

**Company No.: 02454057**

**CO-OPERATIVE ASSISTANCE NETWORK LTD**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MAY 2004**

**Company Secretary: N.M. Brown**

**Registered Office & Business Address: 12 Bellevue Road, Southampton, SO15 2AY**

**Principal Bankers: Co-operative Bank plc, Albert Hall Building, High Street, Colchester, CO1 1JW**

**The financial statements for the year have been produced without audit.**



**CO-OPERATIVE ASSISTANCE NETWORK LTD  
YEAR ENDED 31ST MAY 2004**

**DIRECTORS REPORT FOR THE YEAR**

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

**PRINCIPAL ACTIVITIES AND BUSINESS REVIEW**

The company's principal trading activity during the year was the provision of consultancy, training and project management services in the field of co-operative and social enterprise development.  
The directors were disappointed by the financial performance of the company during the year. The balance sheet at year end was negative. Members' unpaid wages of £22,769 was providing the finance to enable the company to trade with no risk to creditors.

**DIVIDEND AND TRANSFER TO RESERVES**

The directors have paid no interim profit distribution and have recommended a payment of a final profit distribution of £0. It is proposed that the retained loss is transferred to reserves.

**FIXED ASSETS**

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

**DIRECTORS AND THEIR INTERESTS**

The directors at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment if later), were as follows:

Guarantors of £1 each:

C.C. Funnell (Director)  
B.J. Tittley (Director)  
N.M. Brown (Secretary)  
N. Rides (Director)

**CLOSE COMPANY**

The company is a close company as defined by the Income and Corporation Taxes Act 1988.

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

Company Law requires the directors to prepare financial statements for each financial year which give a true and fair record of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements the directors are required to:-

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any

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.

**OPINION**

There is a substantial debt outstanding from one customer. This customer is significantly late in paying invoices amounting to £29,973.81. This customer has however honoured £42,480.14 of the £54,753.20 invoices issued after 1st November 2000, is owed £3,196.00 which will be settle by contra-payment and pays interest on the pre-1st November 2000 arrears of £17,700.75. The customer has entered into a sole trading agreement with ourselves whereby 75% of value generated by our work for the customer is paid for. We are confident that we have taken sufficient steps to secure the debt. In addition, the trading outlook for this customer is improving and given the agreement outlined above it is in our best interests that the customer be allowed to trade through. This debt has therefore not been written down and the full sum appears in the turnover figure.

None of the company's activities were acquired or discontinued during the above two financial years.

**By Order of the Board:**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Name

\_\_\_\_\_  
4th March 2005  
Date

**CO-OPERATIVE ASSISTANCE NETWORK LTD  
YEAR ENDED 31ST MAY 2004**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR**

	<b>Notes</b>	<b>2004</b>	<b>2003</b>
<b>SALES</b>		107,257	165,485
<b>DEVELOPED CAN PRODUCTS</b>		5,158	-
<b>COST OF SALES</b>		<u>(14,719)</u>	<u>(17,725)</u>
<b>GROSS PROFIT</b>		97,696	147,760
<b>ADMINISTRATIVE EXPENSES</b>	2	(135,422)	(146,746)
<b>DEPRECIATION</b>	3	(3,164)	(5,063)
<b>OPERATING PROFIT</b>		<u>(40,891)</u>	<u>(4,048)</u>
<b>INTEREST RECEIVABLE</b>			
Loan interest	4	4,254	4,282
<b>TOTAL OTHER INCOME</b>		4,254	4,282
<b>NET PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(36,637)</u>	<u>233</u>
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	5	342	(1,197)
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>(36,979)</u>	<u>1,430</u>
Dividends	6	-	-
<b>RETAINED PROFIT</b>		<u>(36,979)</u>	<u>1,430</u>
<b>BALANCE BROUGHT FORWARD</b>	12	29,575	28,145
<b>BALANCE CARRIED FORWARD</b>		<u>(7,404)</u>	<u>29,575</u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The "Notes to the financial statements" form part of these financial statements.

**CO-OPERATIVE ASSISTANCE NETWORK LTD**  
**YEAR ENDED 31ST MAY 2004**

**BALANCE SHEET AT YEAR END**

	Notes	2004	2003
<b>Fixed Assets</b>			
Office Equipment		2,705	4,559
Furniture and Fixtures		2,121	2,652
Art		290	290
CAN Products		<u>5,158</u>	<u>-</u>
	7	10,275	7,501
Shares held		<u>270</u>	<u>250</u>
		10,545	7,751
<b>Current Assets</b>			
Cash	8	690	80
Debtors, Prepayments & Work In Progress	9	<u>88,674</u>	<u>111,401</u>
		89,363	111,481
<i>less</i>			
<b>Current Liabilities</b>			
Creditors: Amounts falling within one year	10	<u>107,312</u>	<u>89,656</u>
<b>Net Current Assets</b>		<u>(17,949)</u>	<u>21,825</u>
<b>Total Assets Less Current Liabilities</b>		<u>(7,404)</u>	<u>29,575</u>
<b>Creditors: Amounts falling due after more than one year</b>	11	<u>-</u>	<u>-</u>
<b>Net Worth</b>		<u><u>(7,404)</u></u>	<u><u>29,575</u></u>
 <b>Financed By:</b>			
Reserves b/f		29,575	28,145
Profit for Year	12	(36,979)	1,430
Loan Stock	13	-	-
	14	<u>(7,404)</u>	<u>29,575</u>

The "Notes to the financial statements" form part of these financial statements.

The directors have taken advantage of the exemption conferred by section 249A(1) not to have these financial statements audited and confirms that no notice has been deposited under section 249B(2) of the Companies Act 1985.

None of the company's activities were acquired or discontinued during the above two financial years.

The director acknowledge their responsibilities for ensuring that:-

i) The company keeps accounting records which comply with section 221 of the Companies Act 1985:

ii) The financial statements give a true and fair view of the state of affairs of the company as at year end and of its profit for the year then ended in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as is applicable to the company.

**The financial statements were approved by the Board and signed on its behalf by:**

Signed	Name	4th March 2005 Date
--------	------	------------------------

**CO-OPERATIVE ASSISTANCE NETWORK LTD**  
**YEAR ENDED 31ST MAY 2004**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR**

**Notes**

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention.

**1.2 TURNOVER**

Turnover represents the total invoice value of services rendered during the year.

**1.3 DEPRECIATION**

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:-

Office equipment	50% Reducing balance
Furniture & Fittings	20% Reducing balance
Motor vehicles	not applicable
Art	0%
Developed CAN products	25% Straight line

**1.4 DEFERRED TAXATION**

Deferred taxation is provided where there is a reasonable probability of the amount becoming payable in the foreseeable

**1.5 GOODWILL**

Purchased goodwill is written off immediately against reserves. Goodwill which is generated by the activities of the company is not recognised as an asset on the balance sheet and the associated costs are written off to the profit and loss account when they are incurred.

**1.6 WORK IN PROGRESS**

Work in progress is valued on the basis of direct costs plus attributable overheads based on normal level of activity. Provision is made for any foreseeable losses where appropriate. No element of profit is included in the valuation of work in progress.

**1.7 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.

**1.7 ACCOUNTING PERIOD**

The accounting period covers the 12 month duration upto the date stated at the top of each page of these accounts. None of the company's activities were acquired or discontinued during the above two financial years.

**2. DIRECTORS' REMUNERATION**

Wages and salaries, including Social Security costs  
 Annual bonus

	<b>2004</b>	<b>2003</b>
	68,911	74,657
	-	-
	<u>68,911</u>	<u>74,657</u>

**3. OPERATING PROFIT**

The operating profit is stated after charging:

Depreciation

	<u>3,164</u>	<u>5,063</u>
--	--------------	--------------

**4. INTEREST RECEIVED**

Interest receivable

	<u>4,254</u>	<u>4,282</u>
--	--------------	--------------

**5. CORPORATION TAX ANNUAL RETURN**

Corporation tax chargeable  
 Corporation tax prior year adjustment  
 Interest on corporation tax  
 Interest paid by corporation tax  
 Corporation tax losses relief for previous years  
 Total payment to Inland Revenue

	-	-
	363	(1,198)
	6	1
	(27)	-
	-	-
	<u>342</u>	<u>(1,197)</u>

**CO-OPERATIVE ASSISTANCE NETWORK LTD**  
**YEAR ENDED 31ST MAY 2004**

**6. DIVIDENDS & PROFIT DISTRIBUTION**

Ordinary Dividend:-

Interim dividends paid	-	-
Final dividend paid	-	-
	<u>-</u>	<u>-</u>

Profit Distribution:- (noted on P&L as "Overhead")

Interim profit distribution paid	-	-
Final profit distribution paid	-	-
	<u>-</u>	<u>-</u>

**7. TANGIBLE ASSETS**

Cost at beginning of year	24,000	23,098
Additions during year	5,939	901
<b>At year end</b>	<u>29,938</u>	<u>24,000</u>

Depreciation at beginning of year	16,499	11,436
Depreciation charge during period	3,164	5,062
<b>Depreciation at year end</b>	<u>19,663</u>	<u>16,499</u>

<b>Net book value at year end</b>	<u><b>10,275</b></u>	<u><b>7,501</b></u>
-----------------------------------	----------------------	---------------------

Net book value at beginning of year	7,501	11,662
-------------------------------------	-------	--------

**8. CASH**

Current bank account	684	-
Deposits and Cash	5	80
	<u>690</u>	<u>80</u>

**9. DEBTORS, PREPAYMENTS & WORK IN PROGRESS**

Trade debtors	88,421	77,848
Other debtors	253	16,054
Work in progress	-	17,499
Prepayments	-	-
	<u>88,674</u>	<u>111,401</u>

**10. CREDITORS; AMOUNTS FALLING DUE WITHIN ONE YEAR**

Trade creditors	10,841	20,093
Other Creditor	2,401	3,229
Corporation Tax	(856)	(1,082)
PAYE	4,884	23,844
VAT	9,905	8,593
Wages	22,769	16,879
Profit share provision	-	-
Loans	30,000	13,500
Grants received in advance	24,670	-
Accruals	-	-
Bank account overdraft	-	2,236
Credit card	2,699	2,365
	<u>107,312</u>	<u>89,656</u>

**11. CREDITORS; AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<u>-</u>	<u>-</u>
--	----------	----------

**12. PROFIT & LOSS ACCOUNT**

Retained profits at beginning of year	29,575	28,145
Profits during the year	(36,979)	1,430
Retained profits at year end	<u>(7,404)</u>	<u>29,575</u>

**13. LOAN STOCK**

	<u>-</u>	<u>-</u>
--	----------	----------

**CO-OPERATIVE ASSISTANCE NETWORK LTD**  
**YEAR ENDED 31ST MAY 2004**

**14. RECONCILIATION OR MOVEMENTS IN MEMBERS FUNDS**

Profit for the financial year	(36,979)	1,430
Dividends	<u>-</u>	<u>-</u>
	(36,979)	1,430
New loan stock subscribed	<u>-</u>	<u>-</u>
New addition to members' funds	(36,979)	1,430
Members' funds at beginning of year	29,575	28,145
Members' funds at year end	<u>(7,404)</u>	<u>29,575</u>
Represented by:-		
Equity interests:-		
Loan stock	-	-
Retained profit at year end	(7,404)	29,575
	<u>(7,404)</u>	<u>29,575</u>