

PILTON YOUTH & CHILDREN'S PROJECT
Registered Number: SC207455

Directors' Report and Financial Statements

For the year ended 31 March 2005



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PILTON YOUTH AND CHILDREN'S PROJECT
Registered Number: SC207455

Directors' Report and Financial Statements

For the year ended 31 March 2005

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Directors

Robert Griffiths
Rodger Cains (Appointed 20 May 2004)
Alexander French (Appointed 2 December 2004)
John Duke
James John Kelly (Resigned 7 October 2004)
Fiona Tait (Appointed 20 May 2004)
Heather Cookson

Independent Auditors

LWC Audit Limited
18 Greenside Lane
Edinburgh
EH1 3AH

Secretaries

Alexander French

Bankers

The Royal Bank of Scotland plc
2 South Trinity Road
Edinburgh
EH5 3NR

Registered Office

The Greenhouse
1a West Pilton Place
Edinburgh
EH4 4DG

Company Number: SC207455
Charity Number: SC003353

PILTON YOUTH AND CHILDREN'S PROJECT

Directors' Report

For the year ended 31 March 2005

The directors present their report and the audited financial statements for the year ended 31 March 2005.

Objects of the charity, principal activities and organisation of our work.

The company's principal activity during the year continued to be to offer children and young people aged between 5 & 18 years old residing in the Greater Pilton area an innovative programme of personal and social development, it aims to provide opportunities to pursue activities and interests, not as an end in themselves, but as part of a wider development process through which children and young people learn about themselves and their relationship with the society in which they live.

Transactions and financial position

The operating surplus on ongoing activities for the year ended 31 March 2005 was £36,902 (2004: £(64,186)).

Risk management

The directors have addressed the major risks to which the charity is exposed and are taking steps to minimise these risks.

Reserves policy

The directors consider it prudent to maintain general reserves sufficient to enable the charity to meet its short term cash flow requirements and match their risk management policy. The reserves held are adequate for this purpose.

Directors and trustees

All directors of the company are also trustees of the charity and, therefore, there are no other trustees. The board has the power to appoint additional trustees as it considers fit to do so. All directors must stand for re-election on a 2 year basis.

Statement of responsibilities

The directors are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to:

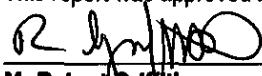
- a) Select suitable accounting policies and apply them consistently;
- b) Make judgements and estimates that are responsible and prudent;
- c) State whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements; and
- d) Prepare the financial statements on a going concern basis unless it is in appropriate to assume that the charity will continue in operation.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

LWC Audit Limited were appointed as auditors on 15 July 2005 to fill a casual vacancy. LWC Audit Limited will be proposed for reappointment in accordance with s385 of the Companies Act 1985.

This report was approved by the board of directors and trustees on 4 October 2005 and signed on its behalf by

 Director
Mr Robert Griffiths



LWC Audit Limited
18 Greenside Lane Edinburgh EH1 3AH
Tel. 0131 523 1130 Fax. 0131 523 1140
E-mail info@lwc.co.uk

PILTON YOUTH AND CHILDREN'S PROJECT

Independent Auditors' Report to the Members

For the year ended 31 March 2005

We have audited the financial statements set out on pages 3 to 8. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 5.

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 except 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 described in the Statement of Responsibilities in the Directors' Report the charitable company directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements in accordance with relevant legal and regulatory requirements 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 directors report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received the information and explanations we require for our audit, or if information specified by law regarding directors remuneration and transactions with the charitable 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.

Basis of Opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit excludes 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 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 that the financial statements are free from material misstatement, whether cause by fraud or other irregularity of 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 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.

LWC Audit Limited
18 Greenside Lane
Edinburgh
EH1 3AH

Date: 4 October 2005

Directors:
John McLeod, Aidan McLaughlin.

Registered office: 18 Greenside Lane, Edinburgh EH1 3AH
Company Number: SC234008

PILTON YOUTH AND CHILDREN'S PROJECT

Statement of Financial Activities And Income and Expenditure Account

For the year ended 31 March 2005

	Notes	Restricted Funds	Unrestricted Funds	2005 Total Funds	2004 Total Funds
Incoming resources		£	£	£	£
Operational grants	2	25,244	328,628	353,872	343,355
Incoming resources from the operating activities of the charity:		-	1,891	1,891	-
Interest received		-	1,333	1,333	1,291
Miscellaneous		-	15,544	15,544	7,679
Total incoming resources		<u>25,244</u>	<u>347,396</u>	<u>372,640</u>	<u>352,325</u>
Resources expended					
Direct charitable expenditure					
Activities in furtherance of the charity's objectives	3	21,473	179,735	201,208	266,222
Management & administration	4	-	134,530	134,530	150,289
Total resources expended		<u>21,473</u>	<u>314,265</u>	<u>335,738</u>	<u>416,511</u>
Surplus (deficit) for the year before transfers		3,771	33,131	36,902	(64,186)
Transfers for the year		-	-	-	-
Net movement in funds for the year		<u>3,771</u>	<u>33,131</u>	<u>36,902</u>	<u>(64,186)</u>
Fund balances as at 1 April 2004		-	(14,094)	(14,094)	50,092
Fund balances as at 31 March 2005		<u>3,771</u>	<u>19,037</u>	<u>22,808</u>	<u>(14,094)</u>

There were no recognised gains or losses other than those shown above.

Results for the year relate in their entirety to the ongoing activities of the charity.

The notes on pages 5 to 8 form part of these financial statements

PILTON YOUTH AND CHILDREN'S PROJECT

Balance Sheet

As at 31 March 2005

	Notes	£	2005	£	£	2004	£
Current assets							
Debtors		-			-		
Cash at bank and in hand		58,259			14,619		
		<u>58,259</u>			<u>14,619</u>		
Creditors: amounts falling due within one year	7	<u>(35,451)</u>			<u>(28,713)</u>		
Net current assets				<u>22,808</u>			<u>(14,094)</u>
Net assets				<u>22,808</u>			<u>(14,094)</u>
Funds							
Restricted income funds	8			3,771			-
Unrestricted funds	8			<u>19,037</u>			<u>(14,094)</u>
				<u>22,808</u>			<u>(14,094)</u>

The directors are satisfied that the company is entitled to exemption under Section 249A(1) of the Companies Act 1985 and that no member or members have requested an audit pursuant to section 249B(2).

The directors acknowledge their responsibilities for:

- i. Ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985; and
- ii. Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this act relating to accounts, so far as applicable to the company.

The financial statements were approved by the board of directors on 4 October 2005 and signed on its behalf by:

 Director
Mr Robert Griffiths

The notes on pages 5 to 8 form part of these financial statements

PILTON YOUTH AND CHILDREN'S PROJECT

Notes to the Financial Statements

For the year ended 31 March 2005

1. ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention in accordance with applicable accounting standards and the Statement of Recommended Practice – Accounting and Reporting by Charities (revised 2000).

Grants receivable

Grants are credited to the profit and loss account on receipt and are stated after any deferment as appropriate.

Apportionment of expenditure

Expenditure is allocated to the appropriate heading after an assessment of the costs in relation to directly attributable activities and the administration of the charity. This encompasses staff expenditure and all other revenue expenditure.

Value added tax

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the Statement of Financial Activities.

Incoming resources

Income is recognised in the year in which it is receivable.

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period.

Expenditure on management and administration of the charity

Administration expenditure includes all expenditure not directly related to the charitable activity. It includes the costs of running premises, salaries for administrative staff and audit fees.

Pensions

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

PILTON YOUTH AND CHILDREN'S PROJECT

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

2. GRANTS RECEIVABLE

	2005	2004
	£	£
Revenue Grant	171,784	181,927
SIP Grant	156,844	142,194
SIP Drugs	-	19,234
Family Support Worker	11,130	-
Primary School Support Worker	14,114	-
	<u>353,872</u>	<u>343,355</u>

3. FUTHERANCE OF THE CHARITY'S OBJECTIVES COSTS

	2005	2004
	£	£
Employee costs:	143,719	214,063
Activity costs:	33,186	23,360
Premises costs:	<u>24,303</u>	<u>28,799</u>
	<u>201,208</u>	<u>266,222</u>

4. MANAGEMENT & ADMINISTRATIVE COSTS

	2005	2004
	£	£
Employee costs:	118,948	140,170
General administrative expenses:	12,470	8,400
Legal and professional costs:	<u>3,112</u>	<u>1,719</u>
	<u>134,530</u>	<u>150,289</u>

5. SURPLUS FOR THE YEAR

The surplus of income over expenditure is stated after charging:

	2005	2004
	£	£
Auditor's remuneration	<u>1,100</u>	<u>-</u>

PILTON YOUTH AND CHILDREN'S PROJECT

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

6. STAFF COSTS

The only remuneration paid to any of the directors in the period was a honoraria of £250 to F Tait. There were no expenses reimbursed to any directors. The staff costs of the remaining staff were:

	2005	2004
	£	£
Wages and salaries	220,921	267,599
Social security costs	12,169	20,141
Pensions	<u>29,577</u>	<u>33,104</u>
	<u>262,667</u>	<u>320,844</u>

No employee earned £50,000 or more.

The average number of staff employed by the charity during the year was:

	2005	2004
Direct charitable work	9	9
Administrative	<u>5</u>	<u>5</u>
	<u>14</u>	<u>14</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2005	2004
	£	£
Bank loans and overdrafts	13,589	17,893
Accrued expenses	<u>21,862</u>	<u>10,280</u>
	<u>35,451</u>	<u>28,713</u>

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Net Current Assets £	2005 £	2004 £
Restricted income funds	3,771	3,771	-
Unrestricted fund	<u>19,037</u>	<u>19,037</u>	<u>(14,094)</u>
	<u>22,808</u>	<u>22,808</u>	<u>(14,094)</u>

9. RESTRICTED FUNDS

The operations supported by restricted funds have been continued in the proceeding year.

10. RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.

11. LEGAL STATUS

The organisation is registered as a private company, limited by guarantee, without any share capital.

PILTON YOUTH AND CHILDREN'S PROJECT

Notes to the Financial Statements (continued)

For the year ended 31 March 2005

12. PENSIONS

Pilton Youth and Children's Project participates in The Lothian Pension Fund Final Salary Pension Scheme ("the scheme"). The Scheme is a multi-employer defined benefit scheme. The Scheme is funded and is contracted out of the State Scheme. The pension cost charge for the year amounted to £29,577 (2004: £33,104).

The last formal valuation of the Scheme was performed at 31 March 2002 by a professionally qualified actuary using the "projected unit method". The market value of the Scheme's assets at the valuation date was £1,792.8 million.

During the accounting period, Pilton Youth and Children's Project paid contributions at the rate of 18% and member contributions were 6%.

It is not possible to identify the share of underlying assets and liabilities belonging to individual participating employers.

Due to the nature of the Scheme, the income and expenditure account charge for the period under both SSAP24 and FRS17 represents the employer contribution payable.

The valuation revealed a shortfall of assets compared with the value of liabilities of some £74 million (equivalent to a past service funding level of 96%). The ongoing future employers' net contribution rate for the main scheduled bodies is set at 315% of the employee's contribution of 6%.

The next valuation will be as at 31 March 2005.