Assets			1,867	1,867
TOTAL ASSETS LESS CURRENT LIABILITIES			1,867	1,867
RESERVES				
Profit and loss account			1,867	1,867