

**SOUTHAMPTON AREA CO-OPERATIVE
DEVELOPMENT AGENCY**

A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

**FOR THE YEAR ENDED
31 MARCH 2002**

COMPANY NUMBER 2028621



SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY**REPORT OF THE DIRECTORS****FOR THE YEAR ENDED 31 MARCH 2002**

The directors present their report with the Financial Statements of the company for the year ended 31 March 2002.

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

The year to 31 March 2002 was another difficult and challenging year in terms of finance. The principal source of income in the year was £9,500 from the completion of the Seed 2 Project.

After many months of negotiation the company finally received a rates rebate from the city council.

Included in work in progress in these Accounts is £3,793 relating to the Leonardo Project. Final payment of £5,298 in respect of this project was received in July 2002.

However, the above three issues were still insufficient for the company to attain a surplus, as is shown on page 5 of the Accounts.

DIRECTORS

The directors who held office in the year to 31 March 2002 were as follows:

D J Pemberton	(Chairman)
G Dumont	(Secretary)
N M Lambert	
A Allam	
M Fruteau	Ceased during the year
A Moran	Ceased during the year
C E John	Ceased during the year

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

**REPORT OF THE DIRECTORS
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2002

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.

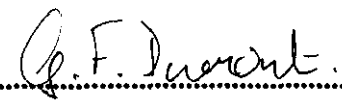
SMALL COMPANY PROVISIONS

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 16 January 2003


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DIRECTOR

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY
FOR THE YEAR ENDED
31 MARCH 2002

We have audited the Financial Statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on pages 7 and 8.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

The directors' responsibilities for preparing the Annual Report and the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities on page 7.

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 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 all 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. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom 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 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 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.

REPORT OF THE INDEPENDENT AUDITORS
TO THE MEMBERS OF
SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY
FOR THE YEAR ENDED
31 MARCH 2002

OPINION

In our opinion, the Financial Statements give a true and fair view of the state of the company's affairs as at 31 March 2002 and of the income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Abraham & Dobell
230 Shirley Road
Southampton
SO15 3HR

Chartered Accountants

Registered Auditors

16 January 2003

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

BALANCE SHEET

AS AT 31 MARCH 2002

	Notes	2002 £	2001 £
FIXED ASSETS			
Tangible assets	3	1,643	2,130
CURRENT ASSETS			
Debtors and prepayments	4	5,537	5,210
Cash at bank and in hand		526	2,948
Work in progress		3,793	3,793
		9,856	11,951
CREDITORS: Amounts falling due within one year			
	5	9,653	8,365
NET CURRENT ASSETS			
		203	3,586
Creditors: Amounts falling due after more than one year			
	6	17,701	18,076
		£(15,855)	£(12,360)
CAPITAL AND RESERVES			
Revenue reserves	7	(20,357)	(15,076)
Other reserves	8	4,502	2,716
		£(15,855)	£(12,360)

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



DIRECTOR

Approved by the Board of Directors on 16 January 2003

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 2002

	Notes	£	2002 £	£	2001 £
INCOME			22,072		40,118
EXPENDITURE					
Project costs		10,174		24,516	
Administrative expenses		17,179		24,755	
			<u>27,353</u>	<u></u>	<u>49,271</u>
(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	9		(5,281)		(9,153)
Taxation	10		<u>-</u>	<u>-</u>	
(DEFICIT) OF INCOME OVER EXPENDITURE AFTER TAXATION	7		(5,281)		(9,153)
(DEFICIT) OF INCOME OVER EXPENDITURE BROUGHT FORWARD	7		(15,076)		(5,923)
(DEFICIT) OF INCOME OVER EXPENDITURE AT 31 MARCH 2002	7		<u>£(20,357)</u>	<u></u>	<u>£(15,076)</u>

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.

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2002

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 2002

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 2001	13,326	1,816	15,142
	-----	-----	-----
At 31 March 2002	13,326	1,816	15,142
	-----	-----	-----
Depreciation			
At 1 April 2001	11,665	1,347	13,012
Charge for the year	415	72	487
	-----	-----	-----
At 31 March 2002	12,080	1,419	13,499
	-----	-----	-----
Written Down Values			
At 31 March 2002	£1,246	£397	£1,643
	-----	-----	-----
At 31 March 2001	£1,661	£469	£2,130
	-----	-----	-----

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 2002

4. DEBTORS

	2002	2001
	£	£
Other debtors	5,537	5,210
Prepayments	-	-
	£5,537	£5,210

5. CREDITORS: Amounts falling due within one year

	2002	2001
	£	£
Bank overdraft	-	-
Other creditors	8,340	6,326
Accruals and deferred income	1,238	1,139
VAT	75	-
	£9,653	£7,465

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

	2002	2001
	£	£
Co-operative assistance network	£17,701	£18,076

During the last two years the company contracted for services from Co-operative Assistance Network Limited. Services to the value of £17,701 (2001 - £18,076) 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

	2002	2001
	£	£
(Deficit) for the financial year	(5,281)	(9,153)
Balance brought forward	(15,076)	(5,923)
Balance carried forward	£(20,357)	£(15,076)

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2002

8. OTHER RESERVES

	2002	2001
	£	£
Co-operative Fund Reserve		
Balance brought forward	2,716	2,375
Income - Exmoor Housing Co-op	-	2,841
Loan - Whitespace	-	(2,500)
Repayment - Shewstone	1,786	-
Balance carried forward	£4,502	£2,716

9. (DEFICIT) OF INCOME OVER EXPENDITURE

The deficit of income over expenditure is stated after charging:

	2002	2001
	£	£
Depreciation	487	637
Auditor's remuneration	783	955

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".

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

**NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)**

FOR THE YEAR ENDED 31 MARCH 2002

12. DIRECTORS' INTERESTS - RELATED PARTY TRANSACTIONS

There were no related party transactions during the year to 31 March 2002.

13. POST BALANCE SHEET EVENTS

There are no post Balance Sheet events (2001 - NIL)