

11770

# CLYDEBANK MUNICIPAL BANK LIMITED

FINANCIAL STATEMENTS  
YEAR ENDED 5 APRIL 1997

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*Miller Colquhoun*

CHARTERED ACCOUNTANTS

CLYDEBANK MUNICIPAL BANK LIMITED

DIRECTORS' REPORT  
YEAR ENDED 5 APRIL 1997

The directors present their report and financial statements for the year.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements 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 that period. In preparing those accounts, the directors are required to:

- \* select suitable accounting policies and then apply them consistently;
- \* make judgements and estimates that are reasonable and prudent;
- \* prepare the financial statements 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 the accounts comply with the Companies Act. 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 AND DIVIDENDS

The results for the year are shown on page 4. No dividends were paid during the year and none are proposed.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The company carried on business as a bank of deposit. The company is connected with West Dunbartonshire Council, the members of which, under the Articles of Association of the company, are the sole shareholders in the company.

The funds of the company are substantially lent to West Dunbartonshire Council which guarantees to make good to depositors any principal and interest due should the company default on payment.

The total number of active depositors accounts at the year end was 1,738.

The transactions handled in the course of business were 15,646, an increase of 846 compared to the previous year.

The total at the credit of depositors at the end of the financial year was £536,225 being a net decrease of £82,933 compared to the balance at 5 April 1996.

DIRECTORS' REPORT (continued)  
YEAR ENDED 5 APRIL 1997

## DIRECTORS

The directors who acted during the financial year and their interests in the shares of the company were as follows :

	5.4.1997	6.4.1996
Provost Patrick O'Neill	15 shares	15 shares
Councillor George Cairney	10 shares	10 shares
Councillor Mary Warnock Campbell	10 shares	10 shares
Councillor Anthony Devine	10 shares	10 shares
Councillor Alistair MacDonald	10 shares	10 shares
Councillor John Lawrence Vincent Syme	10 shares	10 shares
Councillor Andrew White	10 shares	10 shares
Councillor James Doherty	10 shares	10 shares
Councillor Daniel McCafferty	10 shares	10 shares
Councillor William James Kemp (resigned 25.9.96)	10 shares	10 shares
Councillor James McElhill	10 shares	10 shares
Councillor Patricia Rice	10 shares	10 shares

Subsequent to the year end Councillor John McCutcheon was appointed a director on 3 September 1997.

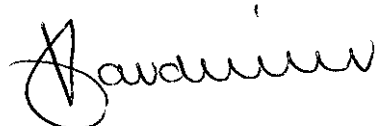
## POLITICAL AND CHARITABLE CONTRIBUTIONS

There were no political or charitable contributions requiring disclosure.

## AUDITORS

In accordance with Section 385(2) of the Companies Act 1985, a resolution proposing the re-election of Miller Colquhoun, Chartered Accountants and Registered Auditors, as auditors to the company, will be put to the Annual General Meeting.

By order of the Board



Vincent Gardiner  
Secretary

28 January 1998

Company number 11770

## CHARTERED ACCOUNTANTS

❑ 4 Dumbarton Road, Clydebank G81 1TU  
Tel: 0141 941 3232 Fax: 0141 951 1116

❑ 2 Colquhoun Street, Helensburgh G84 8AJ  
Tel: 01436 678222 Fax: 01436 671234

R M McGowan CA · W McKenna CA · G H Reid BAcc CA · G W Whitelaw CA

### AUDITORS REPORT

TO THE SHAREHOLDERS OF CLYDEBANK MUNICIPAL BANK LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1 the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

### BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 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 caused by fraud or other irregularity or 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 as at 5 April 1997 and of its result for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*Miller Colquhoun*

MILLER COLQUHOUN  
Registered Auditors  
Chartered Accountants

Clydebank

28 January 1998



PROFIT AND LOSS ACCOUNT  
YEAR ENDED 5 APRIL 1997

		£	1996 £
	Note		
TURNOVER	1 & 2	32,901	37,136
Administrative expenses		(32,901)	(37,136)
OPERATING PROFIT	1 & 3	-	-
Tax on profit on ordinary activities	4	-	-
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		-	-
Dividends		-	-
PROFIT FOR THE FINANCIAL YEAR	8	-	-

References are to the notes on pages 6 and 7

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
YEAR ENDED 5 APRIL 1997

Other than those reported in the Profit and Loss Account, there were no recognised gains or losses in this and the preceding year.

## CLYDEBANK MUNICIPAL BANK LIMITED

BALANCE SHEET AT 5 APRIL 1997

			1996	
			£	£
	Note			
CURRENT ASSETS		£		
Debtors	5	505,671		594,876
Cash at bank and in hand		59,764		55,692
		<u>565,435</u>		<u>650,568</u>
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR	6	(564,429)		(649,562)
NET CURRENT ASSETS			1,006	1,006
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,006</u>	<u>1,006</u>
CAPITAL AND RESERVES				
Called up share capital	7		6	6
General reserve			1,000	1,000
SHAREHOLDERS FUNDS - all equity	12		<u>1,006</u>	<u>1,006</u>

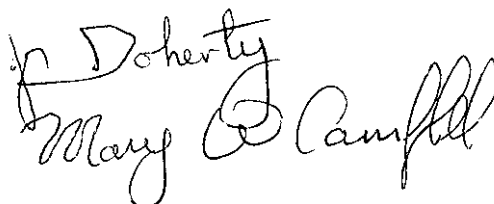
References are to the notes on pages 6 and 7

Approved by the Board of Directors

James Doherty

Mary Warnock Campbell

28 January 1998



## CLYDEBANK MUNICIPAL BANK LIMITED

NOTES TO THE ACCOUNTS  
YEAR ENDED 5 APRIL 1997

## 1 CONTINUING AND DISCONTINUED OPERATIONS

Turnover and operating profit relate to continuing operations. This year, as in the preceding year, there were no acquisitions or discontinued operations requiring separate disclosure.

## 2 ACCOUNTING POLICIES

## (a) Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

## (b) Turnover

Turnover represents interest receivable on short term loans to West Dunbartonshire Council.

## 3 OPERATING PROFIT

Operating profit is stated after charging :-

	1996	
	£	£
Interest paid to depositors	4,880	5,170
Management services	24,316	26,764
Audit fee and expenses	2,840	2,780
General expenses	865	2,422
	<u>          </u>	<u>          </u>

## 4 TAXATION

No provision for taxation is required.

## 5 DEBTORS

	1996	
	£	£
Accrued interest	13,131	15,596
Loans to West Dunbartonshire Council:-		
Temporary loans on notice	492,540	579,280
	<u>          </u>	<u>          </u>
	505,671	594,876
	<u>          </u>	<u>          </u>

The above loans are secured on the rates and revenues of West Dunbartonshire Council.

NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 5 APRIL 1997

## 6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

		1996
	£	£
Amount due to depositors	536,255	619,158
Deposits on home safes	112	112
Inland revenue	724	595
Accrued charges	27,338	29,697
	<u>564,429</u>	<u>649,562</u>

## 7 SHARE CAPITAL

		1996
	£	£
Authorised :		
2,000 shares of 5p each	100	100
	<u>100</u>	<u>100</u>
Allotted, called up and fully paid :		
125 ordinary shares of 5p each	6	6
	<u>6</u>	<u>6</u>

## 8 PROFIT AND LOSS ACCOUNT

There was no movement on reserves during the year.

## 9 EMPLOYEES

The bank's staff are employees of West Dunbartonshire Council and their remuneration is incorporated in the management services charge.

The directors received no fees or remuneration in respect of services rendered to the bank in the year (1996 fnil).

## 10 CONTINGENT LIABILITIES

There were no contingent liabilities at the end of the year (1996 fnil).

## 11 CAPITAL COMMITMENTS

There were no capital commitments at the end of the year (1996 fnil).

## 12 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS FUNDS

		1996
	£	£
Opening balance	6	6
Dividends	-	-
	<u>6</u>	<u>6</u>
Closing balance	6	6



CLYDEBANK MUNICIPAL BANK LIMITED

NOTES TO THE ACCOUNTS (continued)  
YEAR ENDED 5 APRIL 1997

13 RELATED PARTY DISCLOSURES

The company is under the control of the shareholder directors listed on page 2. The directors are all elected councillors of West Dunbartonshire Council, which provided management services of £24,316 (1996 £26,764) to the company.

Loans invested with West Dunbartonshire Council at the end of the financial year amounted to £492,540 (1996 £579,280).

The turnover of £32,901 (1996 £37,136) is all derived from short term loans to West Dunbartonshire Council.

## CLYDEBANK MUNICIPAL BANK LIMITED

CASH FLOW STATEMENT  
YEAR ENDED 5 APRIL 1997

RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES:	£	1996 £
Operating profit	-	-
Decrease (increase) in debtors	89,205	137,849
(Decrease) increase in creditors	(85,133)	(96,340)
	-----	-----
NET CASH INFLOW FROM OPERATING ACTIVITIES	4,072	41,509
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## CASH FLOW STATEMENT

	£	1996 £
Net cash inflow from operating activities	4,072	41,509
	-----	-----
Increase in cash	4,072	41,509
	=====	=====

RECONCILIATION OF NET CASH FLOW TO  
MOVEMENT IN NET DEBT (NOTE 1)

Increase in cash for the year	4,072	41,509
	=====	=====

## NOTES TO THE CASH FLOW STATEMENT

## NOTE 1 ANALYSIS OF CHANGES IN NET DEBT

	1996	Cash Flows	1997
	£	£	£
Cash at bank and in hand	55,692	4,072	59,764
	=====	=====	=====

DETAILED PROFIT AND LOSS ACCOUNT  
YEAR ENDED 5 APRIL 1997

		1996
	£	£
INCOME		
Interest on short term loans	32,901	37,136
Deduct		
EXPENDITURE	£	
Interest paid to depositors	4,880	5,170
Management services	24,316	26,764
Audit fee and expenses	2,840	2,780
General expenses	865	2,422
	<u>32,901</u>	<u>37,136</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	<u>-</u>	<u>-</u>