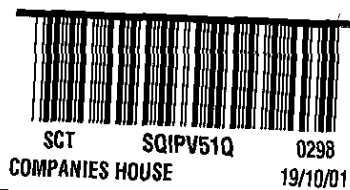
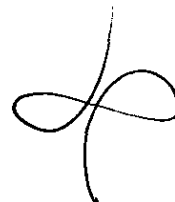


INVERCLYDE COMMUNITY DEVELOPMENT
TRUST

Company Number SC116334

ACCOUNTS
FOR YEAR TO 31ST MARCH, 2001

Murray and Henderson
Chartered Accountants
13 William Street
GREENOCK



DIRECTORS' REPORT

The Directors submit their Annual Report and Accounts of the Company for the year ended 31st March, 2001.

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 shows the trading results for the year to 31st March, 2001.

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.

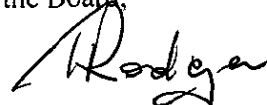
CLOSE COMPANY

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, 25th September, 2001.

INCOME AND EXPENDITURE ACCOUNT
FOR YEAR TO 31ST MARCH, 2001

	<u>2000</u>	<u>2001</u>
	£	£
<u>Income</u>		
Rental and Service Charge Income	166,884	142,109
<u>Less: Buildings Overhead Expenditure</u>	121,550	112,503
	<hr/>	<hr/>
	45,334	29,606
Grants	9,051	7,927
Sundry Income and Donations	2,493	23,110
Bank Interest Received	34	72
	<hr/>	<hr/>
	56,912	60,715
	<hr/>	<hr/>
	-----	-----
<u>Expenditure</u>		
Wages and Training Costs	127	-
Motor and Travelling Expenses	25	375
Administration and Recruitment Costs	36,280	41,745
Bank Loan Interest	3,002	1,534
Bank Charges and Interest	474	1,309
Accountancy Fee	2,233	2,350
Provision for Doubtful Debts	6,657	-
Bad Debts	1,071	5,435
Depreciation	494	3,833
	<hr/>	<hr/>
	50,363	56,581
	<hr/>	<hr/>
<u>PROFIT/(LOSS) FOR YEAR</u>	6,549	4,134
	<hr/>	<hr/>

BALANCE SHEET

AS AT 31ST MARCH, 2001

	<u>Notes</u>	<u>2000</u> £	<u>2001</u> £
<u>FIXED ASSETS</u>			
Tangible Assets	1 & 5	1,142,791	1,151,758
Investments	4	1,096	1,097
		<hr/>	<hr/>
		1,143,887	1,152,855
<u>CURRENT ASSETS</u>			
Debtors and Prepaid Charges	6	38,883	41,755
Cash at Bank and on Hand		300	300
		<hr/>	<hr/>
		39,183	42,055
		<hr/>	<hr/>
CREDITORS - Amounts falling due within one year			
Bank Overdraft		19,549	24,296
Creditors and Accrued Charges	7	41,725	58,706
Property Loans		625	-
		<hr/>	<hr/>
		61,899	83,002
		<hr/>	<hr/>
NET CURRENT LIABILITIES		(22,716)	(40,947)
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,121,171	1,111,908
		<hr/>	<hr/>
CREDITORS - Amounts falling due after more than one year			
Bank Loans	8	-	7,102
Inter-Company Loans		45,399	24,900
		<hr/>	<hr/>
		45,399	32,002
		<hr/>	<hr/>
NET ASSETS		1,075,772	1,079,906
		<hr/>	<hr/>
<u>CAPITAL AND RESERVES</u>			
Capital Reserve	9	365,146	365,146
General Reserve	10	84,529	88,663
Lottery Fund Reserve		626,097	626,097
		<hr/>	<hr/>
		1,075,772	1,079,906
		<hr/>	<hr/>

For the year ended 31st March, 2001 the Company was entitled to exemption from the requirement to have an audit under the provisions of Section 249A(1) of the Companies Act 1985.

No notice has been deposited with the Company under Section 249B(2) of that Act requiring an audit to be carried out. The Directors acknowledge their responsibility for:

- (a) ensuring the Company keeps accounting records in accordance with Section 221 of the Companies Act 1985; and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the Company as at the end of its financial year and of its profit for that financial year in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the accounting requirements of that Act relating to accounts so far as they are applicable to the Company

In preparing these accounts the Directors have taken advantage of the exemptions conferred by Section A of Part I of Schedule 8 to the Companies Act, 1985 and have done so on the basis that, in their opinion, the Company satisfies the criteria for exemption as a small Company.

The accounts were approved by the Board on 25th September, 2001.

T. Rodger - Director.

A handwritten signature in black ink, appearing to read 'Rodger', is written over the printed name 'T. Rodger - Director.'

NOTES TO THE ACCOUNTS

31ST MARCH, 2001

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 FRS 15 as the Directors are of the opinion that the Property should be shown at cost.

Depreciation is calculated to write down the cost of the other 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/

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

	<u>2000</u>	<u>2001</u>
Littlefeet Nursery (Pre-School Learning Centres) Limited	99	99
Priority Quality Foods Limited	99	99
Priority Catering and Training (Inverclyde) Limited	99	99
Invercall Training Limited	99	100
Priority Services (Inverclyde) Limited	100	100
Priority Care (Inverclyde) Limited	100	100
Priority Education & Training Services (Inverclyde) Limited	100	100
Threshold Printing Limited	100	100
Inverclyde Training & Employment Limited	100	100
	<u>896</u>	<u>897</u>
Listed Companies:-		
Scottish Community Enterprise Investment Fund Plc	200	200
	<u>1,096</u>	<u>1,097</u>

5/ TANGIBLE ASSETS

	Property	Fixtures & Fittings	Motor Vehicles	Total	2000
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
At Cost	1,140,260	13,131	9,500	1,162,891	1,164,391
Additions	-	-	12,800	12,800	-
Disposals	-	-	-	-	(1,500)
	<u>1,140,260</u>	<u>13,131</u>	<u>22,300</u>	<u>1,175,691</u>	<u>1,162,891</u>
Depreciation					
As at 1/4/00	-	13,131	6,969	20,100	20,756
Charge for Year	-	-	3,833	3,833	844
Disposals	-	-	-	-	(1,500)
	<u>NIL</u>	<u>13,131</u>	<u>10,802</u>	<u>23,933</u>	<u>20,100</u>
Book Value @ 31/3/2001	1,140,260	-	11,498	1,151,758	
Book Value @ 31/3/00					<u>1,142,791</u>

6/ DEBTORS/

6/	DEBTORS	<u>2000</u>	<u>2001</u>
		£	£
	Trade Debtors	32,514	23,675
	Provision for Doubtful Debts	(6,657)	(1,570)
	Loans	5,000	15,045
	Sundry Debtors and Prepayments	8,026	4,605
		<hr/>	<hr/>
		38,883	41,755
		<hr/>	<hr/>

7/ CREDITORS - Amounts falling due within one year

Trade Creditors	19,461	29,943
Accrued Charges	4,904	26,395
Loan - Priority Education & Training Services Ltd	-	-
- Renfrewshire Enterprise	5,240	-
- TSB	12,120	2,368
	<hr/>	<hr/>
	41,725	58,706
	<hr/>	<hr/>

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

Inter-Company Loan- Priority Education & Training Ltd	50,000	50,000
Priority Quality Foods Ltd	(48,329)	(68,829)
Priority Services Ltd	43,728	43,729
Bank Term Loans	-	7,102
	<hr/>	<hr/>
	45,399	32,002
	<hr/>	<hr/>

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	365,146	365,146
Gain/(Loss) on Sale of Property	-	-
European Fund Grant	-	-
I.T.E.I. Transfer	-	-
	<hr/>	<hr/>
Closing Balance	365,146	365,146
	<hr/>	<hr/>

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	76,690	84,529
Profit/(Loss) for Year	6,549	4,134
Previous Years Adjustment	1,290	-
	<hr/>	<hr/>
	84,529	88,663
	<hr/>	<hr/>

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

We have examined the accounts for the year ended 31st March, 2001 set out on pages 3 and 4.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND REPORTING ACCOUNTANTS

As described on page 2 the Company's Directors are responsible for the preparation of the accounts. It is our responsibility to examine the accounts and based on our examination to report our opinion, as set out below, to the Shareholders.

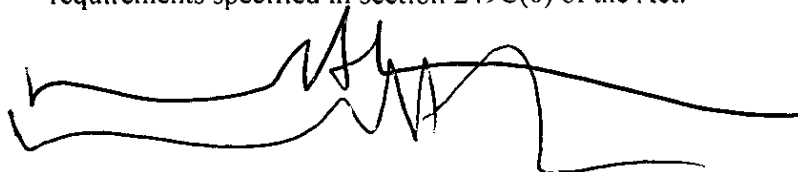
BASIS OF OPINION

We conducted our examination in accordance with the appropriate standards to reporting accountants issued by the Auditing Practices Board. This examination consisted of comparing the accounts with the accounting records kept by the Company and making such enquiries of the officers of the Company as we considered necessary for the purposes of this Report.

OPINION

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the Company under section 221 of the Companies Act, 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act.



MURRAY AND HENDERSON,
Chartered Accountants.

GREENOCK, 26th September, 2001.