

**Society No.: 30714 R**

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST MAY 2012**

**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 2012**

**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 £24,899. After distributions and corporation tax, the net profit was £12,350.

**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 avoid over reliance on the Co-operative Enterprise Hub for income.

**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 £12,201. It is proposed that the retained profit is transferred to reserves.

**DONATIONS**

The directors recommended, in line with policy, that £249 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**

**TO THE MEMBERS OF CO-OPERATIVE ASSISTANCE NETWORK LIMITED**

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 2012**

**By Order of the Board:**

_____ Signed	<b>Brian Titley</b> _____ Name	<b>Secretary/Director</b> _____ Position	<b>19/10/2012</b> _____ Date
_____ Signed	<b>Chris Funnell</b> _____ Name	<b>Director</b> _____ Position	<b>19/10/2012</b> _____ Date
_____ Signed	<b>Austen Cordasco</b> _____ Name	<b>Director</b> _____ Position	<b>19/10/2012</b> _____ Date

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR**

	<b>Notes</b>	<b>2012</b>	<b>2011</b>
<b>SALES</b>		109,167	91,509
<b>DEVELOPED CAN PRODUCTS</b>		-	-
<b>COST OF SALES</b>		<u>(14,676)</u>	<u>(9,631)</u>
<b>GROSS PROFIT</b>		94,491	81,878
<b>ADMINISTRATIVE EXPENSES</b>	2	(70,267)	(54,109)
<b>DEPRECIATION</b>	3	(1,094)	(5,942)
<b>OPERATING PROFIT</b>		<u>23,131</u>	<u>21,827</u>
<b>OTHER INCOME</b>			
Interest received	4	1,742	23
Surplus on disposal of fixed asset		25	-
<b>NET PROFIT ON ORDINARY ACTIVITIES</b>		<u>24,898</u>	<u>21,850</u>
<b>MEMBER DIVIDENDS PAID</b>	5	12,201	7,431
<b>NET PROFIT BEFORE TAX</b>		12,697	14,419
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	6	347	0
<b>NET PROFIT FOR THE FINANCIAL YEAR AFTER TAX</b>		<u>12,350</u>	<u>14,419</u>
Charitable Donations	7	-	-
<b>RETAINED PROFIT</b>		<u>12,350</u>	<u>14,419</u>
<b>BALANCE BROUGHT FORWARD</b>		(12,179)	(26,598)
<b>BALANCE CARRIED FORWARD</b>		<u>171</u>	<u>(12,179)</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 2012**

**BALANCE SHEET AT YEAR END**

	Notes	2012	2011
<b>Tangible Assets</b>			
Fixed Assets	8	1,991	290
Investments	9	461	442
		2,451	732
<b>Current Assets</b>			
Cash	10	13,186	968
Debtors, Prepayments & Work In Progress	11	30,505	29,784
		43,691	30,752
<i>less</i>			
<b>Current Liabilities</b>			
Creditors: Amounts falling within one year	12	23,170	27,917
<b>Net Current Assets</b>		20,521	2,835
<b>Total Assets Less Current Liabilities</b>		22,973	3,568
<b>Creditors: Amounts falling due after more than one year</b>	13	-	3,154
<b>Net Worth</b>		22,973	413
 <b>Financed By:</b>			
Reserves b/f		(12,179)	(26,598)
Profit for Year	14	12,350	14,419
Member Shares	15	22,802	12,592
Loan Stock	16	-	-
	17	22,973	413

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:**

	<b>Brian Titley</b>	<b>Secretary/Director</b>	<b>19/10/2012</b>
Signed	Name	Position	Date
	<b>Chris Funnell</b>	<b>Director</b>	<b>19/10/2012</b>
Signed	Name	Position	Date
	<b>Austen Cordasco</b>	<b>Director</b>	<b>19/10/2012</b>
Signed	Name	Position	Date

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

**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.

**2. DIRECTORS' REMUNERATION**

Wages and salaries, including Social Security costs

**2012**

**2011**

44,377

38,368

44,377

38,368

**3. OPERATING PROFIT**

The operating profit is stated after charging:

Depreciation

1,094

5,942

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

**4. OTHER INCOME**

**INTEREST & DIVIDENDS RECEIVED**

Bank interest	1,737	1
Loan interest	-	-
Interest on shares & Member dividends	5	22

**SURPLUS ON DISPOSAL OF FIXED ASSET**

Surplus on disposal of fixed asset	25	-
	<u>1,767</u>	<u>23</u>

**5. DISTRIBUTIONS**

Interim dividends paid	-	-
Final dividend paid	12,201	7,431
	<u>12,201</u>	<u>7,431</u>

Contribution to the Co-op Movement	<u>249</u>	<u>152</u>
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**6. CORPORATION TAX ANNUAL RETURN**

Corporation tax chargeable	347	0
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	<u>347</u>	<u>0</u>

**7. CHARITABLE DONATIONS**

	<u>-</u>	<u>-</u>
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**8. TANGIBLE ASSETS**

Cost at beginning of year	96959	97420
Additions during year	2794	0
Disposals	94062	461
<b>At year end</b>	<u>5692</u>	<u>96959</u>

Depreciation at beginning of year	96669	90728
Accumulated depreciation on disposed assets	94062	
Depreciation charge during period	1094	5942
<b>Depreciation at year end</b>	<u>3701</u>	<u>96669</u>

<b>Net book value at year end</b>	<u>1991</u>	<u>290</u>
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Net book value at beginning of year	290	6,692
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Breakdown of Tangible Assets at Year End:

Office Equipment	1,701	-
Furniture and Fixtures	-	-
Art	290	290
CAN Products	-	-
Cycles	-	-
	<u>1,991</u>	<u>290</u>

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

**9. SHARES HELD**

ICOF Community Capital	260	260
Phone Co-op	92	78
South East Co-op Support	1	1
South West Co-op Support	1	1
Co-operative Gateway East of England	1	1
Co-operatives South West	1	-
Rootstock	105	102
	<u>461</u>	<u>442</u>

**10. CASH**

Bank account	13,186	968
	<u>13,186</u>	<u>968</u>

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

Trade debtors	22,510	26,034
Other debtors	-	-
Work in progress	7,995	3,750
Prepayments	-	-
	<u>30,505</u>	<u>29,784</u>

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

Trade creditors	3,831	687
Other Creditor	725	2,568
Corporation Tax	347	0
PAYE	910	191
VAT	7,582	8,220
Wages	(42)	(111)
Profit share provision	401	152
Loans	3,755	12,000
Payments received in advance	4,748	3,100
Accruals	-	-
Bank account overdraft	-	-
Credit card	913	1,109
	<u>23,170</u>	<u>27,917</u>

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

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

**14. PROFIT & LOSS ACCOUNT**

Retained profits at beginning of year	(12,179)	(26,598)
Profits during the year	24,551	21,850
Member dividend paid	12,201	7,431
Retained profits at year end	<u>171</u>	<u>(12,179)</u>

**15. MEMBER SHARES**

	<u>22,802</u>	<u>12,592</u>
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**16. LOAN STOCK**

	<u>-</u>	<u>-</u>
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**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

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

Profit for the financial year	12,350	14,419
New member shares	12,201	10,458
Member shares withdrawn	(2,500)	112
Interest on member shares	509	-
New loan stock subscribed	-	-
Interest on loan stock	-	-
New addition to members' funds	<u>22,559</u>	<u>24,989</u>
Members' funds at beginning of year	413	(24,576)
Members' funds at year end	<u><u>22,973</u></u>	<u><u>413</u></u>
Represented by:-		
Equity interests:-		
Member shares	22,802	12,592
Loan stock	-	-
Retained profit at year end	171	(12,179)
	<u><u>22,973</u></u>	<u><u>413</u></u>

**Management Information**

	<b>2012</b>	<b>2011</b>
<b>SALES</b>	109,167	91,509
<b>DEVELOPED CAN PRODUCTS</b>	0	-
<b>COST OF SALES</b>	<u>(14,676)</u>	<u>(9,631)</u>
<b>GROSS PROFIT</b>	94,491	81,878
<b>ADMINISTRATIVE EXPENSES</b>	(70,267)	(54,109)
<b>DEPRECIATION</b>	(1,094)	(5,942)
<b>OPERATING PROFIT</b>	<u>23,131</u>	<u>21,827</u>
<b>OTHER INCOME</b>		
Interest and Member Dividends received	1,742	23
Surplus on disposal of fixed asset	25	0
<b>TOTAL OTHER INCOME</b>	<u>1,767</u>	<u>23</u>
<b>NET PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<u>24,898</u>	<u>21,850</u>
<b>MEMBER DIVIDEND</b>	12,201	7,431
<b>NET PROFIT BEFORE TAXATION</b>	12,697	14,419

**CO-OPERATIVE ASSISTANCE NETWORK LIMITED**  
**YEAR ENDED 31ST MAY 2012**

	<b>2012</b>	<b>2011</b>
<b>COST OF SALES</b>		
Project purchases	2,363	1,657
Travel	3,329	3,662
Accommodation costs	312	382
Personal incidental expenses	406	617
Sub-contractors	4,140	778
Promotion	4,126	2,534
Regional Management	-	-
	<hr/> 14,676	<hr/> 9,631
<b>ADMINISTRATIVE EXPENSES</b>		
Director salaries	44,377	38,368
Staff salaries	2,327	-
Admin contractors	1,892	626
Office rent, rates & insurance	6,968	7,017
Services	-	-
Strategic management	529	394
Finance	1,254	1,255
Social Accounting	-	67
Printed stationery	-	-
Postage	147	103
Telecommunications	1,930	1,681
Internet	26	-
Stationery	204	325
Library & resources	53	57
Office & ICT sundries	293	141
Copier	12	16
Decoration and maintenance	-	-
Professional, legal & audit fees	165	42
ICT	4,779	857
Subscriptions	139	105
HRD & PI Insurance	2,535	1,212
Health & Safety	24	-
Continuous Improvement & Quality Assurance	-	-
Product Research & Development	21	10
Support Services	-	29
Contributions to the Co-op Movement	259	155
Social Responsibility	-	-
Bank and visa charges	1,250	1,650
Bad Debts & Write Offs	1,085	-
	<hr/> 70,267	<hr/> 54,109