

**ReZolve Kernow Ltd
(Limited by Guarantee)**

Directors' Report and Financial Statements

For the period ended 31 March 2013

Company number 04004464

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ReZolve Kernow Ltd

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ReZolve Kernow Ltd

Directors' report

For the period ended 31 March 2013

The directors' present their report and financial statements for the period ended 31 March 2013

Principal activities

The principal activities of the company are to provide employability and training opportunities to people in Cornwall. This is underpinned by our continuing waste minimisation and awareness activities that we conduct through our re-use trading brand, RE SOURCE.

During the year we have delivered training and work experience placements to a wide range of individuals. Our main employability activity has been the delivery of Cornwall Works With Families. This is a DWP/ESF funded project which aims to help families with a history of worklessness to tackle the complex issues underpinning this and to help them move into sustained employment. ReZolve are one of the lead sub-contractors delivering this project across Cornwall.

Directors

The following directors have held office since 1 May 2012

G McGrath

G Pink

S Antrobus

D Kingsmill (resigned 17 December 2012)

P Young (appointed 17 December 2012)

The report of the directors has been prepared in accordance with the special provisions of Part 485 of the Companies Act 2006 relating to small companies.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Robinson Reed Layton be reappointed as auditors of the company will be put to the Annual General Meeting.

ReZolve Kernow Ltd

Directors' report

For the period ended 31 March 2013

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure to auditor

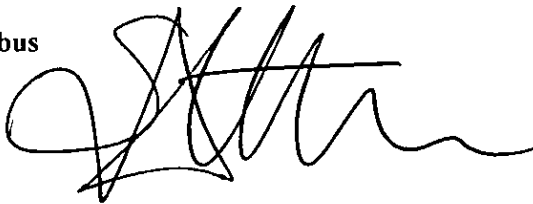
So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the Board

RE SOURCE Centre, Bodmin Business Park
Launceston Road
BODMIN
PL31 2RJ

S Antrobus
Director



20 June 2013

ReZolve Kernow Ltd

Independent auditors' report to the members of ReZolve Kernow Ltd

We have audited the financial statements of ReZolve Kernow Ltd for the period ended 31 March 2013 set out on pages 5 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

ReZolve Kernow Ltd

Independent auditors' report to the members of ReZolve Kernow Ltd

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Graham D Boulton FCA (Senior Statutory Auditor)
for and on behalf of Robinson Reed Layton, Statutory Auditor

Peat House
Newham Road
TRURO
TR1 2DP

24 June 2013

ReZolve Kernow Ltd

Income and expenditure account

For the period ended 31 March 2013

	<i>Notes</i>	Period ended 31 March 2013 £	Period ended 30 April 2012 £
Turnover		460,254	896,090
Cost of sales		(248,371)	(351,353)
		<hr/>	<hr/>
Gross surplus		211,883	544,737
Administrative expenses		(423,744)	(746,893)
Other operating income		30,712	36,296
		<hr/>	<hr/>
Operating deficit	2	(181,149)	(165,860)
Interest payable and similar charges	3	-	(60)
		<hr/>	<hr/>
Deficit on ordinary activities before taxation		(181,149)	(165,920)
Tax on deficit on ordinary activities	4	-	-
		<hr/>	<hr/>
Deficit for the financial period		(181,149)	(165,920)
		<hr/>	<hr/>

The income and expenditure account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

ReZolve Kernow Ltd

Balance sheet

As at 31 March 2013

	Notes	31 March 2013	30 April 2012
		£	£
Fixed assets			
Tangible assets	5	508,742	561,334
Investments	6	-	-
		<u>508,742</u>	<u>561,334</u>
Current assets			
Stocks		8,200	-
Debtors	7	102,345	47,905
Cash at bank and in hand		35,193	167,826
		<u>145,738</u>	<u>215,731</u>
Creditors: amounts falling due within one year	8	<u>(286,964)</u>	<u>(197,688)</u>
Net current (liabilities)/assets		<u>(141,226)</u>	<u>18,043</u>
Total assets less current liabilities		<u>367,516</u>	<u>579,377</u>
Accruals and deferred income	9	<u>(443,927)</u>	<u>(474,639)</u>
		<u>(76,411)</u>	<u>104,738</u>
Capital and reserves			
Income and expenditure account	12,13	<u>(76,411)</u>	<u>104,738</u>

These financial statements have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006

Approved by the Board and authorised for issue on 20 June 2013

S Antrobus
Director



Company Registration No 04004464

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents revenue recognised in the financial statements. Revenue is recognised when the company fulfils its contractual obligations to customers by supplying goods and services and excludes value added tax

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Short term leasehold property	20 years straight line
Plant and machinery	25% straight line
Fixtures, fittings and equipment	10-33% straight line
Motor vehicles	25% straight line

1.5 Leasing and hire purchase commitments

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate

1.6 Stocks

Stock is valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks

1.7 Pensions

The company operates a defined contribution pension scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the period they are payable

1.8 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

19 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Operating deficit

The operating deficit is stated after charging

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
Operating loss is stated after charging		
Depreciation of tangible assets	52,592	65,563
Operating lease rentals	17,399	27,003
Auditors' remuneration	2,500	2,425
Directors' emoluments	-	128,495
and after crediting		
Government grants	(30,712)	(36,296)
Surplus on disposal of tangible assets	-	(1,300)
	<hr/>	<hr/>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to none (2012 – 2)

3 Interest payable

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
On other loans wholly repayable within 5 years	-	52
Hire purchase interest	-	8
	<hr/>	<hr/>
	-	60
	<hr/>	<hr/>

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

4 Taxation

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
<i>Domestic current year tax</i>		
U K corporation tax	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>
<i>Factors affecting the tax charge for the period</i>		
Deficit ordinary activities before taxation	(181,149)	(165,920)
	<hr/>	<hr/>
Deficit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 0.00% (2012: 0.00%)	-	-
	<hr/>	<hr/>
Current tax charge	-	-
	<hr/>	<hr/>

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

5 Tangible fixed assets

	Short term leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Motor vehicles £	Total £
Cost					
At 1 May 2012	670,079	8,147	152,116	21,775	852,117
Disposals	-	-	(36,705)	-	(36,705)
At 31 March 2013	670,079	8,147	115,411	21,775	815,412
Depreciation					
At 1 May 2012	161,936	8,147	100,820	19,880	290,783
On disposals	-	-	(36,705)	-	(36,705)
Charge for the period	30,712	-	20,277	1,603	52,592
At 31 March 2013	192,648	8,147	84,392	21,483	306,670
Net book value					
At 31 March 2013	477,431	-	31,019	292	508,742
At 30 April 2012	508,143	-	51,296	1,895	561,334

6 Fixed asset investments

Cost	£
At 1 May 2012 and 31 March 2013	-

Holdings of more than 20%

The company has an interest in the following company

Company	Country of registration or incorporation
Participating interests Environmental Skills Network Limited	England and Wales

The aggregate amount of capital and reserves and the results of this undertaking for the last relevant financial year were as follows

	Principal activity	Capital and reserves 2013 £	Profit for the period 2013 £
Environmental Skills Network Limited	Provide training and support for environmental sector businesses	4,071	104

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

7 Debtors

	31 March 2013 £	30 April 2012 £
Trade debtors	101,297	28,599
Other debtors	1,048	19,306
	<u>102,345</u>	<u>47,905</u>

8 Creditors: amounts falling due within one year

	31 March 2013 £	30 April 2012 £
Other loans	1,000	1,000
Trade creditors	37,346	37,486
Amount owed to Addaction	119,890	-
Taxes and social security	7,349	22,903
Other creditors	121,379	136,299
	<u>286,964</u>	<u>197,688</u>

Included in other creditors above is £33,504 (2012 £33,504) grants received

During the period the company received a total of Nil (2012 £Nil) for the Starting Out Project. The breakdown of this was as follows

	Balance at 1 May 2012 £	Income £	Expenditure £	Balance at 31 March 2013 £
Henry Smith Charitable Trust	1,195	-	(1,195)	-

9 Accruals and deferred income

	Government grants £
Balance at 1 May 2012	474,639
Amortisation in the period	(30,712)
Balance at 31 March 2013	<u>443,927</u>

The above government grants may become repayable if the asset to which the grant relates is sold

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

10 Pension costs

Defined contributions

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
Contributions payable by the company for the period	8,280	9,278

11 Company status

The company is a private company limited by guarantee and consequently does not have a share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets and liabilities of the company in the event of liquidation. There were 3 members at 31 March 2013 (2012: 9).

12 Reserves

	Income and expenditure account £
At 1 May 2012	104,738
Deficit for the period	(181,149)
At 31 March 2013	(76,411)

13 Reconciliation of movement in members' funds

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
Deficit for the period	(181,149)	(165,920)
Opening funds	104,738	270,658
Closing funds	(76,411)	104,738

14 Financial commitments

At 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2013 £	2012 £	2013 £	2012 £
Expiry date				
Within one year	-	-	-	-
Between two and five years	-	-	913	913
In over five years	16,000	8,000	-	-

ReZolve Kernow Ltd

Notes to the financial statements

For the period ended 31 March 2013

15 Control

The ultimate controlling party are the trustees of the charity Addaction

16 Related party relationships and transactions

The following amounts were invoiced by the directors of ReZolve Kernow Limited for seminar and meeting costs incurred during the period

	Period ended 31 March 2013 £	Period ended 30 April 2012 £
PK Rees	-	2,328
DM Roe	-	400
DJ Clark	-	1,869
P Ward	-	395
	<hr/>	<hr/>
	-	4,992
	<hr/>	<hr/>

Creditors include an inter-company balance payable to Addaction of £82,890 and a loan in the sum of £37,000