SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

A COMPANY LIMITED BY GUARANTEE

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2004

COMPANY NUMBER 2028621

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SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

FOR THE YEAR ENDED
31 MARCH 2004

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SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31 MARCH 2004

The directors present their report with the Financial Statements of the company for the year ended 31 March 2004.

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

This has been a difficult year, reflecting the transition to new contracts. In an effort to reduce outgoings, the directors were seeking alternative accommodation. The company relocated in the following financial year. The continued support of the Co-operative Assistance Network is appreciated. The directors are seeking new sources of revenue to restore the company's profitability.

DIRECTORS

The directors who held office in the year to 31 March 2004 were as follows:

D J Pemberton	(Chairman)
G Dumont	(Secretary - Retired December 2003)
N M Lambert	
A Allam	
M Harwood	
T Rawlins	

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

REPORT OF THE DIRECTORS
(CONTINUED)

FOR THE YEAR ENDED
31 MARCH 2004

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 24 June 2005



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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 2004

We have audited the Financial Statements of Southampton Area Co-operative Development Agency for the year ended 31 March 2004 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.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work had 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 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.

REPORT OF THE INDEPENDENT AUDITORS

TO THE MEMBERS OF

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

FOR THE YEAR ENDED 31 MARCH 2004

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.

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 2004 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

24 June 2005

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

BALANCE SHEET

AS AT 31 MARCH 2004

	Notes	2004 £	2004 £	2003 £	2003 £
FIXED ASSETS					
Tangible assets	3		989		1,272
CURRENT ASSETS					
Debtors and prepayments	4	8,621		4,095	
Cash at bank and in hand		1,348		758	
Work in progress		1,239		1,250	
		11,208		6,103	
CREDITORS: Amounts falling due within one year	5	22,937		9,058	
NET CURRENT (LIABILITIES)			(11,729)		(2,955)
Creditors: Amounts falling due after more than one year	6		(17,701)		(17,701)
AS AT 31 MARCH 2004			£(28,441)		£(19,384)
CAPITAL AND RESERVES					
Revenue reserves	7		(32,943)		(23,886)
Other reserves	8		4,502		4,502
AS AT 31 MARCH 2004			£(28,441)		£(19,384)

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

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DIRECTOR

Approved by the Board of Directors on 24 June 2005

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2004

	Notes	£	2004 £	£	2003 £
INCOME			15,910		22,866
EXPENDITURE					
Project costs		6,327		8,844	
Administrative expenses		18,640		17,551	
			24,967		26,395
(DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	9		(9,057)		(3,529)
Taxation	10		-		-
(DEFICIT) OF INCOME OVER EXPENDITURE AFTER TAXATION	7		(9,057)		(3,529)
(DEFICIT) OF INCOME OVER EXPENDITURE BROUGHT FORWARD	7		(23,886)		(20,357)
(DEFICIT) OF INCOME OVER EXPENDITURE AT 31 MARCH 2004	7		£(32,943)		£(23,886)

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 2004

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 2004

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 2003	13,326	1,816	15,142
At 31 March 2004	13,326	1,816	15,142
Depreciation			
At 1 April 2003	12,391	1,479	13,870
Charge for the year	233	50	283
At 31 March 2004	12,624	1,529	14,153
Written Down Values			
At 31 March 2004	£702	£287	£989
At 31 March 2003	£935	£337	£1,272

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 2004

4. **DEBTORS**

	2004	2003
	£	£
Other debtors	8,621	4,095
Prepayments	-	-
	£8,621	£4,095

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

	2004	2003
	£	£
Other creditors	20,700	8,011
Accruals and deferred income	1,750	1,000
VAT	487	47
	£22,937	£9,058

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

	2004	2003
	£	£
Co-operative assistance network	£17,701	£17,701

Co-operative Assistance Network Limited granted a loan of £17,701. This loan will be repaid by mutual agreement. Interest is being charged at 2% per month.

7. **REVENUE RESERVES**

	2004	2003
	£	£
(Deficit) for the financial year	(9,057)	(3,529)
Balance brought forward	(23,886)	(20,357)
Balance carried forward	£(32,943)	£(23,886)

SOUTHAMPTON AREA CO-OPERATIVE DEVELOPMENT AGENCY

NOTES TO THE FINANCIAL STATEMENTS
(CONTINUED)

FOR THE YEAR
ENDED 31 MARCH 2004

8. OTHER RESERVES

	2004	2003
	£	£
Co-operative Fund Reserve		
Balance brought forward	4,502	4,502
Balance carried forward	£4,502	£4,502

9. (DEFICIT) OF INCOME OVER EXPENDITURE

The deficit of income over expenditure is stated after charging:

	2004	2003
	£	£
Depreciation	283	371
Auditor's remuneration	750	840

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 2004

12. DIRECTORS' INTERESTS - RELATED PARTY TRANSACTIONS

There were no related party transactions during the year to 31 March 2004.

13. POST BALANCE SHEET EVENTS

There are no post Balance Sheet events (2003 - NIL).