

# Mutual Societies Annual Return

## AR 30 – Industrial and Provident Societies Form



### Filling in the form

**1** If you are using your computer to complete the form:

- use the TAB key to move from question to question and press SHIFT TAB to move back to the previous question; and
- print out the completed form and arrange for it to be signed.

**2** If you are filling in the form by hand:

- use black ink;
- write clearly; and
- arrange for it to be signed.

**3** If you make a mistake, cross it out and initial the changes; do not use correction fluid.

**4** If you think a question is not relevant to you, write 'not applicable' and explain why.

**5** If you:

- leave a question blank;
- do not get the form signed; or
- do not attach the required supporting information

without telling us why, we will have to treat the return as incomplete. This will increase the time taken to assess your return.

**6** If there is not enough space on the form, you may need to use separate sheets of paper. Clearly mark each separate sheet of paper with the relevant question number

**7** Send us your application by post. It must include:

- this form;
- a set of printed accounts;
- an audit report or accountant's report where appropriate (or a supplementary return); and
- supporting documents.

Send it to:

**Mutual Societies Returns Team**  
**The Financial Services Authority**  
**25 The North Colonnade**  
**Canary Wharf**  
**LONDON**  
**E14 5HS**

# 1 Details of society

## 1.1 Details of the society

Register number	2714 RS
Registered office address	27 High Street Dunbar East Lothian
Postcode	EH42 1EN

## 1.2 Year end date (dd/mm/yyyy)

Unless otherwise authorised, the society's period end must be between 31 August and 31 January inclusive

3	0	/	1	1	/	2	0	0	9
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## Committee of management

If you are a club you do not need to give a year of birth in questions 1.3-1.6.

The names of the members of the Committee at the date on which the return is signed should be entered below in BLOCK CAPITALS.

## 1.3 Details of Chairman

Name	Mrs Jane Wood
Address	Port Lodge 7 High Street Dunbar, East Lothian
Postcode	EH42 1EN
Year of birth	1962
Business occupation and other directorships	Chief Executive of Charity, Director of Essential Edinburgh, Pitlochry Festival Theatre, Retail Rocks

## 1.4 Details of Treasurer

Name	Mr Allen Simpson
Address	Toft Hill Park Avenue Dunbar, East Lothian
Postcode	EH42 1BH
Year of birth	1957
Business occupation and other directorships	Independent Financial Adviser Sole Trader

## 1.5 Details of Secretary

Name	Mr Robert Powell
Address	Pressmennan Garden Cottage Stenton Dunbar, East Lothian
Postcode	EH42 1TF
Year of birth	1954
Business occupation and other directorships	Freelance Journalist

## 1.6 Details of Members of the Committee

Name	Address	Year of birth	Business occupation and other directorships
Jo McNamara	4 Stanley Place Dunbar East Lothian EH42 1AG	1953	Community Worker Director of Sustaining Dunbar
Ann Duncan	Upper Flat Viewfield Countess Road Dunbar East Lothian EH42 1JR	1966	Director of Jump Marketing Ltd
Philip Revell	27 High Street Dunbar East Lothian EH42 1EN	1956	Potter Director of Sustaining Dunbar
Helen Muir	2 Bowmont Terrace Dunbar East Lothian EH42 1F	1966	Shop worker
Matthew Alsop	1 Rosebery Place Dunbar East Lothian EH42 1AQ	1971	Director of Viopti Ltd

Please use separate sheets of paper if you need more space.

Please indicate how many separate sheets of paper you have used.

0

All societies must answer the following questions whether the answers are yes or no, and provide all other information requested

**1.7 Does the society take deposits (excluding withdrawable shares) within the provisions of the Financial Services and Markets Act 2000?**

- ☒ No  
☐ Yes

**1.8 Does the society hold deposits (excluding withdrawable shares) taken previously, even though it does not currently take them, within the provisions of the Financial Services and Markets Act 2000?**

- ☒ No  
☐ Yes

**1.9 Is the society a subsidiary of another society?**

- ☒ No  
☐ Yes

**1.10 Does the society have one or more subsidiaries?**

- ☒ No  
☐ Yes

**1.11 Is the society currently accepted by the Inland Revenue as a charity for tax purposes?**

- ☒ No ▶ Continue to question 1.12  
☐ Yes ▶ Give details below

Reference number of letter from Inland Revenue or the Scottish Charity number

You must confirm that you have attached a copy of the  
 Inland Revenue's letter to this return

☐ Yes

**1.12 Is the society registered with the Tenant Services Authority, Welsh Ministers or The Scottish Housing Regulator?**

- ☒ No ▶ Continue to question 1.14  
☐ Yes ▶ Select the one you are registered with below and provide the registration number

- ☐ Tenant Services Authority  
☐ Welsh Ministers  
☐ The Scottish Housing Regulator

Register number	<input type="text"/>
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**1.13 Is the society a registered social landlord?**

- ☒ No  
☐ Yes

**1.14 Does the society offer any insurance products?**

- ☒ No  
☐ Yes

**1.15 Does the society undertake residential mortgage business?**

- ☒ No  
☐ Yes

**1.16 Name of any organisation to which the society is affiliated**

Name	<input type="text"/>
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## 2

**Statistics**

We can use these figures in our Annual Report.

**Account details****2.1 You must enter the figures below**

See notes for help on items E-T

Enter NIL where applicable

A	Members at beginning of year	NIL
B	Members ceased during year	NIL
C	Members admitted during year	229
D	Members at end of year	229
E	Turnover for year	£NIL
F	Total of income and expenditure (receipts and payments added together)	£(393)
G	Net surplus/(deficit) for year	£(393)
H	Fixed assets	£Nil
I	Current assets	£23,288
J	Total assets (equal to amount in row O, below)	£23,288
K	Current liabilities	£1,161
L	Share capital	£22,127
M	Long-term liabilities	£NIL
N	Reserves	£NIL
O	Total liabilities (K+L+M+N) (equal to amount in J above)	£23,288
All societies (excluding clubs) must complete boxes P-T		
P	Investments in other Industrial and Provident societies	£0
Q	Loans from members	£0
R	Loans from Employees' Superannuation Schemes	£0
S	Dividends on sales	£0
T	Share interest	£0

**2.2 Names of subsidiaries as defined in Section 15 of the Friendly and Industrial and Provident Societies Act 1968**


**2.3 Names of subsidiaries not dealt with in group accounts (if any) and reasons for exclusions (as approved by the FSA)**

The society must have written authority from us to exclude a subsidiary from group accounts


# 3

## The audit

### 3.1 Type of audit used for the attached accounts.

If the society has used a full professional audit or an accountant's report then the report must be prepared by a registered auditor.

- ☒ Full professional audit    ▶ Continue to section 4
- ☐ Accountant's report        ▶ Complete questions 3.2 and 3.3
- ☐ Lay audit                      ▶ Complete questions 3.2 and 3.3
- ☐ Unaudited                    ▶ Complete questions 3.2 and 3.3

### 3.2 Do the society's registered rules allow the society not to undertake a full professional audit?

- ☒ No
- ☐ Yes

### 3.3 Has the membership passed at general meeting, in accordance with section 4A(2) of the Friendly and Industrial and Provident Societies Act 1968, a resolution allowing the society not to undertake a full professional audit for the year of account in question?

- ☒ No
- ☐ Yes

If you have answered yes to 3.2 and 3.3, you can disapply the requirement to conduct a full audit.

## 4

## Accounts and signature

## Accounts

- 4.1 Date on which the accounts and balance sheet will be/were laid before the AGM (dd/mm/yyyy)

1	3	/	0	5	/	2	0	1	0
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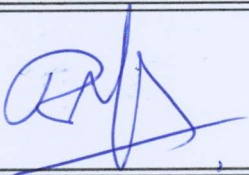
- 4.2 Does your society have to produce accounts to the minimum standard required?

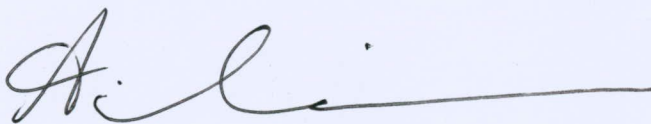
- ☒ Yes ▶ you must confirm that you have attached the accounts and the audit/accountant's report bearing the original signatures of the auditor (if required by law), the secretary and the two committee members. ☒ Attached
- ☐ No ▶ you must complete a supplementary return, see notes for details. ☐ Attached

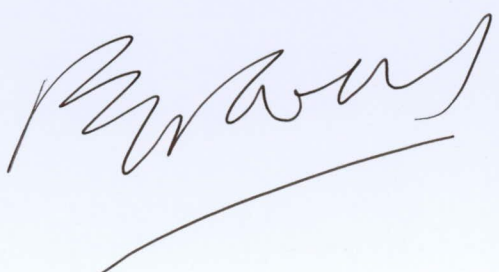
## Signature – all societies to complete

- 4.3 The Secretary of the society must sign and date below

I certify that the information in this form is to the best of my knowledge and belief, correct.

Name	Robert Powell
Signature	
Date	30/06/2010






Received in Mutual Returns Team  
- 7 JUL 2010

**Dunbar Community Bakery Limited**

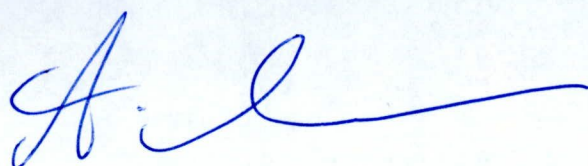
**Committee of Managements' Report and Accounts  
for the period from Incorporation on 5 June 2009  
to 30 November 2009**

**Financial Statements**



Secretary

J. Mc Roman



Received in Mutual Returns Team  
- 1 JUL 2010

Received in Mutual Returns Team  
21 JUL 2010

Company number SP002714RS

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## REPORT OF THE COMMITTEE OF MANAGEMENT

The Dunbar Community Bakery was registered on 5 June 2009 and this is its first period of account for the 6 month period to 30 November 2009.

### Principal Activity

Dunbar Community Bakery Limited is a Community Cooperative with the objects of carrying out any trade, business or service which may seem to the Cooperative to be conducive to its interests generally and to the interests of the Community it is established to serve.

### Corporate Status

The Company is incorporated with limited liability under the Industrial and Provident Societies Acts 1965 to 2003. Net profits shall be applied as follows in such proportions and in such manner as may be decided by the Cooperative at the Annual General Meeting:

- a. First to a general reserve for the continuation and development of the Cooperative
- b. Secondly in paying dividends on issued share capital at a rate not exceeding 10%
- c. Thirdly in making payments for social or charitable purposes within the community served by the Cooperative

### Members & Capital

229 Members joined the Company contributing £22,520 of Share Capital. The average share account balance at the yearend was £98. Each share is issued at £1 per value and each member has only one vote.

### Business Review

In early 2009 Sustaining Dunbar, a community development organisation, funded a marketing survey to investigate the demand for fresh bread in Dunbar. It showed that there was still a strong demand for a bakery selling high quality bread and cakes made on the premises. Sustaining Dunbar then drew up a three year business plan for reopening the former Smith's Bakery as a sustainable community-run enterprise. In June 2009 Dunbar Community Bakery was officially registered as a community cooperative. In early July a campaign was launched to persuade residents in Dunbar and the surrounding area to become shareholders. The company has spent the first 6 months in raising funds, reviewing potential locations for the proposed bakery and marketing the concept with an aim of reopening the bakery during 2010. Since this time negotiations with Smith's broke down and we have been active in pursuing alternative premises. Seven premises have been viewed and only one allowed the opportunity to open a bakery on the premises. The management committee are now in the late stages of negotiations and hope to have this concluded by the end of May 2010. With this in mind subject to planning permissions and fit out, it is hoped to open the bakery in Autumn 2010.

The Company's results for the period can be summarised as follows:-

	£
Income	1,013
Costs	<u>(1,406)</u>
Loss before tax	<u>(393)</u>
Loss after tax & share interest	<u>(393)</u>
Accumulated profit & loss reserve	<u>(393)</u>

**Charitable Donations**

The Company has made no charitable donations during the year.

**Results and appropriations**

The financial statements of the Company for the period ended 30 November 2009 are attached.

The loss for the year, after tax and before share interest, was £393.

The directors recommend that no dividend be paid in this period.

**Reserve policy**

The directors will review and agree an appropriate reserves policy once the Company starts to trade.

**Investment Policy**

The directors will review and agree an appropriate investment policy once the Company starts to trade.

**Committee of Management**

The Committee comprises not less than 3 and not more than 15 members. The Committee are the Directors of the Company.

The initial Committee Members from incorporation until the First Annual General Meeting were appointed by the founder members. Only members of the cooperative and representatives of organisations which are members may stand for election. New committee members are to be elected in accordance with procedures established by the cooperative. Generally committee members hold office until the end of the next AGM following their election. Retiring members are eligible for re election.

The committee members during the period were:-

			Shares held
Jane Wood	appointed 07/09/2009	Chair	200
Allen Simpson	appointed 30/06/2009	Vice Chair	250
Matthew Alsop	appointed 30/06/2009		250
Phil Revel	appointed 30/06/2009		100
Helen Muir	appointed 30/06/2009		100
Jo McNamara	appointed 30/06/2009		100
Robert Powel	appointed 30/06/2009		50
Simon Wall	appointed 03/06/2009		100
Ann Duncan	appointed 22/09/2009		100
Fiona Moriarty	appointed 22/09/2009		Not taken up

**Statement of Committee of Managements' responsibilities**

We are required by law to prepare financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice, which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the result for the period to that date. In preparing those financial statements we 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; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will continue in business

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable us to ensure that the financial statements comply with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Societies Act 1968. We are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other regularities, such as money laundering.

**Going Concern**

We are satisfied that the company has adequate resources to operate as a going concern for the foreseeable future.

**The Management of Risk**

We are satisfied that the Company has a sound system of internal control to safeguard its assets and funds. The system of internal control is intended to manage rather than eliminate risks, and to give reasonable rather than absolute assurance.

The Company operates a system of internal controls which are designed to mitigate these risks. The procedures used by the Committee of Management to monitor the Company and its internal control system include:-

- An original business plan, which is being revised as initial funds are raised and an appropriate location identified.
- Regular reporting of actual performance in terms of income and expenditure. This is reviewed at least monthly at Committee Meetings.
- Annual review of the major risks to which the Company is exposed and the steps taken by management to mitigate those risks.
- The compilation and publication of annual social accounts, which are reviewed by the directors. It is anticipated that the first formal period of accounts will be from 5 June 2009 to 30 November 2010.

As noted above, at least once a year the directors review the major risks to which the Company is exposed, and the measures taken to mitigate those risks. The Committee of Managements most recent annual review of major business risks identified a total of six significant risks. The following 4 of these were categorised as most significant:

- Fraud and misappropriation of funds once trading
- Insufficient capital to continue trading once started
- Completeness of accounts
- 'Ultra Vires' decisions being made during formal meetings

The Committee of Management exercise their responsibilities for risk management primarily through receiving and considering at their regular board meetings reports from management.

#### Auditors

Baker Tilly UK Audit LLP are deemed to be reappointed in accordance with section 487(2) of the Companies Act 2006.

On behalf of Committee of Management

vice

Chair .....

Registered Office

14 High Street

Dunbar

EH42 1EH

Date.....

29/6/10

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DUNBAR COMMUNITY BAKERY LIMITED**

We have audited the financial statements on pages 7 to 12, which have been prepared under the accounting policies set out on page 9.

This report is made solely to the cooperatives members, as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968. Our audit work has been undertaken so that we might state to the cooperatives members 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 responsibility to anyone other than the cooperative and the cooperatives members as a body, for our audit work, for this report and for the opinion we have formed.

### **Respective responsibilities of the Board and auditors**

The Board's responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Board's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Industrial and Provident Societies Acts 1965 to 2002. We also report to you if, in our opinion, a satisfactory system of internal control over transactions has not been maintained, if the cooperative has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the cooperatives 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 error or other irregularity. 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Association's affairs as at 30 November 2009 and of its deficit for the period then ended and have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002.

BAKER TILLY UK AUDIT LLP

Registered Auditor

Chartered Accountants

First Floor, Quay 2

139 Fountainbridge

Edinburgh, EH3 9QG

30/6/10

**COMPANY PROFIT & LOSS ACCOUNT for the 6 month period ended 30 November 2009**

		<b>5 June 2009 – 30 November 2009</b>
	<b>Notes</b>	<b>£</b>
<b>Income receivable:</b>		
Turnover		-
Grants		-
Donations		<u>1,005</u>
<b>Operating income</b>		<u>1,005</u>
Cost of Sales		-
<b>Operating Profit</b>		<u>1,005</u>
Bank Interest Receivable		<u>8</u>
		<u>1,013</u>
<b>Less expenses:</b>		
Advertising		656
Print and Design		720
Miscellaneous		30
Bank Charges		<u>-</u>
Total Expenses		<u>1,406</u>
Loss before taxation	4	(393)
Corporation tax	5	-
<b>Loss for the year</b>		<u>(393)</u>
Interest on share capital		-
<b>Loss for the year after share interest</b>	10	<u>(393)</u>

The Company's income and expenditure all relate to continuing operations.  
The accompanying notes form an integral part of these financial statements.

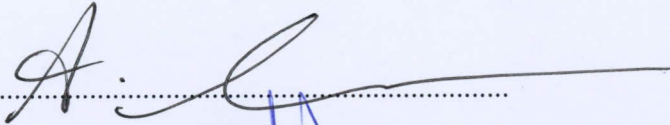
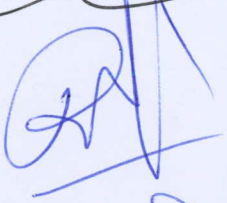
Company Number: SP002714RS

**BALANCE SHEET as at 30 November 2009**

	Notes	30 November 2009 £
<b>Tangible fixed assets</b>	6	—
<b>Current assets and liabilities:</b>		
Cash at bank and in hand		23,286
Debtors and prepayments	7	<u>2</u>
Current assets		23,288
Creditors and accruals	8	<u>(1,161)</u>
<b>Net assets</b>		<u>22,127</u>
<b>Share capital and reserves:</b>		
Share capital	9	22,520
Profit and loss account	10	<u>(393)</u>
	12	<u>22,127</u>

These accounts were approved by the Committee of Management and authorised for issue on

29/11/10 ..... and are signed on their behalf by:

  
  
 Secretary

J. M. Namer.

The accompanying notes form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

**1. Accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

- a. The financial statements have been prepared under the historic cost convention and under the UK accounting policies set out below
- b. Interest on loans and bank balances is credited to the profit and loss account as it accrues
- c. Depreciation has been provided to write off fixed assets on a straight-line basis over their anticipated useful life (3 to 5 years) or for leased assets over the period of the lease
- d. Exchange rates: assets and liabilities denominated in foreign currencies are stated in the balance sheet at the equivalent value in sterling at the exchange rate prevailing at the balance sheet date. Transactions during the year denominated in foreign currencies are stated at their equivalent value in sterling at the exchange rate prevailing at the date of the transaction
- e. Rentals payable under operating leases are charged on a straight line basis over the term of the lease
- f. Turnover comprise all sales from the bakery
- g. The Company is not registered for VAT so all income and expenditure is gross of VAT
- h. Grants funding is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Income is deferred when project related grants are received in advance of a time specific project or event to which they relate

**2. Employees**

The average number of persons employed by the Company (including executive directors) during the period was:

	<b>5 June to 30 November 2009</b>
Full time	-
Part time	—
And their aggregate remuneration was:	—
	<b>£</b>
Salary	-
Social security	—
Pension costs	—

## NOTES TO THE FINANCIAL STATEMENTS

CONT./

**3. Committee of Management remuneration**

None of the Committee of Management received any remuneration

**4. (Loss) before taxation is stated after:-**

	2009
	£
Depreciation (note 6)	-
Directors' fees	-
Auditor's remuneration:	
As auditor	
- <i>Baker Tilly UK Audit LLP</i>	-
Other services	
- <i>Baker Tilly Tax and Accounting Limited</i>	-

**5. Corporation tax charge**

	2009
	£
<b>UK Corporation tax</b>	
Current tax on income for the period	
Tax on profit on ordinary activities	
(Loss)/Profit on ordinary activities before tax:	(393)
(Loss)/Profit on ordinary activities multiplied by 21%, being the small companies' rates of corporation tax in the UK during the period	(78)
Effects of:	
Interest allowable for corporation tax	-
Differences between capital allowances for the period and depreciation	-
Disallowed expenses	-
Income not available	-
Losses carried forward	78
	-

## NOTES TO THE FINANCIAL STATEMENTS

CONT./

**6. Tangible fixed assets**

	<b>2009</b>
	<b>£</b>
Additions	-
Disposals	<u>-</u>
30 November 2009	<u>-</u>
<b>Depreciation</b>	
Charge for year	-
Depreciation on disposals	<u>-</u>
30 November 2009	<u>-</u>
<b>Net book value</b>	
30 November 2009	<u><u>-</u></u>

**7. Debtors and prepayments**

	<b>2009</b>
	<b>£</b>
Sundry debtors	2
Accrued income	-
Prepayments	<u>-</u>
	<u>2</u>

**8. Creditors falling due within one year**

	<b>2009</b>
	<b>£</b>
Taxation and social security	-
Trade creditors	161
Deferred income	1,000
Other creditors	<u>-</u>
	<u>1,161</u>

**9. Movement in Share Capital**

	<b>2009</b>
	<b>£</b>
Receipts	22,520
Withdrawals	<u>-</u>
Net inflow	<u>22,520</u>
Balance at 30 November 2009	<u>22,520</u>

## NOTES TO THE FINANCIAL STATEMENTS

CONT./

**9. Movement in Share Capital cont./**

Shares are withdrawable at 13 weeks notice. During the period Committee of Management continued to exercise their discretion to allow withdrawal on demand. The right to withdraw may be suspended without notice. At 30 November 2009, the Committee of Management had not suspended the withdrawal of shares. The entitlement of members to the assets of the Company is limited to the shares that they hold in the Company, together with any interest declared by directors on those shares.

**10. Profit and loss account**

	2009 £
Balance brought forward	-
Loss for the year	<u>(393)</u>
Loss carried forward	<u>(393)</u>

**11. Financial Commitments**

Financial commitments at the year-end under non-cancellable leases will result in the following payments:

	2009 £
<b>Land and buildings</b>	
Annual commitment for leases expiring:	-
After five years	<u>-</u>
	<u>-</u>

**12. Reconciliation of shareholders' funds**

	2009 £
Increase in share capital	22,520
(Loss)/Profit for the year	<u>(393)</u>
Net increase in shareholders' funds	22,127
Shareholders' funds at 5 June 2009	<u>-</u>
Shareholders' funds at 30 November 2009	<u>22,127</u>