

INVERCLYDE COMMUNITY DEVELOPMENT
TRUST

Company Number SC116334

ACCOUNTS
FOR YEAR TO 31ST MARCH, 1998

Murray and Henderson
Chartered Accountants
13 William Street
GREENOCK



IAM.

DIRECTORS' REPORT

The Directors submit their Annual Report and Audited Accounts of the Company for the year ended 31st March, 1998.

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for the year. In preparing these Accounts the Directors are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent, follow applicable accounting standards, and prepare the Accounts on the 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 to enable them to ensure that 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.

RESULTS

The attached Profit and Loss Account, Balance Sheet and Notes to the Accounts together with the Report of the Auditors shows the trading results for the year to 31st March, 1998.

DIRECTORS

Throughout the year the Directors were Messrs. Donald Maynard and Thomas Rodger.

In accordance with the Articles of Association, none of the Directors retire at this time.

SHARE CAPITAL

As the Company is Limited by Guarantee and does not have a Share Capital none of the Directors have any shareholdings.

ACTIVITIES OF THE COMPANY

The main activity of the Company is to relieve poverty in Greenock by the provision of Companies and Projects whose activities are directed towards the provision of employment and services to the poor residents of Greenock.

AUDITORS

The Auditors, Messrs. Murray and Henderson, C.A., will be proposed for re-appointment in accordance with Section 384 of the Companies Act, 1985.

CLOSE COMPANY

The Close Company provisions of the Income and Corporation Taxes Act, 1988 apply to the Company.

This Report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act, 1985.

By Order of the Board

T. Rodger

Company Secretary.

GREENOCK, 19th August, 1998.

INCOME AND EXPENDITURE ACCOUNT
FOR YEAR TO 31ST MARCH, 1998

	<u>1997</u>	<u>1998</u>
	£	£
<u>Income</u>		
Rental and Service Charge Income	112,279	116,790
<u>Less: Buildings Overhead Expenditure</u>	85,382	94,212
	<u>26,897</u>	<u>22,578</u>
Sundry Income and Donations	7,760	8,253
Bank Interest Received	1,275	2,387
	<u>35,932</u>	<u>33,218</u>
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<u>Expenditure</u>		
Wages and Training Costs	865	55
Motor and Travelling Expenses	650	183
Administration and Recruitment Costs	9,769	21,540
Project Promotion and Development	(8,209)	-
Bank Loan Interest	6,526	5,764
Bank Charges and Interest	(4)	786
Audit Fee	1,645	1,933
Bad Debts	-	144
Depreciation	4,301	870
	<u>15,543</u>	<u>31,275</u>
	-----	-----
<u>PROFIT FOR YEAR</u>	20,389	1,943
	=====	=====
Gain/(Loss) on Sale of Property	(6,343)	3,824
	=====	=====

The Company has no recognised gains or losses other than the profits for the two years ended 31st March, 1998.

BALANCE SHEET
AS AT 31ST MARCH, 1998

	<u>Notes</u>	<u>1997</u> £	<u>1998</u> £
<u>FIXED ASSETS</u>			
Tangible Assets	1 & 5	667,578	1,145,868
Investments	4	896	996
		<hr/>	<hr/>
		668,474	1,146,864
		<hr/>	<hr/>
<u>CURRENT ASSETS</u>			
Debtors and Prepaid Charges	6	32,968	88,722
Cash at Bank and on Hand		27,162	(27,684)
		<hr/>	<hr/>
		60,130	61,038
		<hr/>	<hr/>
CREDITORS - Amounts falling due within one year			
Creditors and Accrued Charges	7	46,907	81,452
Property Loans		18,389	15,000
		<hr/>	<hr/>
		65,296	96,452
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(5,166)	(35,414)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		663,308	1,111,450
CREDITORS - Amounts falling due after more than one year			
Property Loans	8	30,194	18,583
		<hr/>	<hr/>
NET ASSETS		633,114	1,092,867
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Capital Reserve	9	316,058	365,146
General Reserve	10	99,681	101,624
Lottery Fund Reserve		217,375	626,097
		<hr/>	<hr/>
		633,114	1,092,867
		<hr/>	<hr/>

Advantage has been taken, in the preparation of the accounts, of the special exemptions applicable to small companies.

In the opinion of the Directors, the Company is entitled to those exemptions on the basis that it qualifies as a small company under Section 247.

The accounts have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act, 1985

D. Maynard - Director.

19th August, 1998.



NOTES TO THE ACCOUNTS

31ST MARCH, 1998

1/ ACCOUNTING POLICIES

Convention

These financial statements have been prepared in accordance with the Historical Cost Convention. The principal accounting policies which the Directors have adopted within that Convention are set out below.

Turnover

Turnover is the amount derived from the provisions of goods and services falling within the Company's ordinary activity.

Tangible Fixed Assets and Depreciation

Depreciation is not accounted for on property. This is not in accordance with Statement of Standard Accounting Practice No. 12 as the Directors are of the opinion that the Property should be shown at valuation.

Depreciation is calculated to write down the cost of the tangible fixed assets over the period of their estimated useful economic lives as follows -

Fixtures and Fittings	- 25% P.A.
Motor Vehicles	- 25% P.A.

2/ SHARE CAPITAL

The Company is limited by Guarantee. It has no Share Capital.

3/ TAXATION

The Company has charitable status and no taxation provision is required.

4/ INVESTMENTS/

4/ INVESTMENTS

The Company is the beneficial owner of the shares in the following unlisted Companies:-

	<u>1997</u>	<u>1998</u>
Wonderland Nursery Pre-School Learning Centre Limited	99	99
Littlefeet Nursery Services Limited	99	99
Priority Catering and Training (Inverclyde) Limited	99	99
Video Creations Limited	99	99
Priority Services (Inverclyde) Limited	100	100
Priority Care (Inverclyde) Limited	100	100
Priority Education & Training Services (Inverclyde) Limited	100	100
Threshold Printing Limited	-	100
	<u>696</u>	<u>796</u>
 Listed Companies:-		
Scottish Community Enterprise Investment Fund Plc	200	200
	<u>896</u>	<u>996</u>

5/ TANGIBLE ASSETS

	Property	Fixtures & Fittings	Motor Vehicles	Total	1997
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At Cost/Valuation	660,100	13,131	16,483	689,714	449,149
Additions	508,836	-	-	508,836	252,565
Disposals	(28,676)	-	(1,500)	(30,176)	(12,000)
	<u>1,140,260</u>	<u>13,131</u>	<u>14,983</u>	<u>1,168,374</u>	<u>689,714</u>
Depreciation					
As at 1/4/97	-	13,131	9,005	22,136	17,835
Charge for Year	-	-	1,870	1,870	4,301
Disposals	-	-	(1,500)	(1,500)	-
	<u>NIL</u>	<u>13,131</u>	<u>9,375</u>	<u>22,506</u>	<u>22,136</u>
Book Value @ 31/3/98	1,140,260	-	5,608	1,145,868	
Book Value @ 31/3/97					<u>667,578</u>

6/ DEBTORS/

6/ DEBTORS

	<u>1997</u>	<u>1998</u>
	£	£
Trade Debtors	30,301	26,544
Loans	-	25,263
Sundry Debtors and Prepayments	2,667	36,915
	<u>32,968</u>	<u>88,722</u>

7/ CREDITORS - Amounts falling due within one year

Trade Creditors	40,336	11,947
Accrued Charges	6,571	19,505
Loan - Priority Education & Training Services Ltd	-	50,000
	<u>46,907</u>	<u>81,452</u>

8/ CREDITORS - Amounts falling due after more than one year

Bank Term Loans	30,194	18,583
	<u>30,194</u>	<u>18,583</u>

The Bank Term Loans are repayable in less than 5 years and are secured over part of the Company's Heritable Properties.

9/ CAPITAL RESERVE

Opening Balance	314,401	316,058
Vehicle Grant	8,000	-
Gain/(Loss) on Sale of Property	(6,343)	3,824
European Fund Grant	-	33,255
I.T.E.I. Transfer	-	12,009
	<u>316,058</u>	<u>365,146</u>
Closing Balance	316,058	365,146

The Capital Reserve originally arose on the formation of the Company and the acquisition of assets held by Greenock Employment Action Group.

10/ GENERAL RESERVE

Opening Balance	79,292	99,681
Profit for Year	20,389	1,943
	<u>99,681</u>	<u>101,624</u>

**AUDITORS' REPORT TO THE SHAREHOLDERS OF
INVERCLYDE COMMUNITY DEVELOPMENT TRUST**

We have audited the financial statements on pages 3 and 4 which have been prepared under the Historical Cost Convention and the accounting policies set out on pages 5 to 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 2 the Company's Directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

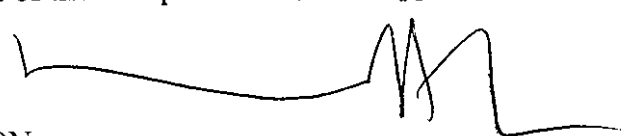
BASIS OF OPINION

We conducted our audit in accordance with 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

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

OPINION

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 31st March, 1998 and of its profit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act, 1985 applicable to small Companies.


MURRAY AND HENDERSON,
Chartered Accountants,
Registered Auditors.

GREENOCK, 19th August, 1998.