

REGISTERED COMPANY NUMBER: 258621 (Scotland)
REGISTERED CHARITY NUMBER: SC011968

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011
FOR
THE ZONE INITIATIVE LTD**

Stewart Gilmour & Co.,
Chartered Accountants
24 Beresford Terrace
Ayr
KA7 2EG

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THE ZONE INITIATIVE LTD

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FOR THE YEAR ENDED 31 MARCH 2011**

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THE ZONE INITIATIVE LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
258621 (Scotland)

Registered Charity number
SC011968

Registered office
Dalcairney Road
Bellsbank
Dalmellington
Ayrshire
KA6 7SZ

Trustees
Mrs M Johnstone
Mrs I Rowan
L Orr
Mrs J Orr
Miss K Millar
Miss S Chalmers
Miss J Phillips

The charity's trustees (directors) are referred to within the company as its executive committee.

Company Secretary
Ms M McCabe

Auditors
Stewart Gilmour & Co.,
Chartered Accountants
24 Beresford Terrace
Ayr
KA7 2EG

Solicitors
Frazer Coogans
46 Dalblair Road
Ayr
KA7 1UQ

Non voting advisors to executive committee
Mrs E Stewart
Mrs R Eccles

Project manager
Mrs E Stewart

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Zone Initiative (formerly known as Bellsbank Adventure Playground) was incorporated on 3rd November 2003. Its governing document is its Memorandum and Articles of Association. The company is limited by guarantee and does not have a share capital. In any winding up the liability of individual members is limited to £1. .

THE ZONE INITIATIVE LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

New Executive Committee members are recruited primarily from the local community without discrimination on the grounds of age, gender, religion, disability or ethnic origin, appointment being at the discretion of the Executive Committee. They are always prepared to consider suitable individuals from the community who are sympathetic to the company's aims and objectives and who might prove to be valuable Committee members.

Induction and training of new trustees

The organisation's Executive Committee (Directors) are responsible for overseeing the charitable company's affairs and directing staff.

Most new Executive Committee members will already be familiar with the purpose of the company when they join and learn more about its workings from other Committee members and from attendance at regular meetings.

Organisational structure

To ensure the smooth running of the organisation, regular Executive Committee meetings are held involving input from the Committee members and the non voting advisors. On a day-to-day basis, the organisation's activities are run by the project manager, the youth work co-ordinator, the office administrator and other staff.

Wider network

The company liaises and interacts with other organisations and individuals where this is of general benefit to the local community.

Related parties

There were no reportable financial transactions between the company and any of the Executive Committee members, or any related parties of the Executive Committee members, during the year ended 31st March 2011. Any such transactions require to be transparent, approved by the Executive Committee and conducted on an arm's length basis.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Risks identified by the Executive Committee outwith those covered by insurance related mainly to funding being available to finance the ongoing costs of running the company's operations. During the year the Executive Committee attempted to ensure that sufficient funds were available to meet this requirement. They also have management controls in place which aim to minimise the risk of fraud or error occurring.

THE ZONE INITIATIVE LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

OBJECTIVES AND ACTIVITIES

Objectives and aims

Values, principles and objectives

The Zone Initiative employs team members with the behavioural traits that best match the organisation's values and beliefs. Following are our values, vision and mission statement together with our overall key aims and objectives.

- Vision

To improve quality of life for the young people of the Doon Valley area.

- Mission

To provide facilities for play, recreation and other leisure time occupation for young people in the Doon Valley area which will improve the conditions of life for such people by promoting their physical, spiritual and mental wellbeing.

- Values

We at The Zone Initiative believe that we should participate in all forms of community activity which can make a difference to our local community and we should strive to:-

1. Have unconditional positive regard for all service users, potential users and team members.
2. Make no discrimination with regard to nationality, race, religious beliefs, disability, or class.
3. Value and respect the service users that access our services.
4. Value and respect our volunteers.
5. Train and develop team members and volunteers so that they can provide a quality service for our service users.
6. Promote and strengthen community spirit in the Doon Valley.
7. Listen to the needs of the local community and to bridge gaps where possible.
8. Show care and compassion for the community.
9. Work to best practice procedures.

- Aims and objectives

To improve the physical, spiritual and mental well being of the young people of the Doon Valley through the provision of play and recreation facilities. In achieving these goals, the organisation aims to:-

1. Promote and develop the public appreciation of the short and long term values of children's play and towards improving the conditions of life for young people in the area.
2. Examine, co-ordinate and expand the resources devoted to the provision of children's play facilities in the area.
3. Carry on any other activities which further any of the above objects.
4. Provide a forum in the community where interested individuals, professionals, statutory bodies, commercial bodies, voluntary organisations, charitable organisations and other bodies can meet and co-operate in the development of services for achieving the above objectives.

-How our values are communicated and applied within our organisation

1. A training and development budget forms part of every funding bid to develop team members on a personal level and increase their work related skills.
2. Clear directed personnel specifications are drawn up for all team member vacancies. Key areas that we look at are soft skills, life experience and personality traits to meet the demands of the post.
3. Take up references and carry out an enhanced disclosure check on our team members and volunteers.
4. Adhere to our equal opportunities policy when recruiting team members.
5. Include team members in decision making and involvement in team meetings and goal setting.
6. Offer support and supervision to all team members.

Significant activities

The company's principal activity during the year was the provision of facilities for play and recreation and social activities for the young people of the Doon Valley in East Ayrshire.

Volunteers

The company is indebted to the many volunteers who help the organisation meet its objectives by carrying out various tasks and duties.

THE ZONE INITIATIVE LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

ACHIEVEMENT AND PERFORMANCE

Charitable activities

During the year "The Zone" and "Bellsbank Adventure Playground" continued to offer the children of the Doon Valley recreational and social facilities on a daily basis.

The SVQ training facility has continued to grow and successfully moved into other geographical areas in South Ayrshire, North Lanarkshire and Dumfries and Galloway.

The executive committee and senior staff have worked hard this year to gain much needed funding from the future job fund scheme which provided 6 months work placements for the long term unemployed. This scheme was hugely successful, during the year 111 people were given placements of which 66% went on to find employment or enter further education.

During the year the project had an HMIE (HM inspectorate of education) inspection, they reported the project as excellent and this has since transported us onto a journey for excellence within Learning Teaching Scotland (LTS). HMIE also hailed the project as "An exceptionally dynamic community organisation (The Zone Initiative Ltd) Bellsbank Adventure Playground Ltd delivers a wide range of important services in the communities and creates jobs in the local economy". It went on to say "Bellsbank Adventure Playground Ltd is an outstanding example of a group of this type. They deliver youth services, out of school care, accredited training for young adults in play work, childcare, health and social care and information and communication technologies".

In February this year a small documentary of the work we do was filmed and is currently on the LTS website highlighting good practice.

Internal and external factors

Internally, the charitable company is dependent on a good relationship between the Executive Committee, staff and the volunteers that help to ensure that it can successfully carry out its activities.

The main external factor affecting the organisation's operations is ensuring that the young people of the Doon Valley make use of the facilities and social opportunities that are available to them.

The Executive Committee are happy to report that there are currently no adverse internal or external factors affecting the organisation's operations.

FINANCIAL REVIEW

Reserves policy

The Executive Committee have assessed the level of free reserves (i.e. those funds not tied up in fixed assets and designated and restricted funds) that the company requires to sustain its operations and are satisfied that this has been achieved.

Principal funding sources

Principal funding to meet the costs of operating the organisation came from East Ayrshire Council, the Scottish Government and Coalfields Regeneration.

The Executive Committee would like to express their thanks to all the organisations which provided funding to the company during the year.

Review of the year's results

The financial statements for the year to 31st March 2011 reflect a difficult year of operation for The Zone Initiative Ltd. Funding for childcare is becoming increasingly difficult to obtain, as a result our fees can no longer be subsidised as much as in previous years. The subsequent increase in charges has led to a reduction in children attending our facilities, in particular our facility at Patna, as parents are unable to pay increased costs. In order to stop a further drain on our resources our Patna facility has now been closed and a subsequent loss of 4 staff members.

Total incoming resources for 2011 amounted to £823,123. (2010 - £391,396). Resources expended totalled £868,783. (2010 - £380,434). The net outgoing resources for 2011 were £45,660. (2010 net incoming resources - £10,962).

At 31st March 2011, the organisation had total funds of £93,634. (2010 - £139,294) of which £74,831. were unrestricted and £18,803. were restricted.

The Executive Committee consider the results for the year to be satisfactory and they leave the company in an adequate financial position for the future successful operation of its charitable activities.

THE ZONE INITIATIVE LTD

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

FUTURE DEVELOPMENTS

This year we have been developing "Home Buddies" and "Grass Maintenance" schemes, both these projects have been successfully piloted.

We have also invested in an e-learning portal which allows us to train people across Scotland. We have accreditation for qualifications such as Play work levels 2 and 3, Childcare learning and development levels 2 and 3, Health and social care levels 2, 3 and 4 and Business admin level 2. We are currently seeking accreditation in other areas such as the Construction Skills Certification Scheme.

We have just won a tender for East Ayrshire Council training and are also on the training procurement list for Working Links across Scotland.

We have recently entered into an East Ayrshire Works scheme which is a work experience scheme that will see £120,000 worth of European funding over the next two years.

We will continue to look at diverting into other areas of work that are meaningful and financial assets to the project.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The Zone Initiative Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

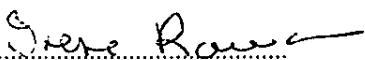
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Stewart Gilmour & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:



Mrs I Rowan - Trustee

Date: 3.11.11

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF THE ZONE INITIATIVE LTD

We have audited the financial statements of The Zone Initiative Ltd for the year ended 31 March 2011 on pages eight to sixteen. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities and Trustee Investment (Scotland) Act 2005 rather than also with the Companies Act 2006. Accordingly we have been appointed as auditors under Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

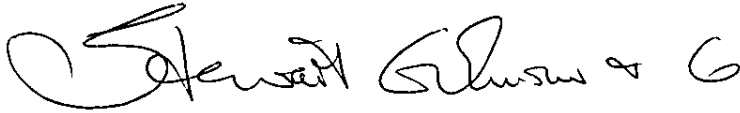
- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
THE ZONE INITIATIVE LTD**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements ; or
- the charitable company has not kept proper and adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Stewart Gilmour & Co.,

Chartered Accountants

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

24 Beresford Terrace

Ayr

KA7 2EG

8 November 2011

THE ZONE INITIATIVE LTD

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Activities for generating funds	2	2,812	-	2,812	6,237
Incoming resources from charitable activities					
Charitable operations	3	554,608	265,703	820,311	385,159
Total incoming resources		557,420	265,703	823,123	391,396
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising trading: cost of goods sold and other costs	4	1,821	217	2,038	2,619
Charitable activities	5				
Charitable operations		575,915	278,955	854,870	351,133
Governance costs	8	1,648	-	1,648	1,595
Other resources expended		10,227	-	10,227	25,087
Total resources expended		589,611	279,172	868,783	380,434
NET INCOMING/(OUTGOING) RESOURCES					
		(32,191)	(13,469)	(45,660)	10,962
RECONCILIATION OF FUNDS					
Total funds brought forward		107,022	32,272	139,294	128,332
TOTAL FUNDS CARRIED FORWARD		74,831	18,803	93,634	139,294

The notes form part of these financial statements

THE ZONE INITIATIVE LTD

**BALANCE SHEET
AT 31 MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
FIXED ASSETS					
Tangible assets	12	40,604	-	40,604	44,331
CURRENT ASSETS					
Debtors: amounts falling due within one year	13	14,320	18,780	33,100	54,485
Cash at bank and in hand		38,227	15,320	53,547	75,269
		<u>52,547</u>	<u>34,100</u>	<u>86,647</u>	<u>129,754</u>
CREDITORS					
Amounts falling due within one year	14	(18,320)	(15,297)	(33,617)	(34,791)
NET CURRENT ASSETS		<u>34,227</u>	<u>18,803</u>	<u>53,030</u>	<u>94,963</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>74,831</u>	<u>18,803</u>	<u>93,634</u>	<u>139,294</u>
NET ASSETS		<u>74,831</u>	<u>18,803</u>	<u>93,634</u>	<u>139,294</u>
FUNDS	15				
Unrestricted funds:					
General fund				74,831	107,022
Restricted funds:					
East Ayrshire Council - pooled budget				3,195	988
Wages and running costs				1,347	20,291
Coalfields Regeneration				-	3,032
Ayrshire Leader - training				3,793	-
Go Play				-	138
Ayrshire Leader - youth on the move				8,554	7,823
Grants - working Links				23	-
EAC planning				1,891	-
				<u>18,803</u>	<u>32,272</u>
TOTAL FUNDS				<u>93,634</u>	<u>139,294</u>

The notes form part of these financial statements

THE ZONE INITIATIVE LTD

**BALANCE SHEET - CONTINUED
AT 31 MARCH 2011**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2011.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 3.11.11 and were signed on its behalf by:

S Irene Rowan

Mrs I Rowan -Trustee

THE ZONE INITIATIVE LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Tangible fixed assets

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

Improvements to property	- 4% on cost
Fixtures and fittings	- 25% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities. The company is not registered for Value Added Tax.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Format of the financial statements

The financial statements have been adapted from the format prescribed in the Companies Act 2006 due to the special nature of the company's business in order to comply with the requirement to give a true and fair view, as permitted by section 396 paragraph 5 of the Companies Act 2006.

2. ACTIVITIES FOR GENERATING FUNDS

	2011	2010
	£	£
Coffee bar	<u>2,812</u>	<u>6,237</u>

THE ZONE INITIATIVE LTD

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

		2011 £	2010 £
Training fees	Charitable operations	58,501	25,793
Registrations	Charitable operations	25,989	12,174
Grants - Childcare partnership strategy	Charitable operations	18,889	15,993
Grants - EAC pooled budget	Charitable operations	22,399	11,824
Grants-Minerals Trust	Charitable operations	-	900
Grants - Coalfields	Charitable operations	21,200	35,002
Grants - Ayr Leader Training	Charitable operations	11,815	4,433
Grants - Fairer Scotland	Charitable operations	71,000	69,000
Grants - Skills development	Charitable operations	24,250	63,671
Grants - Go Play	Charitable operations	82,537	26,578
Grants - Ayr Leader youth/move	Charitable operations	8,554	16,161
Grants - Abbey	Charitable operations	-	2,450
Grants - Future Job Fund	Charitable operations	470,257	101,180
Grants - Working links	Charitable operations	3,029	-
Grants - EAC planning	Charitable operations	1,891	-
		<u>820,311</u>	<u>385,159</u>

4. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS

	2011 £	2010 £
Purchases	<u>2,038</u>	<u>2,619</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6) £	Support costs (See note 7) £	Totals £
Charitable operations	<u>851,504</u>	<u>3,366</u>	<u>854,870</u>

THE ZONE INITIATIVE LTD

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2011	2010
	£	£
Staff costs	706,632	278,151
Rent, rates and insurance	19,613	15,489
Repairs and renewals	9,328	5,397
Light and heat	5,496	4,580
Telephone	2,659	1,942
Postage, stationery & advert	6,098	4,129
Training expenses	46,605	8,013
Travel expenses	25,847	10,047
Curriculum costs	8,325	9,387
Sundry expenses	2,691	1,980
Electrical resources	809	4,580
Hire of equipment	3,806	4,814
Protective clothing	11,870	1,165
Subscriptions	1,725	466
	<u>851,504</u>	<u>350,140</u>

7. SUPPORT COSTS

	Finance
	£
Charitable operations	<u>3,366</u>

8. GOVERNANCE COSTS

	2011	2010
	£	£
Auditors' remuneration	<u>1,648</u>	<u>1,595</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2011	2010
	£	£
Auditors' remuneration	1,648	1,595
Depreciation - owned assets	3,905	4,560
Deficit on disposal of fixed asset	<u>22</u>	<u>-</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010.

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2011 nor for the year ended 31 March 2010.

THE ZONE INITIATIVE LTD

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

11. STAFF COSTS

	2011 £	2010 £
Wages	671,403	261,134
Social security cost	35,229	17,201
	<u>706,632</u>	<u>278,335</u>

Included in wages costs is £300,774 (2010 £31,672) which is in relation to 111 (2010 23) employees employed under the Future Job Fund scheme during the year.

The company had no employees who were paid at a rate in excess of £60,000 per annum the year (2010: nil).

The average number of permanent employees during the year was as follows:-

	2011	2010
Management and administration	5	5
Program staff	19	17
	<u>24</u>	<u>22</u>

In addition to permanent staff members detailed above, there were a total of 111 people employed under the Future Job Fund scheme during the year. This is a government back to work scheme which provides 6 months work placements for the long term unemployed.

12. TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Totals £
COST			
At 1 April 2010	44,104	35,687	79,791
Additions	-	200	200
Disposals	-	(141)	(141)
At 31 March 2011	<u>44,104</u>	<u>35,746</u>	<u>79,850</u>
DEPRECIATION			
At 1 April 2010	8,160	27,300	35,460
Charge for year	1,764	2,141	3,905
Eliminated on disposal	-	(119)	(119)
At 31 March 2011	<u>9,924</u>	<u>29,322</u>	<u>39,246</u>
NET BOOK VALUE			
At 31 March 2011	<u>34,180</u>	<u>6,424</u>	<u>40,604</u>
At 31 March 2010	<u>35,944</u>	<u>8,387</u>	<u>44,331</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Grants receivable	<u>33,100</u>	<u>54,485</u>

THE ZONE INITIATIVE LTD

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade creditors	5,691	-
Social security and other taxes	8,522	11,505
Prepaid income	13,711	21,993
Accruals and deferred income	5,693	1,293
	<u>33,617</u>	<u>34,791</u>

15. MOVEMENT IN FUNDS

	At 1.4.10	Net movement in funds	At 31.3.11
	£	£	£
Unrestricted funds			
General fund	107,022	(32,191)	74,831
Restricted funds			
East Ayrshire Council - pooled budget	988	2,207	3,195
Wages and running costs	20,291	(18,944)	1,347
Coalfields Regeneration	3,032	(3,032)	-
Ayrshire Leader - training	-	3,793	3,793
Go Play	138	(138)	-
Ayrshire Leader - youth on the move	7,823	731	8,554
Grants - working Links	-	23	23
EAC planning	-	1,891	1,891
	<u>32,272</u>	<u>(13,469)</u>	<u>18,803</u>
TOTAL FUNDS	<u>139,294</u>	<u>(45,660)</u>	<u>93,634</u>

THE ZONE INITIATIVE LTD

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

15. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	557,420	(589,611)	(32,191)
Restricted funds			
East Ayrshire Council - pooled budget	22,399	(20,192)	2,207
Childcare partnership strategy	18,889	(18,889)	-
Wages and running costs	24,250	(43,194)	(18,944)
Coalfields Regeneration	21,200	(24,232)	(3,032)
Ayrshire Leader - training	11,815	(8,022)	3,793
Fairer Scotland	71,000	(71,000)	-
Go Play	82,676	(82,814)	(138)
Ayrshire Leader - youth on the move	8,554	(7,823)	731
Grants - working Links	3,029	(3,006)	23
EAC planning	1,891	-	1,891
	<u>265,703</u>	<u>(279,172)</u>	<u>(13,469)</u>
TOTAL FUNDS	<u><u>823,123</u></u>	<u><u>(868,783)</u></u>	<u><u>(45,660)</u></u>

THE ZONE INITIATIVE LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2011**

	2011 £	2010 £
INCOMING RESOURCES		
Activities for generating funds		
Coffee bar	2,812	6,237
Incoming resources from charitable activities		
Training fees	58,501	25,793
Registrations	25,989	12,174
Grants - Childcare partnership strategy	18,889	15,993
Grants - EAC pooled budget	22,399	11,824
Grants-Minerals Trust	-	900
Grants - Coalfields	21,200	35,002
Grants - Ayr Leader Training	11,815	4,433
Grants - Fairer Scotland	71,000	69,000
Grants - Skills development	24,250	63,671
Grants - Go Play	82,537	26,578
Grants - Ayr Leader youth/move	8,554	16,161
Grants - Abbey	-	2,450
Grants - Future Job Fund	470,257	101,180
Grants - Working links	3,029	-
Grants - EAC planning	1,891	-
	820,311	385,159
Total incoming resources	823,123	391,396
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Coffee bar purchases	2,038	2,619
Charitable activities		
Wages	706,632	278,151
Rent, rates and insurance	19,613	15,489
Repairs and renewals	9,328	5,397
Light and heat	5,496	4,580
Telephone	2,659	1,942
Postage, stationery & advert	6,098	4,129
Training expenses	46,605	8,013
Travel expenses	25,847	10,047
Curriculum costs	8,325	9,387
Sundry expenses	2,691	1,980
Electrical resources	809	4,580
Hire of equipment	3,806	4,814
Protective clothing	11,870	1,165
Subscriptions	1,725	466
	851,504	350,140

This page does not form part of the statutory financial statements

THE ZONE INITIATIVE LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2011**

	2011	2010
	£	£
Governance costs		
Auditors' remuneration	1,648	1,595
Other resources expended		
Motor Vehicle - Go Play funded	-	16,500
Equipment - Future Job funded	-	4,027
Motor vehicle - Future job fun ded	6,300	-
Improvements to property	1,764	1,764
Fixtures and fittings	2,141	2,796
Loss on sale of tangible fixed assets	22	-
	10,227	25,087
Support costs		
Finance		
Bank charges	3,366	993
Total resources expended	868,783	380,434
Net (expenditure)/income	(45,660)	10,962