

Company Registration No. SC 284546(Scotland)

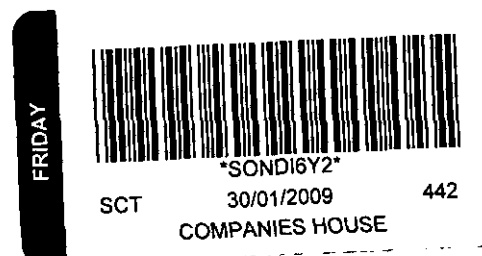
AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

(a company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 MARCH 2008

Scottish Charity No. : SC 036623



AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

COMPANY INFORMATION

Directors	Listed on Directors' Report
Secretary	Neil McGhee
Company number	SC 284546
Registered office	18 Well Road Auchinleck KA18 2LA
Reporting Accountants	JRD LLP 11 Portland Road Kilmarnock KA1 2BT
Business address	18 Well Road Auchinleck KA18 2LA
Bankers	Bank of Scotland 43/45 Townhead Street Cumnock KA18 1LF

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

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AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2008

The directors present their report and audited financial statements for the period ended 31 March 2008. The comparative figures are in respect of the year to 30 June 2007. The Board considers that the following report on pages I – IV represents the directors' report required by the Companies Act 1985 and also the trustees' report required by Scottish charities legislation and the Statement of Recommended Practice – Accounting By Charities issued in March 2005.

Legal and Administrative Information

Constitution

The company is registered by the relevant authorities as a Scottish charity. A copy of the company's Memorandum and Articles of Association, which deal with the appointment and termination of directors, restrictions imposed on the company and powers of investment, among other matters, is available from the directors at the registered office.

Board of Directors

The following directors served throughout the period unless otherwise noted:

Rhoda Marjorie Clelland
John Smillie
Robin Ghosh
Neil McGhee
Alex Gemmell

Neil McGhee resigned as a director after the year-end but was subsequently reappointed prior to the date of approval of these accounts. Since the year-end, Alex Gemmell, John Smillie and Rhoda Marjorie Clelland have also resigned. In addition, Richard Crooks, Marla Baird and Catherine Stillie have been appointed since the year-end.

Reporting Accountant

JRD LLP stands for reappointment as Reporting Accountant at the charity's forthcoming AGM.

Structure, Governance and Management

Recruitment and Appointment of Trustees

Directors are appointed in accordance with the company's constitution.

Induction and Training of Trustees

This is currently under development by the Board.

Organisational Structure

The Board is responsible for policy decisions and ensuring that the company operates within its constitution. Regular meetings are held to effect policy decisions. Directors are trustees in law for the charity and have a fiduciary responsibility over its assets and finances. There are currently no employees but 1 member of staff is employed through BTCV and is supported by part time staff on job creation schemes. All other activities are carried out by the directors and community volunteers.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2008

Related Parties

There were no transactions during the period between the charity and a related party of any trustee.

Risk Assessment

In common with many third sector organisations, the trustees consider the key risk to the charity to be the uncertainty of guaranteed funding beyond a relatively short period. The primary operational risk is in relation to construction as part of the main project. Related health and safety risks are fully considered.

Objectives and Activities

Objectives

The company's principal activity is the promotion of community development, health and environmental improvement initiatives in Auchinleck.

Aims

The Directors see their role as encouraging the regeneration of Auchinleck, through a range of activities including community gardening and youth engagement projects.

Objectives for the Year

- The propagation of plants for the beautification of the village, and sale at attractive prices to local residents
- The design and construction of community garden projects
- The design and construction of a Community Trim Trail to the north of Cameron Drive.
- Support of Eco-garden projects at Auchinleck Schools

Strategies

A specialist volunteering organisation (BTCV) has provided the day-to-day community engagement activities, supported by EAC Community Regeneration Fund, Forward Scotland, Nationwide and Barr Ltd.

Significant Activities

6 community garden projects have now been completed. The Second geodome and the Trim Trail are substantially complete.

Achievements and Performance

The Community Gardening Initiative's initial sites were completed during the year. The charity sought additional resources to maintain and enhance these sites as well as considering additional projects. Staff continued to work with all three schools and their Eco-Garden programmes.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2008

Financial Review

Reserves policy

The Board would ideally maintain a minimum of 3 months running costs.

Principle Funding Sources

- East Ayrshire Community Planning Partnership
- East Ayrshire Council
- Forward Scotland (Community Environmental Regeneration Scheme)
- Nationwide
- Barr Limited

Review of Financial Period

The net excess of expenditure over income for the year was £16,728 (2007 – Surplus £16,794). Total funds carried forward at 31 March 2008 were £34,986 (2007 - £51,714) including £28,701 net book value of fixed assets, which has been allocated to a separate designated fund. The notes to the financial statements contain a detailed statement of financial activities that further analyse the restricted and unrestricted funds and sources of related income.

Investment Policy and Objectives

The charity invests in programmes, which will improve the look and feel of Auchinleck, while encouraging its citizens to improve their locality and quality of life.

Future Plans

ACDI will continue to build up a portfolio of assets by applying for relevant funding. Possible projects include a Community Vegetable. Cooperative and a Community Enterprise, which will manufacture and sell geodesic domes.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

DIRECTORS' REPORT FOR THE PERIOD ENDED 31 MARCH 2008

Directors' Responsibilities

The directors are required to prepare accounts for each financial period which show a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period, which have been properly prepared from and are in agreement with the accounting records and which comply with relevant disclosure regulations. In preparing these accounts, the directors are required to:

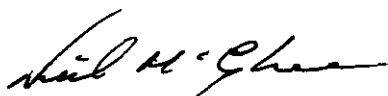
- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards subject to any material departures disclosed and explained in the accounts; and
- Prepare the accounts on a going concern basis unless it is inappropriate to presume that the organisation will continue its activities.

The directors are required to act in accordance with the constitution and within the framework of relevant charity legislation. They are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the charity's financial position, and to enable them to ensure that the accounts comply with the applicable requirements of the following:

- The Companies Act 1985.
- Statement of Recommended Practice - Accounting and Reporting By Charities ('SORP 2005').

The directors have the responsibility for taking reasonable steps to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the Board on 28 January 2009 and signed on its behalf by:



Neil McGhee
Director

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED ACCOUNTS OF AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

We report on the accounts for the period ended 31 March 2008 set out on pages 2 to 9.

Respective responsibilities of directors and reporting accountants

As described on the Directors report, the trustees, who are also the directors of Auchinleck Community Development Initiative for the purposes of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

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:
 - i the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - ii the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



**JRD LLP
Reporting Accountants**

**Chartered Accountants
11 Portland Road
Kilmarnock
KA1 2BT**

28 January 2009

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2008

	Restricted Funds	Unrestricted Funds	Designated Funds	Total Funds	Total Funds 2007
	£	£	£	£	(As restated) £
Incoming Resources					
Incoming resources from generated funds					
Voluntary income	42,500	-	-	42,500	88,884
Investment income	-	147	-	147	237
Incoming resources from charitable activities	-	-	-	-	-
Other incoming resources	-	1,721	-	1,721	225
Total Incoming Resources	42,500	1,868	-	44,368	89,346
Resources Expended					
Costs of generating funds	-	-	-	-	-
Charitable activities	53,600	3,350	3,500	60,450	71,964
Governance costs	-	646	-	646	588
Total Resources Expended	53,600	3,996	3,500	61,096	72,552
Net Incoming/(Outgoing) Resources Before Transfers	(11,100)	(2,128)	(3,500)	(16,728)	16,794
Gross transfers between funds	(1,400)	(60)	1,460	-	-
Net Movement In Funds	(12,500)	(2,188)	(2,040)	(16,728)	16,794
Total funds brought forward	15,091	5,882	30,741	51,714	34,920
Fund Balances Carried Forward	2,591	3,694	28,701	34,986	51,714

An analysis of Incoming Resources and Resources Expended is included at Note 9 to the financial statements.

Resources expended are allocated to the above cost categories on the basis of the accounting policy disclosed at Note 1 (d) to the financial statements.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

BALANCE SHEET AS AT 31 MARCH 2008

		2008		2007 (As restated)	
	Notes	£	£	£	£
Fixed Assets	5		28,701		30,741
Current assets					
Cash at bank and in hand	6	7,519		44,061	
		<u>7,519</u>		<u>44,061</u>	
Creditors: amounts falling due within one year	7	(1,234)		(588)	
Net current assets			6,285		43,473
Deferred income	8		-		(22,500)
Total assets less current liabilities			<u>34,986</u>		<u>51,714</u>
Funds					
Restricted Funds	9/10		2,591		15,091
Unrestricted Funds	9/10		3,694		5,882
Designated Funds	9/10		28,701		30,741
			<u>34,986</u>		<u>51,714</u>

In preparing these financial statements:

- (a) The directors are of the opinion that the company is entitled to the exemption from audit conferred by Section 249A(2) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The directors acknowledge their responsibilities for:
 - (i) ensuring that the company keeps 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, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the company.

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

The financial statements were approved by the Board on 28 January, 2009
and signed on its behalf by:



Neil McGhee
Director

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

INCOME AND EXPENDITURE ACCOUNT FOR THE PERIOD ENDED 31 MARCH 2008

			2008	2007 (As restated)
	Notes	£	£	£
Income				
Grants and donations	10	42,500		88,884
Other income	10	1,721		225
Bank interest	10	147		237
			44,368	89,346
Expenditure				
Plants		2,201		1,501
Insurance		-		-
Light and heat		205		217
Events and hospitality		230		74
Sundry expenses		714		188
Reporting Accountant's fees		646		588
British Trust for Conservation Volunteers		53,600		66,484
Depreciation	5	3,500		3,500
			61,096	72,552
Excess Income Over Expenditure			<u>(16,728)</u>	<u>16,794</u>

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2008

1 Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the period.

(a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund accounting

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

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or grantor.

(c) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a special performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

1 Accounting policies (continued)

(d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of generating funds comprise the costs associated with attracting voluntary income and grants.

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 includes those costs associated with meeting the constitutional and statutory requirements of the charity and include the Reporting Accountant's fees and costs linked to the strategic management of the charity which are voluntary other than Directors' travelling expenses reimbursed.

All costs are allocated between the expenditure categories of the 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 such as staff time pro-rata.

(e) Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. Minor additions costing below £250 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which is estimated at 4 years.

2 Staff costs and numbers

The average number of employees during the period was nil.

3 Trustee Remuneration and Related Party Transactions

No Directors received any remuneration during the year. Expenses amounting to £57 (2007 - £40) were reimbursed to 1 director.

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

4 Taxation

The company is registered as a Scottish charity and no corporation tax liability arises. The company is not VAT registered and irrecoverable VAT is allocated to the relevant category of expenditure.

5 Tangible fixed assets

	Total £
Cost	
At 1 April 2007	37,741
Additions	1,460
At 31 March 2008	<u>39,201</u>
Depreciation	
At 1 April 2007	7,000
Charge for the year	3,500
At 31 March 2008	<u>10,500</u>
Net book value	
At 31 March 2008	<u>28,701</u>
Net book value	
At 31 March 2007	<u>30,741</u>

6 Bank and cash balances

	2008 £	2007 £
Bank current account	<u>7,519</u>	<u>44,061</u>
	<u>7,519</u>	<u>44,061</u>

7 Creditors : amounts falling due within one year

	2008 £	2007 £
Accrued charges	<u>1,234</u>	<u>588</u>
	<u>1,234</u>	<u>588</u>

8 Deferred Income

	£
Balance brought forward	22,500
Grants received during year	20,000
Released to income and expenditure account	<u>(42,500)</u>
Balance carried forward	<u>-</u>

AUCHINLECK COMMUNITY DEVELOPMENT INITIATIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 MARCH 2008

9 Analysis of Net Assets Between Funds

	Restricted Funds £	Unrestricted Funds £	Designated Funds £	Total Funds £
Fixed Assets	-	-	28,701	28,701
Current Assets	3,991	3,528	-	7,519
Current Liabilities	-	(1,234)	-	(1,234)
Deferred Income	-	-	-	-
Net Assets	<u>2,591</u>	<u>3,694</u>	<u>28,701</u>	<u>34,986</u>

In addition to the above fixed assets figure (see note 5), the following contributions by East Ayrshire Council are not included in the accounts:

- a) Computer equipment owned by East Ayrshire Council is utilised free of charge on the BTCV project.
- b) 2 geodesic greenhouses and 3 20ft shipping containers have been provided by East Ayrshire Council.
- c) Prior years expenditure on the project referred to at b) above has now been capitalised. This was previously written off as incurred and a prior year adjustment has been made to reflect the revised position as at 30 June 2007.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 31 MARCH 2008

10 Analysis of Statement of Financial Activities

Incoming Resources	BTCV Project £	Youth Work Project £	Trim Trail Project £	Total Unrestricted		Designated Fund £	Total Funds 2007	
				Restricted Funds £	General Fund £		£	£
Incoming resources from generated funds:								
<i>Voluntary Income</i>								
East Ayrshire Council - CPP (CRF)	22,500	-	20,000	42,500	-	-	42,500	43,500
Big Lottery TYS Fund	-	-	-	-	-	-	-	40,384
Nationwide Foundation	-	-	-	-	-	-	-	5,000
	22,500	-	20,000	42,500	-	-	42,500	88,884
Investment Income								
Bank Interest	-	-	-	-	147	-	147	237
	-	-	-	-	147	-	147	237
Incoming resources from charitable activities:								
<i>Sundry Income</i>								
	-	-	-	-	1,721	-	1,721	225
	-	-	-	-	1,721	-	1,721	225
	-	-	-	-	-	-	-	-
	22,500	-	20,000	42,500	1,868	-	44,368	89,346
Total Incoming Resources								
Resources Expended								
Cost of generating funds:								
Costs of generating grant income from charitable activities	-	-	-	-	-	-	-	-
Charitable activities:								
Charitable expenditure	30,000	3,600	20,000	53,600	3,350	3,500	60,450	71,964
Support costs	-	-	-	-	-	-	-	-
	30,000	3,600	20,000	53,600	3,350	3,500	60,450	71,964
Governance costs								
	-	-	-	-	646	-	646	588
Total Resources Expended	30,000	3,600	20,000	53,600	3,996	3,500	61,096	72,552
Net Incoming/(Outgoing) Resources Before Transfers	(7,500)	(3,600)	-	(11,100)	(2,128)	(3,500)	(16,728)	16,794
Transfer between funds								
	-	(1,400)	-	(1,400)	(60)	1,460	-	-
Net Movement in Funds	(7,500)	(5,000)	-	(12,500)	(2,188)	(2,040)	(16,728)	16,794
Balances brought forward	10,091	5,000	-	15,091	5,882	30,741	51,714	34,920
Fund Balances Carried Forward	2,591	-	-	2,591	3,694	28,701	34,986	51,714