SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

COMPANY NUMBER 2028621



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SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

FOR THE YEAR ENDED 31 MARCH 2001

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SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2001

The directors present their report with the Financial Statements of the company for the year ended 31 March 2001.

PRINCIPAL ACTIVITY

The Principal activity of the company in the year under review was the promotion of co-operatives and common ownership enterprises within industry and commerce through business counselling, training and education.

REVIEW OF BUSINESS

Southampton Area Co-operative Development Agency (SACDA) received no core funding for co-operative development services in the year ended March 2001.

SACDA worked with partners from Ireland, Italy and Belgium to complete the delivery phase and dissemination of the Leonardo funded SEED training programme aimed at developing social firms. As a result, Southampton Day Services agreed to purchase delivery of the project in year 2001/02.

SACDA, in partnership with Southampton City Council and Southampton Voluntary Services, completed the Voluntary Sector capacity building project funded by European Social Fund.

SACDA, in partnership with Hyde Plus, completed delivery of co-operative business counselling and provision of incubator space as part of the European Social Funded project West Itchen New Entrepreneurs.

SACDA, in partnership with the Chamber of Commerce, delivered business development services to co-operatives as part of the SRB funded West Itchen Business Support Centre project.

SACDA participated in workshops with residents developing the New Deal for Communities project in Thornhill. As a result, it is anticipated that SACDA will assist development of co-operative based solutions to community need.

Business counselling, training and education for co-operatives and common ownership business was delivered throughout the year by Co-operative Assistance Network Ltd (CAN).

A loss was made for the year. However, it is anticipated that the level of project development undertaken by the Executive and CAN will result in a significant increase in trade in the following year.

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2001

DIRECTORS

The directors who held office in the year to 31 March 2001 were as follows:

G Mitchell	(Chairman)
B J Titley	(Resigned 6 April 2000)
A Moran	
K Killander	(Resigned 6 April 2000)
N Packer	(Resigned 6 April 2000)
I G Smith	
N M Lambert	
C E John	
D J Pemberton	

AUDITORS

A resolution to re-appoint Abraham & Dobell as auditors for the ensuing year will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

REGISTERED OFFICE

12 Bellevue Road
Southampton
SO15 2AY

Approved by the Board of Directors on 1 November 2001

J. F. Dumont

DIRECTOR

AUDITOR'S REPORT TO THE MEMBERS OF

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

FOR THE YEAR ENDED 31 MARCH 2001

We have audited the Financial Statements on pages 4 to 10, which have been prepared under the historical cost convention and the accounting policies set out on page 6 to 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described in the Notes to the Financial Statements, the company's directors are responsible for the preparation of 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 amount 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 affairs of the company as at 31 March 2001 and of its deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

Abraham & Dobell
Chartered Accountants and
Registered Auditors
230 Shirley Road
Southampton
SO15 3HR

Date: 1 November 2001

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

BALANCE SHEET

AS AT 31 MARCH 2001

	Notes	2001 £	2001 £	2000 £	2000 £
FIXED ASSETS					
Tangible assets	3		2,130		2,767
CURRENT ASSETS					
Debtors and prepayments	4	5,210		17,140	
Cash at bank and in hand		2,948		360	
Work in progress		3,793		33,745	
		11,951		51,245	
CREDITORS: Amounts falling due within one year	5	8,365		47,454	
NET CURRENT ASSETS			3,586		3,791
Creditors: Amounts falling due after more than one year	6		18,076		10,106
			£(12,360)		£(3,548)
CAPITAL AND RESERVES					
Revenue reserves	7		(15,076)		(5,923)
Other reserves	8		2,716		2,375
			£(12,360)		£(3,548)

These Financial Statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

G. F. Durrant

DIRECTOR

Approved by the Board of Directors on 1 November 2001

The notes on pages 6 to 10 form part of these Financial Statements

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2001

	Notes	2001 £	2001 £	2000 £	2000 £
INCOME			40,118		35,747
EXPENDITURE					
Project costs		24,516		24,017	
Administrative expenses		24,755		16,253	
			49,271		40,270
(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	9		(9,153)		(4,523)
Taxation	10		-		-
(DEFICIT) OF INCOME OVER EXPENDITURE AFTER TAXATION	7		(9,153)		(4,523)
(DEFICIT) OF INCOME OVER EXPENDITURE BROUGHT FORWARD	7		(5,923)		(1,400)
(DEFICIT) OF INCOME OVER EXPENDITURE AT 31 MARCH 2001	7		£(15,076)		£(5,923)

The company has no recognized gains or losses other than the results for the year.

All of the activities of the company are classed as continuing.

The notes on pages 6 to 10 form part of these Financial Statements

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

1. **DIRECTORS' RESPONSIBILITIES**

Company law requires directors to prepare Financial Statements for each financial year, which give a true and fair view of the company's state of affairs at the end of the year and profit or loss for the year then ended.

In preparing those Financial Statements, the directors are required to select suitable accounting policies, as described below, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also 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 Financial Statements comply with the Companies Act 1985. 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.

2. **ACCOUNTING POLICIES**

(a) **Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention.

(b) **Income**

Income represents grants receivable, interest received, donations and other income. Grants and European Social Funds are accounted for in income on the accruals basis.

(c) **Tangible Fixed Assets**

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

Office Equipment and Fixtures	15%	Written Down Value
Computer Equipment	25%	Written Down Value

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY
NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2001

2. ACCOUNTING POLICIES (CONTINUED)

(d) **Format of Financial Statements**
As allowed by Section 227 of the Companies Act 1985 the company, being non-trading, has prepared an Income and Expenditure Account instead of a Profit and Loss Account.

Schedule 4 of the Companies Act 1985 has, therefore, not been complied within relation to the Profit and Loss Account. The directors have departed from Schedule 4 in preparing an Income and Expenditure Account in order not to give misleading information regarding the company's activities which are non-profit making.

(e) **Cash Flow Statement**
The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a Cash Flow Statement in the Financial Statements, on the grounds that the company is small.

3. TANGIBLE FIXED ASSETS

	Computer Equipment	Office Equipment & Fixtures	Total
Cost	£	£	£
At 1 April 2000	13,326	1,816	15,142
At 31 March 2001	13,326	1,816	15,142
Depreciation			
At 1 April 2000	11,110	1,265	12,375
Charge for the year	555	82	637
At 31 March 2001	11,665	1,347	13,012
Written Down Values			
At 31 March 2001	£1,661	£469	£2,130
At 31 March 2000	£2,216	£551	£2,767

There were no capital commitments contracted for, nor authorized and not contracted for, at the Balance Sheet date.

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2001

4. **DEBTORS**

	2001	2000
	£	£
Other debtors	5,210	13,624
Prepayments	-	3,516
	£5,210	£17,140

5. **CREDITORS: Amounts falling due within one year**

	2001	2000
	£	£
Bank overdraft	-	4,658
Other creditors	6,326	36,591
Accruals and deferred income	1,139	6,205
	£7,465	£47,454

6. **CREDITORS: Amounts falling due after more than one year**

	2001	2000
	£	£
Co-operative assistance network	£18,076	£10,106

During the last two years the company contracted for services from Co-operative Assistance Network Limited. Services to the value of £18,076 (2000 - £10,106) were not paid and it was agreed that this would be treated as a loan from Co-operative Assistance Network Limited. This would be repaid by mutual agreement. Interest is being charged at 2% per month.

7. **REVENUE RESERVES**

	2001	2000
	£	£
(Deficit) for the financial year	(9,153)	(4,523)
Balance brought forward	(5,923)	(1,400)
Balance carried forward	£(15,076)	£(5,923)

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2001

8. OTHER RESERVES

	2001	2000
	£	£
Co-operative Fund Reserve		
Balance brought forward	2,375	2,000
Income - Exmoor Housing Co-op	2,841	375
Loan - Whitespace	(2,500)	-
Balance carried forward	£2,716	£2,375

During the year, the Agency received £2,841 from Exmoor Housing Co-operative. It is anticipated that part of this money may be required to defray certain expenses relating to Exmoor Housing Co-operative. The amount cannot be quantified at this stage.

9. (DEFICIT) OF INCOME OVER EXPENDITURE

The deficit of income over expenditure is stated after charging:

	2001	2000
	£	£
Depreciation	637	835
Auditor's remuneration	955	995

10. TAXATION

There is no liability to Corporation Tax during the year as the company's activities are non-profit making, subject to agreement with the Inland Revenue.

11. COMPANY LIMITED BY GUARANTEE

The company was incorporated as a company limited by guarantee. The liability of each member is limited to £1.

The company is exempt from requirements to include the word "Limited".

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2001

12. DIRECTORS' INTERESTS - RELATED PARTY TRANSACTIONS

Southampton Area Co-operative Development Agency has entered into contracts in the normal course of business with the following companies, where there is a common directorship:

Total Coverage Limited	G Mitchell
Paper Tiger Co-Operative Limited	B Titley

13. POST BALANCE SHEET EVENTS

There are no post Balance Sheet events (2000 - NIL)