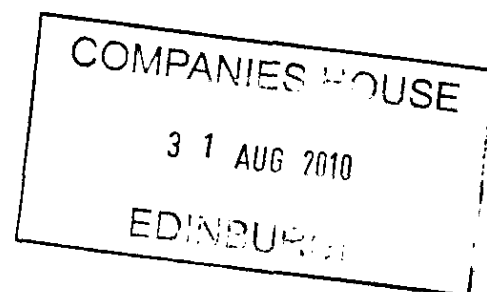


**PILTON YOUTH & CHILDREN'S PROJECT**  
***Registered Number: SC207455***

**Directors' Report and Financial Statements**

**For the year ended 31 March 2010**





**PILTON YOUTH AND CHILDREN'S PROJECT**  
**Registered Number: SC207455**

**Directors' Report and Financial Statements**

**For the year ended 31 March 2010**

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**Directors**

Clare Halliday (Chair Person)  
Gladys Strang  
Ken Campbell  
Lynda Martin  
David Powrie  
Karen Woodcock (resigned Oct 09)  
June Young (resigned Oct 09)  
Jim Riddell (appointed Nov 09)

**Registered Auditor**

RSM Tenon Audit Limited  
Statutory Auditor  
160 Dundee Street  
Edinburgh  
EH11 1DQ

**Secretary**

Gladys Strang

**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 2010**

The directors present their report and the audited financial statements for the year ended 31 March 2010.

### **Governing Documents**

The organisation is a charitable company limited by guarantee, incorporated on 24 May 2000 and registered as a charity on 25 May 2000. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

### **Recruitment and Appointment of the Board of Directors**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of one year after which they must be re-elected at the next Annual General Meeting.

### **Directors Induction and Training**

Many of the Directors are familiar with the work of the charity, having had involvement either personally or professionally prior to joining the Board of Directors. New Directors are encouraged to meet with the management team to familiarise themselves with the charity and the context within which it works. Additionally at every Board Meeting a member of the staff team will make a presentation on a piece of their work, and answer questions.

There is an expectation the Directors attend our Open Days and visit our groups and clubs throughout the year. All new Directors are given our Memorandum and Articles of Association and our latest financial statements. Directors are invited to attend our review of service and in-service training. Feedback from new Directors suggests that they get all relevant information and the charity is welcoming.

### **Organisational Structure**

The Pilton Youth & Children's Project has a Management Committee of up to 15 members who meet monthly and are responsible for the strategic direction and policy of the charity. At present the Committee has 6 members who are local residents or from a variety of professional backgrounds relevant to the work of the charity.

### **Risk Statement**

The Management Committee has conducted a review of the major risks to which the charity is exposed. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification of funding and activities. Internal control risks are minimized by the implementation of procedures for authorization of all transactions and projects. Procedures are in place to ensure compliance with Health and Safety of staff, volunteers, visitors and children and young people to the Project. As explained in note 1 to the Financial Statements there is a risk that the company's Pension Fund liability of £447,000 could crystallise. This would jeopardise the continuing existence of the company. The Management Committee are currently in correspondence with the administrators of The Lothian Pension Fund to ascertain what, if any, measures could be taken to mitigate the risk.

### **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 and 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.



## **Objectives for the year include**

The Project's objectives and principal activities are to:

- Work with the children and young people to promote their social, emotional and physical well-being as they move from childhood to adulthood.
- Ensure children and young people's needs are being met through the resources of the Project, their families, the local community and other organisations.

The strategies employed to assist the charity to meet these objectives include the following:

- Provide a range of groups, clubs and individual work that gives children and young people an opportunity to try new activities, make friends, offer support and build on self esteem.
- Support children and young people in the local primary and secondary schools either through group or individual work
- Work in partnership with other agencies to secure the widest range of services that best suit the needs of the child or young person.

## **Achievements and Performance**

The main area of charitable activity is the provision of youth and children's services for the Forth Ward..

### **Open Groups and Clubs**

We provide open groups and clubs 7 afternoons and evenings per week in the Project building. In any one school term we run around 14 different clubs as well as another 3 outreach clubs. We also provide another 7 referred/targeted programmes

### **Work in Schools**

We continue to work with pupils in both Craigroyston High School and Broughton High School as well as work with Forthview Primary and a transition programme for pupils at feeder primaries for Craigroyston High School. Pupils are referred through the Pupils Support Groups and reasons for referral include low self esteem, relationships with peers, bullying and truancy.

### **Employability Support**

We provide 1:1 and group based employability support to young people aged 15+, both in schools and in the community.

### **School Holiday Provision**

The Project offers a range of building based and outreach activities for 6 weeks of the school summer holidays that are both fun and informative. Examples of trips and activities include Go Karting, a visit to the Edinburgh Dungeons, a visit to East Links Farm, beach walks, football tournaments and so on.

### **Residential Trips**

We provided a range of residential services throughout the year, for all ages. These activities give young people the opportunity to experience outdoor pursuits and develop skills in cooking and team work.

## **Transactions and Financial Position**

The net incoming resources before other recognised gains and losses on ongoing activities for the year ended 31 March 2010 was £14,377 (2009: £69,445). There was an Actuarial loss on the organisation's participation in the Lothian pension fund of £369,000 in the year resulting in a net reduction in funds for the year of £354,623. More details of the implications of the Pension Fund liability are given in Note1 of the Financial Statements.

## **Principal Funding Sources**

The principal funding sources for the charity are currently grant and contract income from The City of Edinburgh Council and Fairer Scotland Funding. We have also received monies from various trusts which include Robertson, Volant and R S MacDonald.

## **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 Directors consider this to equate to between 3 and 6 months expenditure. The reserves held, before making provision for the Pension Fund liability are currently considered to be adequate for this purpose. As explained in the Risk Statement above, the directors are currently in discussions regarding the Pension Fund liability.



### Plans for Future Periods

The charity plans continuing the activities outlined in the forthcoming years subject to satisfactory funding arrangements.

We have entered into an employment support project funded by ESF. This is a collaborative piece of work with the youth agencies in North Edinburgh.

### 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 the year. In preparing those financial statements the directors are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Make judgments and estimates that are responsible and prudent;
- c) State whether the policies adopted are in accordance with the Companies Act 2006 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 inappropriate 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 financial statements comply with the Companies Act 2006. 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.

### Statement as to disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information of which the company's auditor is unaware and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditors

The auditors changed their name to RSM Tenon Audit Limited and have signed the Audit Report in their new name. RSM Tenon Audit will be proposed for reappointment in accordance with Section 487 (2) of the Companies Act 2006.

This report has been prepared in accordance with Part 15 of the Companies Act 2006 relating to small companies and was approved by the Board of Directors and Trustees on 2<sup>nd</sup> August 2010 and signed on its behalf by

  
Ms Clare Halliday



# **PILTON YOUTH AND CHILDREN'S PROJECT**

## **Independent Auditor's Report to the Members**

**For the year ended 31 March 2010**

We have audited the financial statements for the year ended 31 March 2010 on pages 5 to 14 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Section 44 (1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. 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 directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by directors; and the overall presentation of the financial statements.

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom General Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure for the year then ended; and
- have been prepared in accordance with the Companies Act 2006 the Charities and Trustee investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

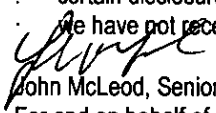
### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
John McLeod, Senior Statutory Auditor  
For and on behalf of

  
RSM Tenon Audit Limited

Statutory Auditor  
160 Dundee Street  
Edinburgh  
EH11 1DQ

Date: 10 August 2010



**PILTON YOUTH AND CHILDREN'S PROJECT**

**Statement of Financial Activities  
And Income and Expenditure Account**

**For the year ended 31 March 2010**

	Notes	Unrestricted Funds	Restricted Funds	2010 Total Funds	2009 Total Funds
		£	£	£	£
<b>Incoming resources</b>					
<b>Incoming resources from generated funds:</b>					
<i>Activities for generating funds:</i>					
Investment income		96		96	2,202
<b>Incoming resources from charitable activities:</b>					
Grants and contracts	2	272,754	34,350	307,104	358,841
Other incoming resources		16,621	5,900	22,521	3,638
<b>Total incoming resources</b>		<u>289,471</u>	<u>40,250</u>	<u>329,721</u>	<u>364,681</u>
<b>Resources expended</b>					
<b>Charitable activities</b>	3	260,757	40,250	301,007	284,706
<b>Governance costs</b>	3	14,337	-	14,337	10,530
<b>Total resources expended</b>		<u>275,094</u>	<u>40,250</u>	<u>315,344</u>	<u>295,236</u>
<b>Net incoming resources before other recognised gains and losses</b>	4	14,377	-	14,377	69,445
<b>Other recognised gains and losses</b>					
Actuarial losses on defined benefit pensions scheme	14	(369,000)	-	(369,000)	(116,000)
<b>Net movement in funds</b>		<u>(354,623)</u>	<u>-</u>	<u>(354,623)</u>	<u>(46,555)</u>
<b>Reconciliation of funds</b>					
Total funds brought forward	9	67,844	-	67,844	114,399
<b>Total funds carried forward</b>		<u>(286,779)</u>	<u>-</u>	<u>(286,779)</u>	<u>67,844</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

The notes on pages 7 to 14 form part of these financial statements



# PILTON YOUTH AND CHILDREN'S PROJECT

## Balance Sheet

As at 31 March 2010

	Notes	2010	2009
		£	£
<b>Fixed Assets</b>			
Tangible assets	6	2,052	2,736
<b>Current Assets</b>			
Debtors	7	23,674	13,061
Cash at bank and in hand		<u>197,580</u>	<u>151,428</u>
		221,254	164,489
<b>Creditors: amounts falling due within one year</b>	8	<u>(63,085)</u>	<u>(21,381)</u>
<b>Net current assets</b>		<u>158,169</u>	<u>143,108</u>
<b>Net assets excluding pension (liability)asset</b>		160,221	145,844
<b>Pension Liability</b>	14	<u>(447,000)</u>	<u>(78,000)</u>
<b>Funds</b>		<u>(286,779)</u>	<u>67,844</u>
Restricted funds	9	-	-
Unrestricted funds	9	<u>(286,779)</u>	<u>67,844</u>
		<u>(286,779)</u>	<u>67,844</u>

The financial statements have been prepared in accordance with Part 15 of the Companies Act 2006 relating to small companies and were approved by the board of directors on 2<sup>nd</sup> August 2010 and signed on its behalf by:

 Director  
Ms Clare Halliday

The notes on pages 7 to 14 form part of these financial statements



# **PILTON YOUTH AND CHILDREN'S PROJECT**

## **Notes to the Financial Statements**

**For the year ended 31 March 2010**

### **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 2005).

#### **Going Concern**

The company has had, and currently has, employees who are members of the Lothian Pension Fund. The actuarial valuation of the Lothian Pension Fund for FRS 17 purposes at 31 March 2010 prepared by Hymans Robertson LLP indicated that the company should make a provision in respect of its share of the Actuarial Liability amounting to £447,000.

The scheme has been closed to new employees of the company since 2008. In the event that the current employees of the company, who are members of the scheme, ceased to be employees of the company, a cessation liability would immediately crystallise which would, the directors have been advised, amount to at least the net liability disclosed by the 31<sup>st</sup> March Actuarial Valuation. In these circumstances the company would be unable to meet its liabilities as they fell due and unless sustainable arrangements could be made with the Trustees of the Lothian Pension Fund or other interested parties, in relation to the settlement of the £447,000 liability, the company would have to be wound up.

There are currently no indications that the events which would result in the pension fund liability crystallising will take place and as a result, the directors feel it is appropriate that the financial statements be prepared on the Going Concern Basis.

If the company was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to amend the balance sheet values to their recoverable amounts and to provide for any further liabilities that might arise.

#### **Apportionment of expenditure**

Charitable Expenditure, Governance costs and allocation.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities ("SoFA") on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis eg floor areas, per capita or estimated usage as set out in Note 3.

#### **Value added tax**

Value added tax is not recoverable by the charity and as such is included in the relevant costs in the SoFA

#### **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.



## **Pensions**

The company participates in a group defined benefit scheme. The amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the Statement of Financial Activities

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the charitable company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet.

The company also operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the charitable company.

## **Fund accounting**

Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the directors for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

## **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost of each asset over its estimated useful life.

Computer equipment	-20% on cost
Fixtures and fittings	-20% on cost

All expenditure incurred on fixed assets is capitalised at cost and depreciated over the useful life at rates disclosed above.



# **PILTON YOUTH AND CHILDREN'S PROJECT**

## **Notes to the Financial Statements (continued)**

**For the year ended 31 March 2010**

### **2. INCOMING RESOURCES FROM ACTIVITIES TO FURTHER CHARITY'S OBJECTIVES**

<b>Grants Receivable – Educational Programme and Support Services</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Revenue Grant	174,354	174,354
SIP Grant	93,670	137,377
Awards for All	-	3,027
Other unrestricted	4,730	14,968
Just the Job	34,350	29,115
	<b>307,104</b>	<b>358,841</b>

### **3. TOTAL RESOURCES EXPENDED**

	<b>Basis of allocation</b>	<b>Educational Programmes and Support Services</b>	<b>Governance</b>	<b>2010 Total</b>	<b>2009 Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs directly allocated to activities</b>					
Staff costs	Staff time	253,759	1,200	254,959	241,471
Centre supplies	Usage	24,142	421	24,563	24,718
Travel	Usage	2,070	-	2,070	2,168
Volunteer expenses	Usage	149	-	149	114
Audit fees	Usage	-	2,070	2,070	1,750
Annual report	Usage	-	-	-	400
<b>Support costs allocated to activities</b>					
Premises	Usage	18,403	-	18,403	15,419
Consultancy	Usage	-	5,095	5,095	(474)
Legal and professional	Usage	-	5,320	5,320	7,283
Depreciation	Usage	2,484	-	2,484	2,125
Bank charges	Usage	-	81	81	(3)
Company Secretary Honorarium	Usage	-	150	150	265
<b>Total resources expended</b>		<b>301,007</b>	<b>14,337</b>	<b>315,344</b>	<b>295,236</b>

### **4. NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES**

The net incoming resources before other recognised gains and losses is stated after charging:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Depreciation	2,484	2,125
Auditor's remuneration	2,070	1,750



# **PILTON YOUTH AND CHILDREN'S PROJECT**

## **Notes to the Financial Statements (continued)**

**For the year ended 31 March 2010**

### **5. STAFF COSTS**

The only remuneration paid to any of the directors in the year was an honorarium of £150 (2009: £150) to G Strang. There were no expenses reimbursed to any directors. The staff costs of the remaining staff were:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Wages and salaries	229,971	212,837
Social security costs	7,652	12,150
Pensions	17,336	16,484
	<u>254,959</u>	<u>241,471</u>

No employee earned £50,000 or more.

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

	<b>2010</b>	<b>2009</b>
Direct charitable work	7	7
Administrative	4	4
	<u>11</u>	<u>11</u>

### **6. TANGIBLE FIXED ASSETS**

	<b>Computer equipment</b>	<b>Fixtures &amp; fittings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>COST:</b>			
At 1 April 2009	3,669	6,953	10,622
Additions in year	1,800	-	1,800
At 31 March 2010	<u>5,469</u>	<u>6,953</u>	<u>12,422</u>
<b>DEPRECIATION:</b>			
At 1 April 2009	2,687	5,199	7,886
Charge for year	1,093	1,391	2,484
At 31 March 2010	<u>3,780</u>	<u>6,590</u>	<u>10,370</u>
<b>NET BOOK VALUE:</b>			
At 31 March 2010	<u>1,689</u>	<u>363</u>	<u>2,052</u>
At 31 March 2009	<u>982</u>	<u>1,754</u>	<u>2,736</u>



# PILTON YOUTH AND CHILDREN'S PROJECT

## Notes to the Financial Statements (continued)

For the year ended 31 March 2010

### 7. DEBTORS

	2010 £	2009 £
Prepayments	308	542
Accrued income	23,366	12,519
	<u>23,674</u>	<u>13,061</u>

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2010 £	2009 £
Deferred income	56,710	16,032
Accrued expenses	6,375	5,349
	<u>63,085</u>	<u>21,381</u>

### 9. MOVEMENTS IN FUNDS

	At 1 April 2009 £	Incoming Resources (inc.gains) £	Outgoing Resources £	Transfers £	Gross loss on pension scheme £	At 31 March 2010 £
<b>RESTRICTED FUNDS:</b>						
Restricted Funds	-	40,250	(40,250)	-	-	-
<i>Total restricted funds</i>	-	40,250	(40,250)	-	-	-
<b>UNRESTRICTED FUNDS :</b>						
Designated fund	43,681	-	-	-	-	43,681
General funds	24,163	289,471	(275,094)	-	(369,000)	(330,460)
<i>Total unrestricted funds</i>	67,844	289,471	(275,094)	-	(369,000)	(286,779)
<b>Total funds</b>	<b>67,844</b>	<b>329,721</b>	<b>(315,344)</b>	<b>-</b>	<b>(369,000)</b>	<b>(286,779)</b>

#### Purposes of Restricted Funds

*Just The Job* This is an ESF employability project between three local youth agencies co-ordinated by North Edinburgh Trust.  
And monies received from Lloyds TSB for capacity funding.



## PILTON YOUTH AND CHILDREN'S PROJECT

### Notes to the Financial Statements (continued)

For the year ended 31 March 2010

#### Purposes of Designated Funds

*Designated Fund* : The directors have transferred £NIL (2009: £NIL) to a designated fund to cover any future redundancy payments, Statutory Maternity Pay, Statutory Sick Pay and wind down costs likely to impact upon the company in future periods.

#### 11. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year other than those detailed in note 5.

#### 12. LEGAL STATUS

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

#### 13. RESERVES

	Funds
At 1 April 2009	67,844
Surplus profit for the year	14,377
Actuarial loss recognised in the defined benefit pension scheme	(369,000)
At 31 March 2010	<u>(286,779)</u>

#### 14. PENSION COMMITMENTS

The company operates a defined benefit scheme in the UK. A full actuarial valuation was carried out at 31 March 2008 by a qualified independent actuary. The next actuarial valuation will be carried out at 31 March 2011. The major assumptions used by the actuary were:

	31/3/10	31/3/09	31/3/08
Rate of increase in salaries	5.3%	4.6%	5.1%
Rate of increase in pensions in payment	3.8%	3.1%	3.6 %
Rate of increase in deferred pensions	-	-	-
Discount rate for scheme liabilities	5.5%	6.9%	6.9%
Inflation assumption	3.8%	3.1%	3.6%



**PILTON YOUTH & CHILDREN'S PROJECT**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2010**

**15. PENSION COMMITMENTS - continued**

The assets in the scheme and the expected rate of return were:

	Long-term rate of return expected at 31/3/10	Value at 31/3/10 £	Long-term rate of return Expected At 31/3/09	Value at 31/3/09 £	Long-term rate of return expected at 31/3/08	Value at 31/3/08 £
Equities	7.8%	754,000	7.0%	556,000	7.7%	718,000
Bonds	5.0%	76,000	5.4%	77,000	5.7 %	84,000
Other	5.3%	124,000	4.5 %	70,000	5.3 %	143,000
Total market value of assets		954,000		703,000		945,000
Present value of scheme liabilities		(1,401,000)		(781,000)		(907,000)
(Deficit) surplus in scheme and net pension (liability)asset		(447,000)		(78,000)		38,000

**Analysis of the amount charged to operating profit**

	31/3/10 £	31/3/09 £
Current service cost	(4,000)	(9,000)
Past service cost gains and losses on any settlements or curtailments	(3,000)	-
Total operating charge	(7,000)	(9,000)

**Analysis of the amount credited to other finance income**

	31/3/10 £	31/3/09 £
Expected return on pension scheme assets	47,000	68,000
Interest on pension scheme liabilities	(54,000)	(63,000)
Net return	(7,000)	5,000

**Analysis of the amount recognised in Statement of Financial Activities**

	31/3/10 £	31/03/09 £
Actual return less expected return on pension scheme assets	197,000	(321,000)
Experience gains and losses arising on the scheme liabilities	-	96,000
Changes in assumptions underlying the present value of the scheme liabilities	(566,000)	109,000
Actuarial loss recognised in Statement of Financial Activities	(369,000)	(116,000)

continued ...



PILTON YOUTH & CHILDREN'S PROJECT

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 MARCH 2010

15. PENSION COMMITMENTS - continued

**Movement in deficit during the year**

	31/3/10	31/3/09
	£	£
Surplus(deficit) in scheme at start of year	(78,000)	38,000
Current service cost	(4,000)	(9,000)
Contributions	14,000	17,000
Other finance income	(7,000)	5,000
Actuarial (loss) gain	(369,000)	(129,000)
Past Service Cost Gains and losses on any settlements or curtailments	(3,000)	-
	<hr/>	<hr/>
(Deficit) surplus in scheme at end of year	<u>(447,000)</u>	<u>(78,000)</u>

**History of experience gains and losses**

	31/3/10	31/3/09
Difference between the expected and actual return on scheme assets:		
amount (£)	197,000	(321,000)
percentage of scheme assets	(20.6%)	(45.7%)
Experience gains and losses on scheme liabilities:		
amount (£)	-	96,000
percentage of the present value of the scheme liabilities	-	13.66%
Total actuarial gain or loss:		
amount (£)	(369,000)	(129,000)
percentage of the present value of the scheme liabilities	(26.34%)	(18.35%)

**Defined Contribution Scheme:**

With effect from 1 April 2008, new employees of the charity were not eligible to participate in the defined benefit pension scheme. Instead, the charity makes contributions to a defined contribution 'stakeholder' scheme on their behalf.