

**COPE LIMITED**  
**LIMITED BY GUARANTEE**  
**COMPANY REGISTERED NUMBER SC186555**  
**REPORT & ABBREVIATED FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2004**

Stevenson & Co  
Chartered Accountants  
Lerwick



# **INDEPENDENT AUDITORS' REPORT TO COPE LIMITED**

## **PURSUANT TO SECTION 247B TO THE COMPANIES ACT 1985**

We have examined the abbreviated accounts on pages 2 to 4 together with the financial statements of COPE Limited prepared under section 226 of the Companies Act 1985 for the year ended 31 March 2004.

This report is made solely to the company's members, as a body, in accordance with Section 247B of the Companies Act 1985. 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 a special 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 work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors & auditors**

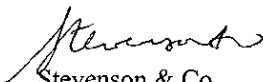
The directors are responsible for preparing the abbreviated accounts in accordance with Section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

### **Basis of opinion**

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work for the purpose of this report does not include examining or dealing with events after the date of our report on the full financial statements.

### **Opinion**

In our opinion the company is entitled to prepare accounts in accordance with Sections 246(5) and (6) of the Companies Act 1985 in respect of the year ended 31 March 2004 and the abbreviated accounts on pages 2 to 4 have been properly prepared in accordance with those provisions.

  
Stevenson & Co  
Chartered Accountants  
& Registered Auditors

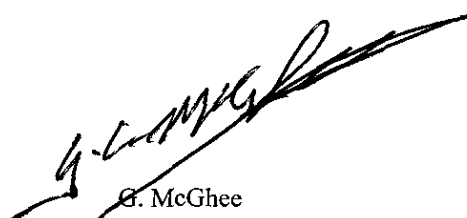
6 October 2004  
Lerwick  
Shetland

# COPE LIMITED

## ABBREVIATED BALANCE SHEET AS AT 31 MARCH 2004

	Notes	£	£	£	£
<b><u>Fixed Assets</u></b>					
Tangible assets	2		97,490		80,889
Investments			<u>1</u>		<u>-</u>
			97,491		80,889
<b><u>Current Assets</u></b>					
Stock		33,332		29,677	
Debtors		28,236		44,201	
Cash at bank & in hand		<u>6,003</u>		<u>11,193</u>	
		67,571		85,071	
<b><u>Creditors:</u></b> Amounts falling due within one year	3	<u>(100,394)</u>		<u>(77,725)</u>	
<b><u>Net Current Assets/(Liabilities)</u></b>			<u>(32,823)</u>		<u>7,346</u>
<b><u>Total Assets Less Current Liabilities</u></b>			64,668		88,235
<b><u>Creditors:</u></b> Amounts falling due after more than one year	3		(17,876)		(16,925)
<b><u>Accruals &amp; Deferred Income</u></b>			<u>(24,121)</u>		<u>(23,447)</u>
<b><u>Total Assets Less Liabilities</u></b>			<u>22,671</u>		<u>47,863</u>
<b><u>Capital &amp; Reserves</u></b>					
Accumulated funds			<u>22,671</u>		<u>47,863</u>

These abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

  
G. McGhee

: Director 6/10/2004

The notes on pages 3 & 4 form an integral part of these abbreviated financial statements.

# **COPE LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2004**

### **1. ACCOUNTING POLICIES**

#### **a) Accounting Convention:**

These financial statements are prepared under the historical cost convention and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (revised 2000) and the Financial Reporting Standard for Smaller Entities (effective June 2002). As allowed by paragraph 3(3) of Schedule 4 to the 1985 Companies Act the directors have, due to the special nature of the company's business, adapted the prescribed format for the profit and loss account.

#### **b) Consolidation:**

The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 248 of the Companies Act 1985 not to prepare group accounts.

#### **c) Fixed Assets:**

Fixed assets are stated at cost. Depreciation is provided on all tangible fixed assets using the straight line basis so as to write off the asset cost less estimated residual value over its anticipated useful life. Tenant's improvements are fully depreciated in the year they are incurred. The following rates of depreciation have been used:

Property	0 - 10%
Tenant's improvements	100%
Equipment	20%
Motor vehicles	20%
Library	20%
Computer equipment	33%

#### **d) Capital & Revenue Grants:**

- i) Capital and Revenue grants are taken into account when they become receivable.
- ii) Capital grants receivable in respect of equipment and tenant's improvements are credited to a deferred income provision and are released to the income and expenditure account over the expected useful lives of the relevant assets by equal annual instalments.

#### **e) Stocks:**

Stocks are valued at the lower of cost and net realisable value.

#### **f) Leasing & Hire Purchase contracts:**

Assets obtained under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. The interest element is charged to income and expenditure account over the period of the agreement. Rentals under operating leases are charged to income and expenditure account when paid.

#### **g) Going Concern:**

The income generated from the company's operations is not yet sufficient to cover all operating costs, and the company is therefore dependent on the receipt of grants from charitable organisations. The financial statements have been prepared on the basis that adequate funding will continue to be secured.

# **COPE LIMITED**

## **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS**

### **YEAR ENDED 31 MARCH 2004**

#### **2. TANGIBLE FIXED ASSETS**

<b><u>Cost</u></b>	<b>£</b>
At 1.4.03	267,818
Additions	<u>44,643</u>
At 31.3.04	<u>312,461</u>
<b><u>Depreciation</u></b>	
At 1.4.03	186,929
Charge for year	<u>28,042</u>
At 31.3.04	<u>214,971</u>
<b><u>Net Book Value</u></b>	
At 31.3.04	<u>97,490</u>
At 1.4.03	<u>80,889</u>

#### **Investments**

At 31 March 2004 investments comprise an investment in a subsidiary undertaking. The company's investment in its subsidiary company represents the cost of acquisition of one ordinary share in the Shetland Soap Company Limited. The company has remained dormant since incorporation on 4 December 2003, its main purpose to protect the said trading name.

#### **3. CREDITORS**

Creditors include the following:

Bank loan repayable within five years

The bank loan is secured.

<b>£</b>	<b><u>2003</u></b>
	<b>£</b>
<u>15,235</u>	<u>20,491</u>

#### **4. APPROVAL OF ABBREVIATED FINANCIAL STATEMENTS**

These abbreviated financial statements were approved by the Board of Directors on 6 October 2004.