

The Co-operative Loan Fund Limited

(A company limited by guarantee)

Directors' Report and Financial Statements

for the Year Ended 31 December 2009

Registration number 05670633



The Co-operative Loan Fund Limited

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The Co-operative Loan Fund Limited
Company Information

Directors	S Hindle	
	C Owens	
	J Pendle	
	L Ward	(appointed 28 October 2009)
	D Pownall	(appointed 29 April 2009)
Secretary	I Rothwell	
Registered office	c/o Co-operative & Community Finance Brunswick Court Brunswick Square Bristol BS2 8PE	
Auditors	RSM Tenon Audit Limited Statutory Auditor Howard House Queens Avenue Clifton Bristol BS8 1QT	

The Co-operative Loan Fund Limited
Directors' Report for the Year Ended 31 December 2009

The directors present their report and the audited financial statements for the year ended 31 December 2009

Directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period ending on that date. In preparing those financial statements, directors are required to

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditors are unaware of.

Principal activity

The principal activity of the company is providing loans to common ownership companies and co-operatives and also to be a vehicle for channelling loans from public funds to such enterprises.

Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

Directors

The directors who held office during the year were as follows

- S Home (resigned 19 February 2010)
- S Hindle
- C Owens
- A Rees (resigned 8 January 2010)
- J Pendle
- L Ward (appointed 28 October 2009)
- D Pownall (appointed 29 April 2009)

Auditors

The audit business of RSM Bentley Jennison, who had previously been appointed as the company's auditors has merged with that of RSM Tenon Audit Limited who succeeded to the office of auditors to the company. The audit report on the financial statements has therefore been issued by the successor firm, RSM Tenon Audit Limited.

The Co-operative Loan Fund Limited
Directors' Report for the Year Ended 31 December 2009

continued

The auditors, RSM Tenon Audit Limited, will be proposed for re-appointment in accordance with section 487 of the Companies Act 2006

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006

Approved by the Board and signed on its behalf by



I Rothwell
Company Secretary

Date 20/04/2010

Independent Auditors' Report to the Members of The Co-operative Loan Fund Limited (Registration number: 05670633)

We have audited the financial statements of The Co-operative Loan Fund Limited for the year ended 31 December 2009, set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 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 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 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 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 (APB's) Ethical Standards for Auditors.

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 2006. We also report to you whether in our opinion the information given in the Directors' 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 information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

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.

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 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

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

**Independent Auditors' Report to the Members of
The Co-operative Loan Fund Limited (Registration number: 05670633)**

continued

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, or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime


Geoffrey Speirs BSc FCA
Senior Statutory Auditor

for and on behalf of
RSM Tenon Audit Limited
Statutory Auditor

Date *21 February 2010*

Howard House
Queens Avenue
Clifton
Bristol
BS8 1QT

The Co-operative Loan Fund Limited
Profit and Loss Account for the Year Ended 31 December 2009

	Note	2009 £	2008 £
Turnover		49,946	65,916
Administrative expenses		(73,672)	(93,747)
Other operating income	2	50,000	250,000
Operating profit	3	<u>26,274</u>	<u>222,169</u>
Other interest receivable and similar income		1,669	11,625
Profit on ordinary activities before taxation		<u>27,943</u>	<u>233,794</u>
Profit for the financial year	9	<u><u>27,943</u></u>	<u><u>233,794</u></u>

The notes on pages 8 to 10 form an integral part of these financial statements

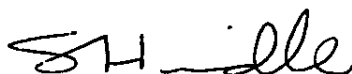
The Co-operative Loan Fund Limited (Registration number: 05670633)

Balance Sheet as at 31 December 2009

		2009		2008	
	Note	£	£	£	£
Current assets					
Debtors under one year	6	215,385		143,517	
Debtors over one year	6	821,792		576,247	
Cash at bank and in hand		<u>230,756</u>		<u>520,191</u>	
			1,267,933		1,239,955
Creditors Amounts falling due within one year	7		<u>(500)</u>		<u>(465)</u>
Net assets			<u>1,267,433</u>		<u>1,239,490</u>
Capital and reserves					
Other reserves	9		1,334,490		1,284,490
Profit and loss account	9		<u>(67,057)</u>		<u>(45,000)</u>
			<u>1,267,433</u>		<u>1,239,490</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Approved by the Board on 22/01/10 and signed on its behalf by



S Hindle
Director

The Co-operative Loan Fund Limited

Notes to the Financial Statements for the Year Ended 31 December 2009

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The principal accounting policies are set out below.

Turnover

Turnover represents the amount derived from interest and fees on loans falling within the company activities. All income is derived from the UK.

Taxation

The tax charge is based on the results for the year.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRSSE.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

2 Other operating income

New funds donated during the year

	2009	2008
	£	£
Co-operative Group	50,000	100,000
East of England Co-operative Society	-	150,000
Total	<u>50,000</u>	<u>250,000</u>

3 Operating profit

Operating profit is stated after charging

	2009	2008
	£	£
The audit of the company's annual accounts	<u>425</u>	<u>465</u>

4 Directors' emoluments

No emoluments were paid to the directors during the year (2008 - £nil)

The Co-operative Loan Fund Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

continued

5 Taxation

Analysis of current period tax credit

	2009 £	2008 £
Total tax on profit on ordinary activities	<u>-</u>	<u>-</u>

Factors which may affect future tax charges

Tax losses of £49,695 can be carried forward and offset against future profits, however a deferred tax asset has not been recognised as future profits are uncertain

6 Debtors

	2009 £	2008 £
Trade debtors	<u>1,037,177</u>	<u>719,764</u>

Trade debtors includes £821,792 (2008 - £576,247) receivable after more than one year

7 Creditors: Amounts falling due within one year

	2009 £	2008 £
Accruals and deferred income	<u>500</u>	<u>465</u>

8 Company status

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

The Co-operative Loan Fund Limited
Notes to the Financial Statements for the Year Ended 31 December 2009

continued

9 Reserves

	Other reserves	Profit and loss account	Total
	£	£	£
Balance at 1 January 2009	1,284,490	(45,000)	1,239,490
Other reserves movement	50,000	(50,000)	-
Transfer from profit and loss account for the year	-	27,943	27,943
Balance at 31 December 2009	<u>1,334,490</u>	<u>(67,057)</u>	<u>1,267,433</u>

The other reserves are restricted and are available for lending purposes only. During the year to 31 December 2009, the company received additional donated funds of £50,000, available for lending purposes only. It is for this reason that the directors have decided that the amount should be transferred from the profit and loss account to other reserves.

10 Related parties

Controlling entity

The company is limited by guarantee and has no ultimate controlling party.