

# 19 Mutual Societies Annual Return

AR 30 – Industrial and Provident Societies Act 1965  
Form



## Full name of society

DUNBAR COMMUNITY BAKERY LIMITED
---------------------------------

## Important information you should read before completing this form

We require all Industrial and Provident societies to complete this form every year.

Unless otherwise authorised, the society's period end must be between 31 August and 31 January inclusive. All the required information must be submitted within seven months of the year end date. Failure to submit the documents constituting your society's annual return by the due date is an offence and may result in prosecution.

Please keep a copy of the form and the supporting documents for future reference.

The notes that accompany this form will help you complete the questions.

Please be aware that any personal details you give on the form will be placed on the society's public file.

It is important you give accurate and complete information and disclose all relevant information. If you do not, it may take us longer to assess your annual return.

## Terms in this form

'FSA', 'we' and 'us' refer to the Financial Services Authority.

'You' refers to the person signing the form on behalf of the society.

## Contents of this form

1	Details of society	3
2	Statistics	7
3	The audit	9
4	Accounts and signature	10

FSA use only		
	Date Received	Case Officer
1st		
2 <sup>nd</sup>		

# 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	SP002714
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	1	0
---	---	---	---	---	---	---	---	---	---

**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	Tofthill 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
Matthew Alsop	1 Rosebery Place Dunbar East Lothian EH42 1AQ	1971	Director of Viopti Ltd
Janet Barnes	4 Delisle Street Dunbar East Lothian EH42 1BY	1960	Business Consultant. Board Member Sustaining Dunbar

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  Yes  
 Inland Revenue's letter to this return

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	
-----------------	--

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	
------	--

## 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	229
B	Members ceased during year	NIL
C	Members admitted during year	21
D	Members at end of year	250
E	Turnover for year	£ NIL
F	Total of income and expenditure (receipts and payments added together)	£ 13708
G	Net surplus/(deficit) for year	£( 6848
H	Fixed assets	£ NIL
I	Current assets	£ 41575
J	Total assets (equal to amount in row O, below)	£ <del>40625</del> 41575
K	Current liabilities	£ 878
L	Share capital	£ 35,20
M	Long-term liabilities	£ NIL
N	Reserves	£ 5,577
O	Total liabilities (K+L+M+N) (equal to amount in J above)	£ <del>40,625</del> 41575
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

## 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)

		/			/				
--	--	---	--	--	---	--	--	--	--


- 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	19/07/11

# 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.



**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


Copy  
with assistance SRS

**Dunbar Community Bakery Limited**

**Committee of Managements' Report and Accounts**

**for the period from 30 November 2009**

**to 30 November 2010**

**Unaudited Draft Financial Statements**

Mutual's Registration  
27 SEP 2011

Received in Mutual's Registration  
17 AUG 2011

Company number SP002714RS

<b>Contents</b>	<b>Page</b>
Report of the Committee of Management	1
Company Profit and Loss Account	7
Company Balance Sheet	8
Notes to the Financial Statements	9

## REPORT OF THE COMMITTEE OF MANAGEMENT

### 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 Co-operative at the Annual General Meeting:

- a. First to a general reserve for the continuation and development of the Co-operative
- 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

30 Members joined the Company contributing £12,750 of Share Capital. Each share is issued at £1 per value and each member has only one vote.

### Business Review

On 5 November 2010 a 25 year lease for premises was agreed with the landlord. The lease is from 22 October 2010. The rent was agreed at £7,800 per annum.

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

	2010		2009
	£		£
Income	10,278		1,013
Costs	3,430		1,406
Profit/(Loss) before tax	6,848		(393)
Accumulated profit & loss reserve	6,455		(393)

**REPORT OF THE COMMITTEE OF MANAGEMENT**

cont./

**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 2010 are attached.

The profit for the year, after tax and before share interest, was £5,970.

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

**Committee of Management**

The Committee comprises not less than 3 and not more than 15 members.

The initial Committee Member 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 7/9/09)	Chair	200
Allen Simpson	(appointed 30/6/09)	Vice Chair	250
Matthew Alsop	(appointed 30/6/09)		250
Phil Revel	(appointed 30/6/09)		100
Jo McNamara	(appointed 30/6/09)		100
Robert Powel	(appointed 30/6/09)		50
Janet Barnes	(appointed 20/7/10)		50
Ann Duncan	(appointed 22/9/09)		100

**REPORT OF THE COMMITTEE OF MANAGEMENT**

cont./

**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 over time as the evolving situation dictates.
- Regular reporting of actual performance in terms of income and expenditure at monthly 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

**REPORT OF THE COMMITTEE OF MANAGEMENT**

cont./


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 identified the following categories as most significant:

- . Fraud and misappropriation of assets
- . Insufficient capital to continue trading
- . 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 reports from management at their regular board meetings.

**Auditors**

A resolution to appoint McGlone & Co as the auditors to the Company will be put before the members at the first Annual General Meeting. The attached financial statements have not yet been subject to audit or any form of independent review.

  
Chair .....  
Registered Office  
14 High Street  
Dunbar  
EH42 1EH

Date..... 3/8/2011

]

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

I 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 cooperative members, as a body, in accordance with section 9 of the Friendly and Industrial and Provident Societies Act 1968. My audit work has been undertaken so that I might state to the cooperative members those matters I am required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, I 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 I 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.

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

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Friendly and Industrial and Provident Societies Acts 1965 to 2002. I report to you if, in my opinion, a satisfactory system of internal control over transactions has not been maintained, if the cooperative has not kept proper accounting records and if I have not received all the information and explanations I require for our audit.

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

**Basis of Opinion**

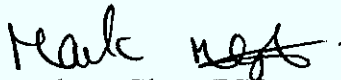
I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant 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.

I planned my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from misstatement, whether caused by fraud or error or other irregularity. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.



**Opinion**

In my opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Cooperatives affairs as at 30 November 2010 and of its profit for the year then ended and have been properly prepared in accordance with the Industrial and Provident Societies Acts 1965 to 2002.



Mark McGlone FCCA  
59 Bernard Street  
Edinburgh  
EH6 6SL

**COMPANY PROFIT & LOSS ACCOUNT year ended 30 November 2010**

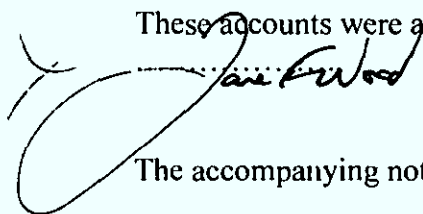
	Notes	2010 £	2009 £
<b>Operating income</b>			
Turnover		-	-
<b>Other Income receivable:</b>			
Grants		10,000	
Donations		250	1,005
Bank Interest Receivable		28	8
		10,278	1,013
<b>Less expenses:</b>			
Advertising		-	656
Postage, printing and stationery		253	720
Miscellaneous		-	30
Legal & professional fees		2,999	
Fundraising fees		1,000	-
Bank charges		56	-
		4,308	1,406
Profit/(Loss) before taxation	4	5,970	(393)
Corporation tax	5	-	-
<b>Retained Profit for the year</b>		5,970	(393)

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

**BALANCE SHEET as at 30 November 2010**

	Notes	2010 £	2009 £
<b>Tangible fixed assets</b>	6	-	-
<b>Current assets and liabilities:</b>			
<b>Current assets</b>			
Cash at bank and in hand		41,575	23,286
Debtors and prepayments	7	-	2
		<u>41,575</u>	<u>23,288</u>
Creditors and accruals	8	878	1,161
		<u>40,697</u>	<u>22,127</u>
<b>Net assets</b>			
		<u>40,697</u>	<u>22,127</u>
<b>Share capital and reserves:</b>			
Share capital	9	35,120	22,520
Profit and loss account	10	5,577	(393)
	12	<u>40,697</u>	<u>22,127</u>

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



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. Pension contributions. The Company makes payment to a defined contribution pension scheme on behalf of each of its employees who opts to be in the scheme. The pension cost charged in the financial statements represents the contributions payable by the Company during the year
- g. Investments are stated at cost less provisions for any permanent diminution in value
- h. Grants funding is recognised where there is entitlement, certainly 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 year was:

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Full time	-	-
Part time	-	-
And their aggregate remuneration was:	-	-
Salary	-	-
Social security	-	-
Pension costs	-	-

**3. Remuneration of the Management Committee**

None of the Management Committee received any remuneration.

**4. Profit/(Loss) before taxation is stated after**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Depreciation (note 6)	-	-
Auditor's remuneration:		
As auditor		
- <i>McGlone &amp; Co</i>	878	-
Other services		
- <i>McGlone &amp; Co</i>	nil	-

**5. Corporation tax charge**

The charge for Corporation Tax in the year was nil (2009 – Nil)

**6. Tangible fixed assets**

	<b>2010</b>
	<b>£</b>
<b>Cost</b>	
Brought forward as at 1 December 2009	-
Additions	-
Disposals	-
Carried forward as at 30 November 2010	-
<b>Depreciation</b>	
Brought forward as at 1 December 2009	-
Charge for year	-
Depreciation on disposals	-
30 November 2010	-
<b>Net book value</b>	
30 November 2010	-
30 November 2009	-

**7. Debtors and prepayments**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Sundry debtors	-	2
Accrued income	-	-
Prepayments	-	2
	<hr/>	<hr/>

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

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Taxation and social security		
Trade creditors & accruals	878	161
Deferred income		1,000
Other creditors		
	<hr/>	<hr/>
	878	1,161

**9. Movement in share capital**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Balance at 30 November 2009	22,520	
Receipts	12,750	22,520
Withdrawals	50	
Net inflow	<b>12,700</b>	<b>22,520</b>
Balance at 30 November 2010	<hr/> <b>35,120</b> <hr/>	<hr/> <b>22,520</b> <hr/>

Shares can be withdrawn at 13 weeks notice. During the year 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 2010, 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**

	<b>2010</b>
	<b>£</b>
Balance brought forward	(393)
Profit/(loss) for the year	5,970
Balance carried forward	<u>5,577</u>

**11. Financial Commitments**

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

	<b>2010</b>
	<b>£</b>
<b>Land and buildings</b>	
Annual commitment for leases expiring:	
After five years	7,800

**12. Reconciliation of shareholders' funds**

	<b>2010</b>
	<b>£</b>
Brought forward at 30 November 2009	22,127
Increase in share capital	12,600
Profit for the year	5,970
Net increase in shareholders' funds	40,697
Shareholders' funds at 30 November 2010	40,697