

Charity Registration No. SC003517

Company Registration No. 068995 (Scotland)

BRAG ENTERPRISES LIMITED
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2005



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COMPANIES HOUSE 26/10/05

BRAG ENTERPRISES LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	William Clarke Mary Nardone Stephen Nardone Joseph Paterson Allan Gardiner Roseanne Murray Etta Hamilton John Murray Eileen McKenna
Secretary	Joseph Paterson
Charity number	SC003517
Company number	068995
Principal address	Crosshill Business Centre, Main Street LOCHGELLY Fife KY5 8BJ
Registered office	Crosshill Business Centre, Main Street LOCHGELLY Fife KY5 8BJ
Auditors	Scott & Paterson Bruntsfield House 6 Bruntsfield Terrace EDINBURGH EH10 4EX
Bankers	Bank of Scotland 67 Bank Street LOCHGELLY Fife KY5 9QN
Solicitors	Young & Partners New Law House Saltire Centre GLENROTHES KY6 2DA

BRAG ENTERPRISES LIMITED

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BRAG ENTERPRISES LIMITED

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The Trustees present their report and accounts for the year ended 31 March 2005.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Objects of the charity

Brag Enterprises Limited is a company limited by guarantee that has no share capital and is a recognised charity governed by its memorandum and articles of association. The liability of each member in the event of winding up is limited to £1.

The charity has three main areas of work, being local economic development, training and property and is funded by grants from local authorities, the Scottish Executive and the European Community and self generated income. In furtherance of the training and local economic development aims, the company participates in the delivery of the New Deal Programme. This enables individuals to improve their employability, receive training and resource the voluntary sector.

The principal activity of the company is to benefit the community in the area of Central Fife.

The Board have appointed a local economic development manager who is responsible for the day to day running of the charity.

There are no restrictions on the charity's powers to invest.

Trustees

The Trustees, who are also the directors for the purpose of company law, who served during the year were:

William Clarke

Mary Nardone

Stephen Nardone

Michael O'Hare

(Resigned 30 November 2004)

Joseph Paterson

Allan Gardiner

Roseanne Murray

Etta Hamilton

John Murray

Eileen McKenna

The Directors of the company are its trustees for the purpose of charity law. As set out in the Articles of Association the board of Directors has the power to appoint and remove Directors.

Review of financial position

The Accounts on pages 6 to 15 show net incoming resources of £303,568 (2004 : outgoing £38,564) before transfers for the year ended 31 March 2005.

BRAG ENTERPRISES LIMITED

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three months core expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. The Trustees have also taken into account the requirement to reimburse the balance of contracts and provide for redundancy payment as part of their consideration as to the level of reserves required. In accordance with the policy disclosed in the previous year, reserves were built up in order to meet these targets.

Risk factors

The Directors have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Scott & Paterson be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the board of Trustees



William Clarke

Trustee

Dated: 6 September 2005

BRAG ENTERPRISES LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing those accounts, the Trustees are required to:

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

The Trustees are responsible for keeping 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 accounts comply with the Companies Act 1985. 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.

BRAG ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRAG ENTERPRISES LIMITED

We have audited the accounts of Brag Enterprises Limited for the year ended 31 March 2005 set out on pages 6 to 15. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 Trustees and auditors

As described on page 3, the Trustees, who are also the directors of Brag Enterprises Limited for the purpose of company law, are responsible for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity 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 trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

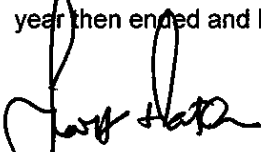
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

BRAG ENTERPRISES LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF BRAG ENTERPRISES LIMITED

Opinion

In our opinion the accounts give a true and fair view of the charitable company's state of affairs as at 31 March 2005 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Scott & Paterson
Chartered Accountants
Registered Auditor
Bruntsfield House
6 Bruntsfield Terrace
EDINBURGH
EH10 4EX

Dated: 10 October 2005

BRAG ENTERPRISES LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2005

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2005 £	Total 2004 £
<u>Incoming resources</u>						
Activities in furtherance of the charity's activities	2	960,326	-	539,104	1,499,430	1,335,611
Activities for generating funds	3	75,439	-	-	75,439	52,552
Investment income	4	16,502	-	3,109	19,611	10,435
Other incoming resources	5	19,053	-	3,786	22,839	-
Total incoming resources		1,071,320	-	545,999	1,617,319	1,398,598
<u>Resources expended</u>						
Charitable expenditure						
Running of training projects		706,112	-	299,983	1,006,095	1,053,869
Support costs		-	17,484	259,432	276,916	327,261
Management and administration		30,740	-	-	30,740	56,032
Total resources expended	6	736,852	17,484	559,415	1,313,751	1,437,162
Net incoming/(outgoing) resources before transfers		334,468	(17,484)	(13,416)	303,568	(38,564)
Transfers between funds		(191,838)	200,150	(8,312)	-	-
Net incoming/(outgoing) resources		142,630	182,666	(21,728)	303,568	(38,564)
Gains on investment assets		-	-	-	-	8,767
Net movement in funds		142,630	182,666	(21,728)	303,568	(29,797)
Fund balances at 1 April 2004		292,128	225,899	301,434	819,461	849,258
Fund balances at 31 March 2005		434,758	408,565	279,706	1,123,029	819,461

BRAG ENTERPRISES LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	31 March 2005 £	31 March 2004 £
Total income	1,617,319	1,398,598
Total expenditure from income funds	1,313,751	1,437,162
Net income/(expenditure) for the year	<u>303,568</u>	<u>(38,564)</u>

The summary income and expenditure account is derived from the statement of financial activities on page 6 which, together with the notes on pages 9 to 15, provides full information on the movements during the year on all funds of the charity.

STATEMENT OF RECOGNISED GAINS AND LOSSES

Net income/(expenditure) for the year	303,568	(38,564)
Unrealised gains on investment assets held by income funds	-	8,767
	<u>303,568</u>	<u>(29,797)</u>

BRAG ENTERPRISES LIMITED

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	10	349,450		407,610	
Investments	11	106,000		106,000	
		<u>455,450</u>		<u>513,610</u>	
Current assets					
Debtors	12	412,009		258,349	
Cash at bank and in hand		373,924		282,348	
		<u>785,933</u>		<u>540,697</u>	
Creditors: amounts falling due within one year	13	<u>(118,354)</u>		<u>(234,846)</u>	
Net current assets		<u>667,579</u>		<u>305,851</u>	
Total assets less current liabilities		<u>1,123,029</u>		<u>819,461</u>	
Income funds					
Restricted funds	16	279,706		301,434	
Unrestricted funds:					
Designated funds	17	408,565		225,899	
Other charitable funds (including revaluation reserve of £- (2004: £8,767))		434,758		292,128	
		<u>1,123,029</u>		<u>819,461</u>	

The accounts were approved by the Board on 6th April 2005

Wm Clarke

William Clarke
Trustee

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention, with the exception of investments which are included at market value.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

1.2 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants, including capital grants, are included when receivable. Where donors specify that grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

Investment income is included when receivable by the company.

1.3 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Property	5% straight line
Tenants improvements	9% straight line
Computer equipment	33% straight line
Fixtures, fittings & equipment	15% reducing balance
Motor vehicles	25% reducing balance

1.5 Investments

Fixed asset investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations throughout the year.

1.6 Pensions

The pension costs charged in the accounts represent the contributions payable by the charity during the year in accordance with the applicable accounting standards.

1.7 Accumulated funds

General funds are unrestricted funds which are available for use at the discretion of the Directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes to the Financial Statements.

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

2 Activities in furtherance of the charity's activities

	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
Grants receivable for charitable activities	960,326	539,104	1,499,430	1,335,611
	<u>960,326</u>	<u>539,104</u>	<u>1,499,430</u>	<u>1,335,611</u>

3 Activities for generating funds

	2005 £	2004 £
Rents receivable	<u>75,439</u>	<u>52,552</u>

4 Investment income

	Unrestricted funds £	Total 2005 £	Total 2004 £
Rental income	13,250	13,250	7,204
Interest receivable	3,252	6,361	3,231
	<u>16,502</u>	<u>19,611</u>	<u>10,435</u>

5 Other incoming resources

	Unrestricted funds £	Restricted funds £	Total 2005 £	Total 2004 £
Other income	<u>19,053</u>	<u>3,786</u>	<u>22,839</u>	<u>-</u>

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2005 £	Total 2004 £
Charitable expenditure:					
Running of training projects	473,654	-	532,441	1,006,095	1,053,869
Support costs:					
Running and maintenance of properties	-	72,662	204,254	276,916	327,261
Management and administration	25,740	-	5,000	30,740	56,032
	<u>499,394</u>	<u>72,662</u>	<u>741,695</u>	<u>1,313,751</u>	<u>1,437,162</u>

Management and administration costs includes payments to the auditors of £5,000 (2004 - £4,000) for audit fees.

7 Trustees

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

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2005 Number	2004 Number
Management and administration	21	9
Other	1	2
	<u>22</u>	<u>11</u>

Employment costs

	2005 £	2004 £
Wages and salaries	433,116	362,933
Social security costs	40,321	33,207
Other pension costs	25,957	24,639
	<u>499,394</u>	<u>420,779</u>

There were no employees whose annual emoluments were £50,000 or more.

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

9 Taxation

The company, being a charity, is exempt from tax in accordance with section 505 of the Income and Corporation Taxes Act 1988.

10 Tangible fixed assets

	Property £	Tenants improvements £	Fixtures, fittings & equipment £	Computer equipment & Motor vehicles £	Total £
Cost					
At 1 April 2004	109,454	302,181	199,654	183,561	794,850
Additions	-	-	14,505	-	14,505
At 31 March 2005	109,454	302,181	214,159	183,561	809,355
Depreciation					
At 1 April 2004	27,315	100,661	110,592	148,675	387,243
Charge for the year	5,473	27,196	17,954	22,039	72,662
At 31 March 2005	32,788	127,857	128,546	170,714	459,905
Net book value					
At 31 March 2005	76,666	174,324	85,613	12,847	349,450
At 31 March 2004	82,139	201,520	89,063	34,888	407,610

11 Fixed asset investments

	Investment Property £
Market value at 1 April 2004 and at 31 March 2005	106,000
Historical cost:	
At 31 March 2005	184,325
At 31 March 2004	182,645

The investment property was valued by the Directors as at 31 March 2005.

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

12 Debtors	2005 £	2004 £
Trade debtors	20,680	15,153
Other debtors	1,377	32,457
Prepayments and accrued income	389,952	210,739
	<u>412,009</u>	<u>258,349</u>

13 Creditors: amounts falling due within one year	2005 £	2004 £
Trade creditors	9,078	33,384
Taxes and social security costs	15,610	13,428
Other creditors	88,846	179,401
Accruals	4,820	8,633
	<u>118,354</u>	<u>234,846</u>

14 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £24,639 (2004 - £15,143).

15 Share capital

The company has no such share capital as it is limited by guarantee. The members have agreed to contribute £1 each in the event of the company being unable to meet its debt.

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 March 2005
	Balance at 1 April 2004	Incoming Resources	Resources Expended	Transfers	
	£	£	£	£	£
Internet Cafe	8,709	22,845	(37,144)	5,590	-
School for Social Entrepreneurs - Income	5,018	148,120	(112,759)	(40,219)	160
School for Social Entrepreneurs - Capital	7,649	-	(1,645)	-	6,004
Coalfield Regeneration Fund - Capital	93,837	-	(41,948)	14,355	66,244
European Social Fund - Capital	186,221	-	(11,586)	-	174,635
Core activities	-	146,885	(146,885)	-	-
Community Based Learning	-	218,150	(185,487)	-	32,663
PALP	-	10,000	(21,961)	11,961	-
	<u>301,434</u>	<u>546,000</u>	<u>(559,415)</u>	<u>(8,313)</u>	<u>279,706</u>

The Charity received additional funding in the current year for the School for Social Entrepreneurs of £40,219 in respect of expenditure incurred in earlier periods. This expenditure was previously allocated against Unrestricted Income. This element has now been transferred against Unrestricted Funds. Other shortfalls of funding in Restricted Funds of £31,903 have been charged against Unrestricted Funds.

BRAG ENTERPRISES LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2005

17 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			
	Balance at 1 April 2004	Incoming Resources	Resources Expended	Balance at 31 March 2005
	£	£	£	£
Fixtures & Fittings - Capital Fund	21,229	-	(3,207)	18,172
Call Centre Property - Capital Fund	82,139	-	(5,473)	76,666
Computer Equipment - Capital Fund	16,531	-	(8,804)	7,727
Investment Property	106,000	-	-	106,000
Projects Fund	-	-	-	200,000
	<u>225,899</u>	<u>-</u>	<u>(17,484)</u>	<u>408,565</u>

The Projects Fund has been designated by the Trustees to provide funding for several projects which are being considered post year end.

18 Analysis of net assets between funds

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 March 2005 are represented by:				
Tangible fixed assets	-	102,565	246,885	349,450
Investments	-	106,000	-	106,000
Current assets	490,230	200,000	95,703	785,933
Creditors: amounts falling due within one year	(55,472)	-	(62,882)	(118,354)
	<u>434,758</u>	<u>408,565</u>	<u>279,706</u>	<u>1,123,029</u>