

**Society No.: 30714 R**

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MAY 2011**

**Society Secretary: B. J. Titley**

**Registered Office & Business Address: 2 Upper York Street, Bristol, BS2 8QN**

**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 LIMITED**  
**YEAR ENDED 31ST MAY 2011**

**DIRECTORS REPORT FOR THE YEAR**

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

**PRINCIPAL ACTIVITIES**

The society'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.

**BUSINESS REVIEW**

During the year, the society made a trading profit of £22,002. After distributions and corporation tax, the net profit was £14,419.

**PLANS FOR FUTURE PERIODS**

The society plans to continue to consolidate over the next 12 months: To pay off the remaining capital outstanding on the CCF loans and to continue to repay long term debt; to maintain the current staff team without actively seeking to grow; to avoid over reliance on the Co-operative Enterprise Hub for income; to introduce a Reserves Policy.

**MEMBER DIVIDEND AND TRANSFER TO RESERVES**

The directors have paid no interim profit distribution and have recommended a payment of a final profit distribution of £7431. It is proposed that the retained profit is transferred to reserves.

**DONATIONS**

The directors recommended, in line with policy, that £152 of profits was allocated to co-operative movement support.

**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:

C.C. Funnell (shares held)  
B.J. Titley (shares held)  
A.J.C. Cordasco (shares held)

**CLOSE COMPANY**

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

**STATEMENT OF DIRECTOR'S RESPONSIBILITIES**

The law governing Industrial & Provident Society requires the directors to prepare financial statements for each financial year which give a true and fair record of the affairs of the society and of the profit or loss of the society 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 material departures disclosed and explained in the financial statements

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the society and to enable them to ensure that the financial statements comply with the Industrial and Provident Societies Act 1965 and Friendly and Industrial and Provident Societies Act 1968. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDIT REPORT**

The society has opted out of the requirement to have a full audit and chosen instead to have an exemption report prepared by a qualified accountant as Rule 55 of the society's rules do not require a full audit, the assets are valued at less than £2,800,000, the turnover was less than £5.6m and a resolution 'to disapply Section 4 of the Friendly and Industrial and Provident Societies Act 1968' was passed at a general meeting (at which i. less than 20% of the votes cast were against the resolution and ii. less than 10% of the votes held within the society were cast against the resolution). The society has opted to submit unaudited accounts.

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED  
YEAR ENDED 31ST MAY 2011**

**By Order of the Board:**

_____ Signed	<b>Brian Titley</b> _____ Name	<b>Secretary/Director</b> _____ Position	<b>20/10/2011</b> _____ Date
_____ Signed	<b>Chris Funnell</b> _____ Name	<b>Director</b> _____ Position	<b>20/10/2011</b> _____ Date
_____ Signed	<b>Austen Cordasco</b> _____ Name	<b>Director</b> _____ Position	<b>20/10/2011</b> _____ Date

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED  
YEAR ENDED 31ST MAY 2011**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR**

	<b>Notes</b>	<b>2011</b>	<b>2010</b>
<b>SALES</b>		91,509	59,032
<b>DEVELOPED CAN PRODUCTS</b>		-	559
<b>COST OF SALES</b>		<u>(9,631)</u>	<u>(8,100)</u>
<b>GROSS PROFIT</b>		81,878	51,492
<b>ADMINISTRATIVE EXPENSES</b>	2	(54,109)	(49,308)
<b>DEPRECIATION</b>	3	(5,942)	(6,985)
<b>OPERATING PROFIT</b>		<u>21,827</u>	<u>(4,802)</u>
<b>OTHER INCOME</b>	4	23	11
<b>NET PROFIT ON ORDINARY ACTIVITIES</b>		<u>21,850</u>	<u>(4,790)</u>
<b>MEMBER DIVIDENDS</b>	5	7,431	-
<b>NET PROFIT BEFORE TAX</b>		14,419	(4,790)
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	6	0	7
<b>NET PROFIT AFTER TAX</b>		<u>14,419</u>	<u>(4,797)</u>
Charitable Donations	7	-	-
<b>RETAINED PROFIT</b>		<u>14,419</u>	<u>(4,797)</u>
<b>BALANCE BROUGHT FORWARD</b>		(26,598)	(21,801)
<b>BALANCE CARRIED FORWARD</b>		<u>(12,179)</u>	<u>(26,598)</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 LIMITED  
YEAR ENDED 31ST MAY 2011**

**BALANCE SHEET AT YEAR END**

	Notes	2011	2010
<b>Tangible Assets</b>			
Fixed Assets	8	290	6,692
Investments	9	<u>442</u>	<u>421</u>
		732	7,113
<b>Current Assets</b>			
Cash	10	968	6
Debtors, Prepayments & Work In Progress	11	<u>29,784</u>	<u>11,217</u>
		30,752	11,222
<i>less</i>			
<b>Current Liabilities</b>			
Creditors: Amounts falling within one year	12	<u>27,917</u>	<u>26,964</u>
<b>Net Current Assets</b>		<u>2,835</u>	<u>(15,742)</u>
<b>Total Assets Less Current Liabilities</b>		<u>3,568</u>	<u>(8,629)</u>
<b>Creditors: Amounts falling due after more than one year</b>	13	<u>3,154</u>	<u>15,947</u>
<b>Net Worth</b>		<u><u>413</u></u>	<u><u>(24,576)</u></u>
<b>Financed By:</b>			
Reserves b/f		(26,598)	(21,801)
Profit for Year	14	14,419	(4,797)
Member Shares	15	12,592	2,022
Loan Stock	16	-	-
	17	<u>413</u>	<u>(24,576)</u>

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

The directors have taken advantage of the exemption conferred not to have these financial statements audited.

The director acknowledge their responsibilities for ensuring that:-

i) The society keeps accounting records which comply with the Industrial and Provident Societies Act 1965 and Friendly and Industrial and Provident Societies Act 1968.

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

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

_____ Signed	<b>Brian Titley</b> Name	<b>Secretary/Director</b> Position	<b>20/10/2011</b> Date
_____ Signed	<b>Chris Funnell</b> Name	<b>Director</b> Position	<b>20/10/2011</b> Date
_____ Signed	<b>Austen Cordasco</b> Name	<b>Director</b> Position	<b>20/10/2011</b> Date

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2011**

**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
Cycles (under cycle to work scheme)	0% then written off when sold

**1.4 DEFERRED TAXATION**

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

**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 up to the date stated at the top of each page of these accounts.

	<b>2011</b>	<b>2010</b>
<b>2. DIRECTORS' REMUNERATION</b>		
Wages and salaries, including Social Security costs	38,368	38,485
	<u>38,368</u>	<u>38,485</u>
<b>3. OPERATING PROFIT</b>		
The operating profit is stated after charging:		
Depreciation	5,942	6,985
<b>4. INTEREST &amp; DIVIDENDS RECEIVED</b>		
Bank interest	1	3
Loan interest	-	-

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2011**

Interest on shares & Member dividends	22	8
	<u>23</u>	<u>11</u>
<b>5. DISTRIBUTIONS</b>		
Interim dividends paid	-	-
Final dividend paid	7,431	-
	<u>7,431</u>	<u>-</u>
Contribution to the Co-op Movement	<u>152</u>	<u>-</u>
<b>6. CORPORATION TAX ANNUAL RETURN</b>		
Corporation tax chargeable	0	2
Corporation tax prior year adjustment	-	4
Interest on corporation tax	-	-
Interest paid by corporation tax	-	-
Corporation tax losses relief for previous years	-	-
Total payment to Inland Revenue	<u>0</u>	<u>7</u>
<b>7. CHARITABLE DONATIONS</b>		
	<u>-</u>	<u>-</u>
<b>8. TANGIBLE ASSETS</b>		
Cost at beginning of year	66,232	65,212
Additions during year	-	1,020
Disposals	461	-
<b>At year end</b>	<u>65,772</u>	<u>66,232</u>
Depreciation at beginning of year	59,540	52,555
Depreciation charge during period	5,942	6,985
<b>Depreciation at year end</b>	<u>65,482</u>	<u>59,540</u>
<b>Net book value at year end</b>	<u>290</u>	<u>6,692</u>
Net book value at beginning of year	6,692	12,658
Breakdown of Tangible Assets at Year End:		
Office Equipment	-	252
Furniture and Fixtures	-	611
Art	290	290
CAN Products	-	5,079
Cycles	-	461
	<u>290</u>	<u>6,692</u>
<b>9. SHARES HELD</b>		
ICOF Community Capital	260	260
Phone Co-op	78	57
South East Co-op Support	1	1
South West Co-op Support	1	1
Co-operative Gateway East of England	1	1
Rootstock	102	100
	<u>442</u>	<u>421</u>

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED  
YEAR ENDED 31ST MAY 2011**

**10. CASH**

Bank account	968	6
	<u>968</u>	<u>6</u>

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

Trade debtors	26,034	7,361
Other debtors	-	-
Work in progress	3,750	3,856
Prepayments	-	-
	<u>29,784</u>	<u>11,217</u>

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

Trade creditors	687	721
Other Creditor	2,568	5,361
Corporation Tax	0	2
PAYE	191	252
VAT	8,220	4,709
Wages	(111)	-
Profit share provision	152	-
Loans	12,000	10,800
Payments received in advance	3,100	2,867
Accruals	-	-
Bank account overdraft	-	1,478
Credit card	1,109	774
	<u>27,917</u>	<u>26,964</u>

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

Loans	3,154	15,947
Members' investments	-	0
Member loans for transferring to IPS share accounts	-	-
	<u>3,154</u>	<u>15,947</u>

**14. PROFIT & LOSS ACCOUNT**

Retained profits at beginning of year	(26,598)	(21,801)
Profits during the year before dividend	21,850	(4,797)
Member dividend paid:	7,431	-
Retained profits at year end	<u>(12,179)</u>	<u>(26,598)</u>

**15. MEMBER SHARES**

	<u>12,592</u>	<u>2,022</u>
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**16. LOAN STOCK**

	<u>-</u>	<u>-</u>
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**17. RECONCILIATION OR MOVEMENTS IN MEMBERS FUNDS**

Profit for the financial year	21,850	(4,797)
New member shares	10,458	1,943
Interest on member shares	112	79
New loan stock subscribed	-	(1,940)
Interest on loan stock	-	-
New addition to members' funds	<u>32,420</u>	<u>(4,715)</u>
Members' funds at beginning of year	(24,576)	(19,861)



**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2011**

Members' funds at year end	<u>7,844</u>	<u>(24,576)</u>
Represented by:-		
Equity interests:-		
Member shares	12,592	2,022
Loan stock	-	-
Retained profit at year end	(12,179)	(26,598)
	<u>413</u>	<u>(24,576)</u>

**Management Information**

	<b>2011</b>	<b>2010</b>
<b>SALES</b>	91,509	59,032
<b>DEVELOPED CAN PRODUCTS</b>	-	559
<b>COST OF SALES</b>	<u>(9,631)</u>	<u>(8,100)</u>
<b>GROSS PROFIT</b>	81,878	51,492
<b>ADMINISTRATIVE EXPENSES</b>	(54,109)	(49,308)
<b>DEPRECIATION</b>	(5,942)	(6,985)
<b>OPERATING PROFIT</b>	<u>21,827</u>	<u>(4,802)</u>
<b>OTHER INCOME</b>		
Interest and Member Dividends received	<u>23</u>	<u>11</u>
<b>TOTAL OTHER INCOME</b>	23	11
<b>NET PROFIT ON ORDINARY ACTIVITIES</b>	<u>21,850</u>	<u>(4,790)</u>
<b>MEMBER DIVIDEND</b>	7,431	-
<b>NET PROFIT BEFORE TAXATION</b>	14,419	(4,790)

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2011**

	<b>2011</b>	<b>2010</b>
<b>COST OF SALES</b>		
Project purchases	1,657	1,094
Travel	3,662	2,430
Accommodation costs	382	272
Personal incidental expenses	617	267
Sub-contractors	778	1,219
Promotion	2,534	2,818
Regional Management	-	-
	<hr/> 9,631	<hr/> 8,100
<b>ADMINISTRATIVE EXPENSES</b>		
Salaries	38,368	38,485
Admin contractors	626	-
Office rent, rates & insurance	7,017	7,159
Services	-	-
Strategic management	394	194
Finance	1,255	939
Social Accounting	67	-
Printed stationery	-	-
Postage	103	97
Telecommunications	1,681	1,459
Internet	-	-
Stationery	325	150
Library & resources	57	-
Office & ICT sundries	141	192
Copier	16	7
Decoration and maintenance	-	-
Professional, legal & audit fees	42	94
ICT	857	122
Subscriptions	105	25
HRD & PI Insurance	1,212	1,190
Health & Safety	-	3
Continuous Improvement & Quality Assurance	-	-
Product Research & Development	10	40
Support Services	29	-
Contributions to the Co-op Movement	155	7
Social Responsibility	-	-
Bank and visa charges	1,650	1,517
Bad Debts & Write Offs	-	(2,371)
	<hr/> 54,109	<hr/> 49,308