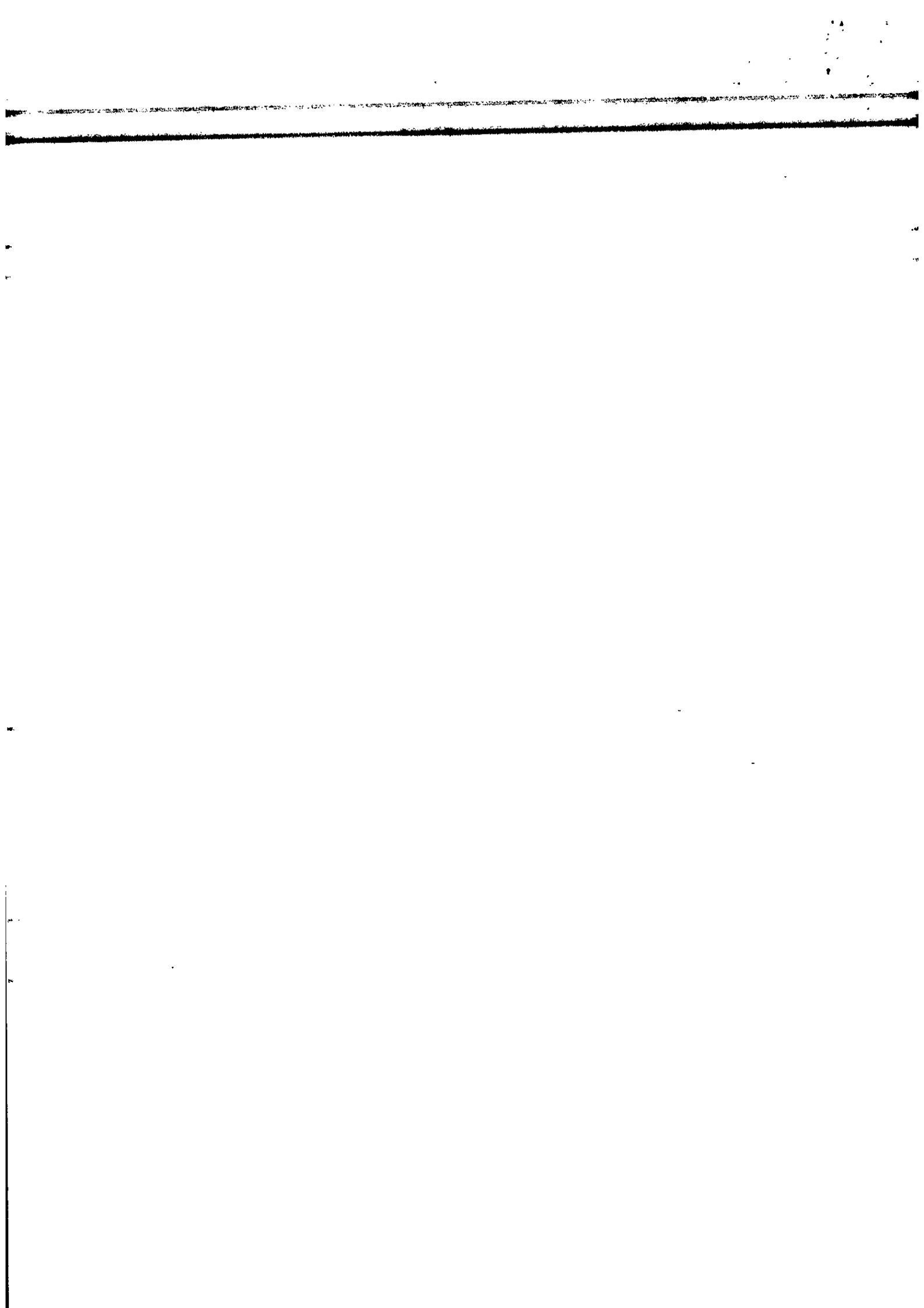




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CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND
NOT HAVING ANY SHARE CAPITAL).
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007

REGISTRATION NUMBER 376543
CHARITY NUMBER CHY 15639

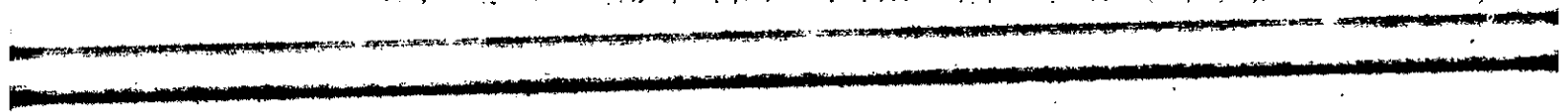


CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

INDEX TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

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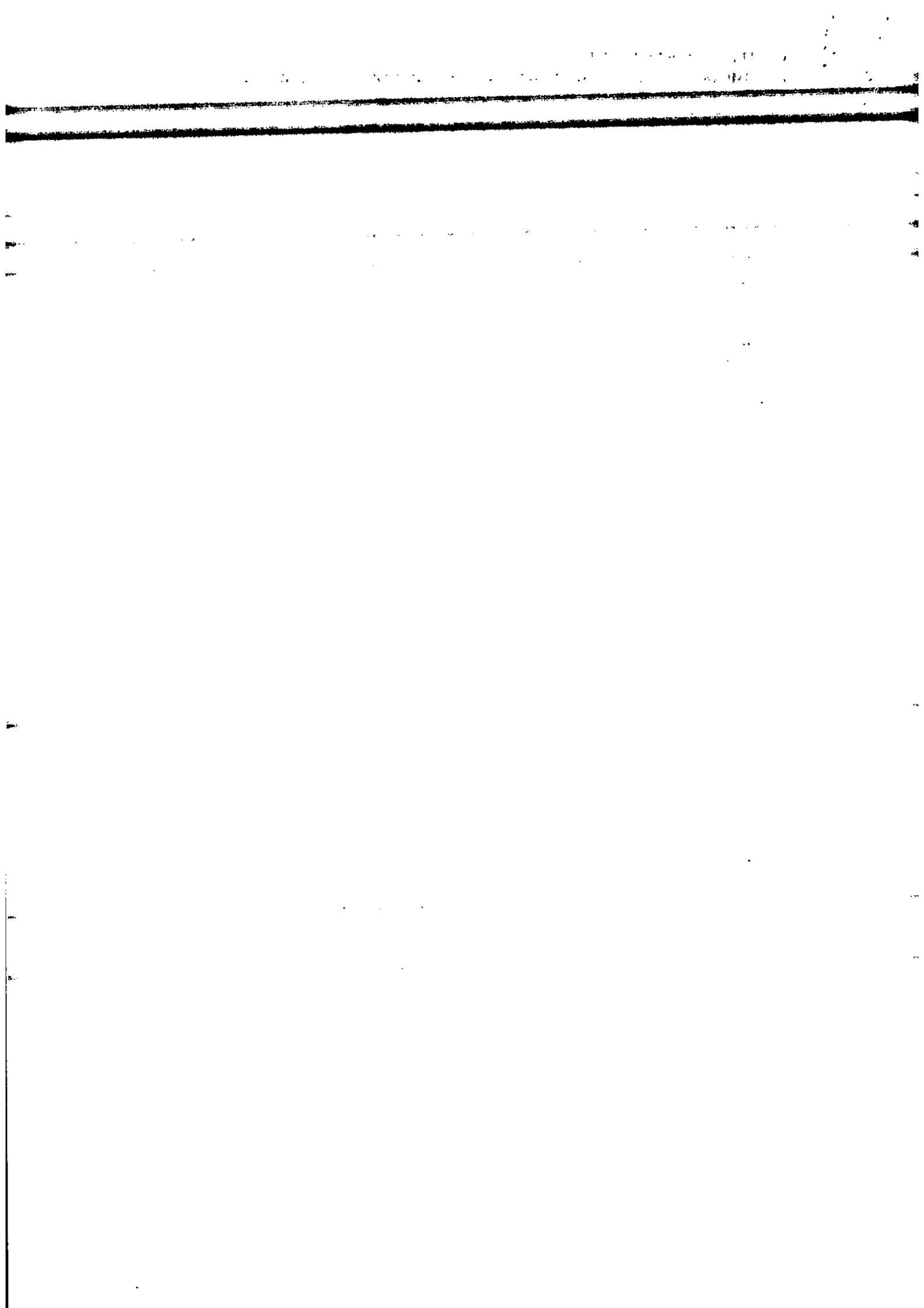
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CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

COMPANY INFORMATION

For the year ended 31 December 2007

DIRECTORS	Peter Dixon Martin Burbridge John F. Casey Niall Walsh
SECRETARY	Eamonn Lynch
COMPANY NUMBER	376543
REGISTERED OFFICE	Larch Hill Tibradden Dublin 16
BANKERS	Ulster Bank 130 Lower Baggot Street Dublin 2
SOLICITORS	Sheehan & Co. 1 Clare Street Dublin 2
AUDITORS	McCann Kane & Co Chartered Accountants & Registered Auditors Orchard House Beaumont Avenue Churchtown Dublin 14



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

DIRECTORS' REPORT

For the year ended 31 December 2007

The directors' submit herewith their report and audited financial statements for the year ended 31 December 2007.

PRINCIPAL ACTIVITY

Its principal activity during the year has continued to be fundraising activities to develop a cross border youth activity centre at Castle Saunderson.

RESULTS FOR THE YEAR

The income and expenditure account and balance sheet for the year ended 31 December 2007 are set on pages 7 and 8. The deficit for the year amounted to €36,800 compared to a deficit of €96,630 in the previous year.

IMPORTANT EVENTS SINCE THE YEAR END

Since the year end the Board of Directors have not made any further decision's in relation to Castle Saunderson.

FUTURE DEVELOPMENTS IN BUSINESS

On completion of the relevant reports from the company a decision will then be made on the future of the company by the National Council of Scouting Ireland.

RESEARCH AND DEVELOPMENT

The company is not engaged in the field of research and development.

DIRECTORS AND THEIR INTERESTS

The persons who served as directors during the year are set out on page 1.

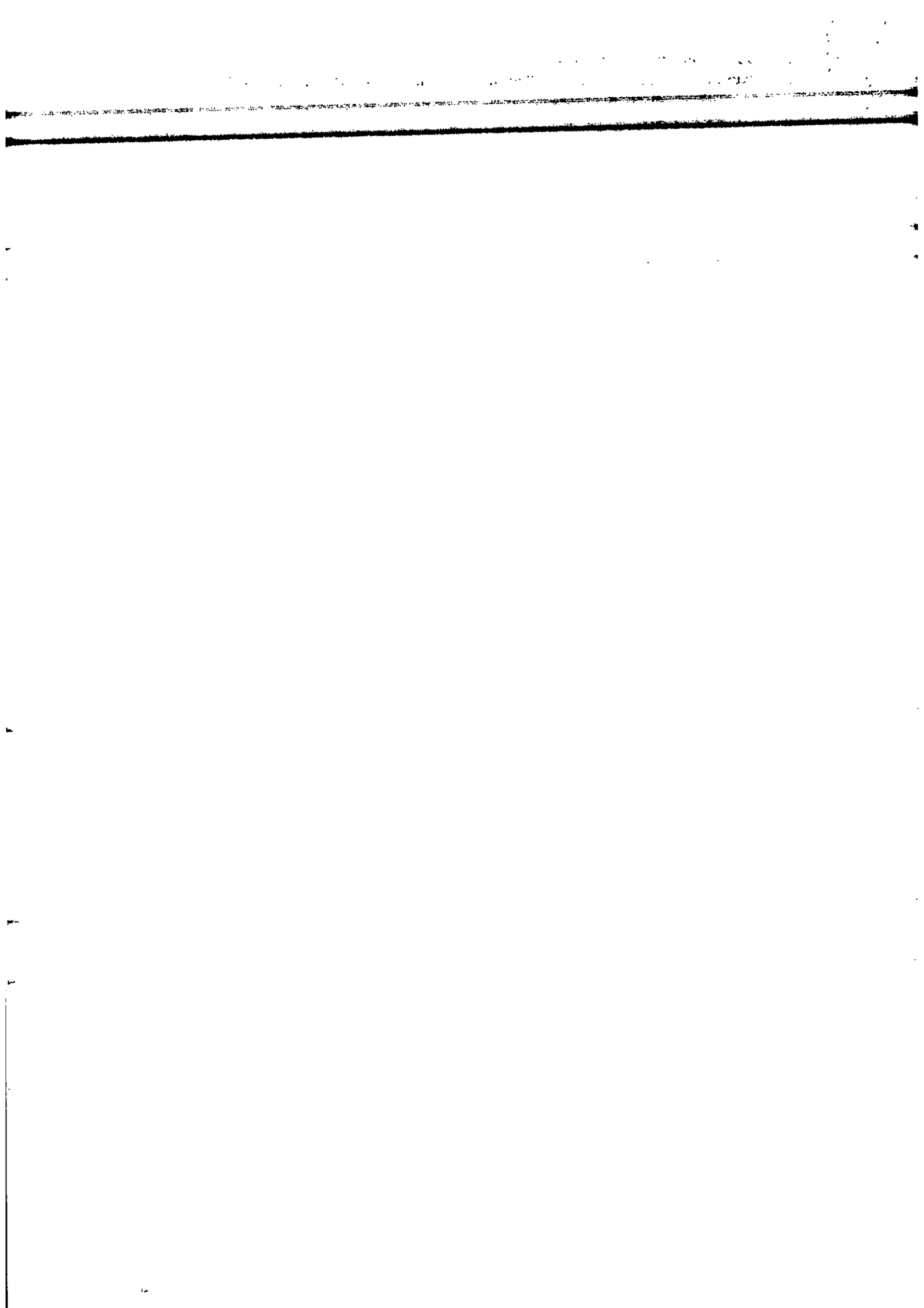
The company is limited by guarantee and does not have a Share Capital.

BOOKS OF ACCOUNT

The measures taken by the directors to ensure compliance with the requirements of Section 202, Companies Act, 1990, regarding proper books of account, are the implementation of necessary policies and procedures for recording transactions, the employment of competent accounting personnel with appropriate expertise within the company and Scouting Ireland who supports the directors in discharging their duties, and the provision of adequate resources to the financial function.

These books and accounting records are maintained at the company's registered office.

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CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

DIRECTORS' REPORT

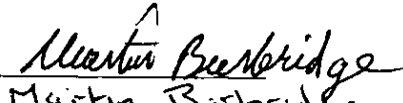
For the year ended 31 December 2007

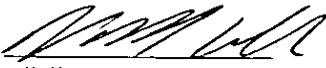
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AUDITORS

The auditors McCann Kane & Co have expressed their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board:


Martin Burbidge
Director


Niall Walsh
Director

Date: 10 JUNE 2008

CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

STATEMENT OF DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2006

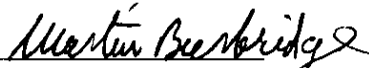
Company law requires the directors' to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that year. In preparing these the directors' are required to:


- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that the financial statements comply with the above requirements.

The directors' are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements comply with the Companies Acts 1963 to 2006. 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.

On behalf of the Board:


Martin Borbridge
Director


Niall Walsh
Director

Date: 10 JUNE 2008

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASTLE SAUNDERSON LIMITED

We have audited the financial statements on pages 7 to 14 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the company's members, as a body, in accordance with Section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS' AND AUDITORS

The directors are responsible for preparing the annual report. As described on page 4, this includes responsibility for preparing the financial statements in accordance with applicable law and accounting standards generally accepted in Ireland.

Our responsibility is to audit the financial statements in accordance with the 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, in accordance with Generally Accepted Accounting Practice in Ireland, and are properly prepared in accordance with the Companies Acts 1963 to 2006. We also report to you our opinion as to: whether proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation which may require the convening of an extraordinary general meeting of the company; and whether the information given in the directors' report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account.

We report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not given and, where practicable, include such information in our report.

We read the 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.

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 directors' in the preparation of the financial statements, and whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

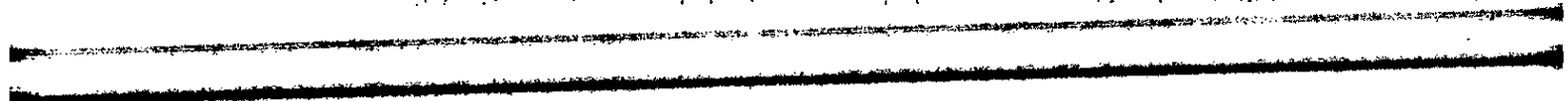
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error.

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 Generally Accepted Accounting Practice in Ireland, of the state of the company's affairs as at 31 December 2007 and of its loss and cash flows for the year then ended and have been properly prepared in accordance with the Companies Acts 1963 to 2006.

.....(Continued)



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASTLE SAUNDERSON LIMITED

.....(Continued)

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The financial statements are in agreement with the books of account.

In our opinion the information given in the directors' report on pages 2 and 3 is consistent with the financial statements.

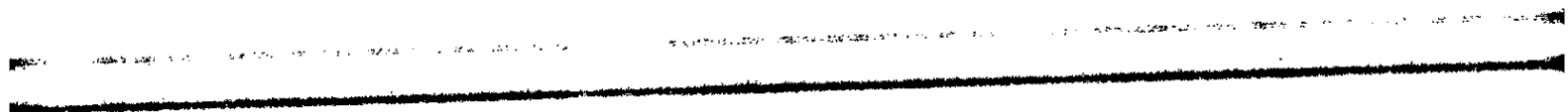
The company is limited by guarantee and does not have issued share capital, accordingly the provisions of Section 40(1) of the Companies (Amendment) Act 1983 do not apply.

EMPHASIS OF MATTER - GOING CONCERN

In forming our opinion, which is not qualified, we have considered the adequacy of the disclosures made in the Directors Report and note 12 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of €36,800 during the year ended 31 December 2007 and, at that date, the company's net assets were €27,261. These conditions, along with the other matters explained in the Directors Report and note 12 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

McCann Kane & Co
McCann Kane & Co
Chartered Accountants &
Registered Auditors
Orchard House
Beaumont Avenue
Churchtown
Dublin 14

Date: 10 June 2008



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

INCOME AND EXPENDITURE ACCOUNT


For the year ended 31 December 2007


	Notes	2007 €	2006 €
INCOME	2	1,200	21,492
EXPENDITURE			
Administrative expenses	3	(5,590)	(89,800)
Depreciation		(5,920)	(5,920)
OPERATING DEFICIT		(10,310)	(74,228)
Interest payable and similar charges	6	(26,490)	(22,402)
DEFICIT ON ORDINARY ACTIVITIES BEFORE TAX		(36,800)	(96,630)
TAX ON DEFICIT ON ORDINARY ACTIVITIES	7	-	-
DEFICIT RETAINED FOR FOR THE YEAR		(36,800)	(96,630)
NET DEFICIT BROUGHT FORWARD		(243,268)	(146,638)
ACCUMULATED DEFICIT CARRIED FORWARD		(280,068)	(243,268)

All recognised gains and losses have been included in the financial statements.

The notes on pages 10 to 14 form an integral part of these financial statements.

On behalf of the Board:


Martin Burbidge
Director


Niall Walsh
Director 10 June 2008

CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

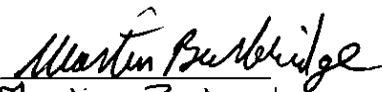
BALANCE SHEET


As at 31 December 2007

	Notes	2006 €	2005 €
FIXED ASSETS			
Tangible assets	8	<u>590,425</u>	<u>596,345</u>
CURRENT ASSETS			
Debtors	9	<u>-</u>	<u>29,255</u>
		-	29,255
CREDITORS (amounts falling due within one year)	10	<u>(208,948)</u>	<u>(210,865)</u>
NET CURRENT ASSETS		<u>(208,948)</u>	<u>(181,610)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		381,477	414,735
CREDITORS (amounts falling due after one year)	11	<u>(354,216)</u>	<u>(350,674)</u>
NET ASSETS		<u><u>27,261</u></u>	<u><u>64,061</u></u>
FINANCED BY:			
Accumulated deficit		(280,068)	(243,268)
Special reserve		<u>307,329</u>	<u>307,329</u>
		<u><u>27,261</u></u>	<u><u>64,061</u></u>

The notes on pages 10 to 14 form an integral part of these financial statements.

On behalf of the directors'


Martin Burbidge
Director


Niall Walsh
Director

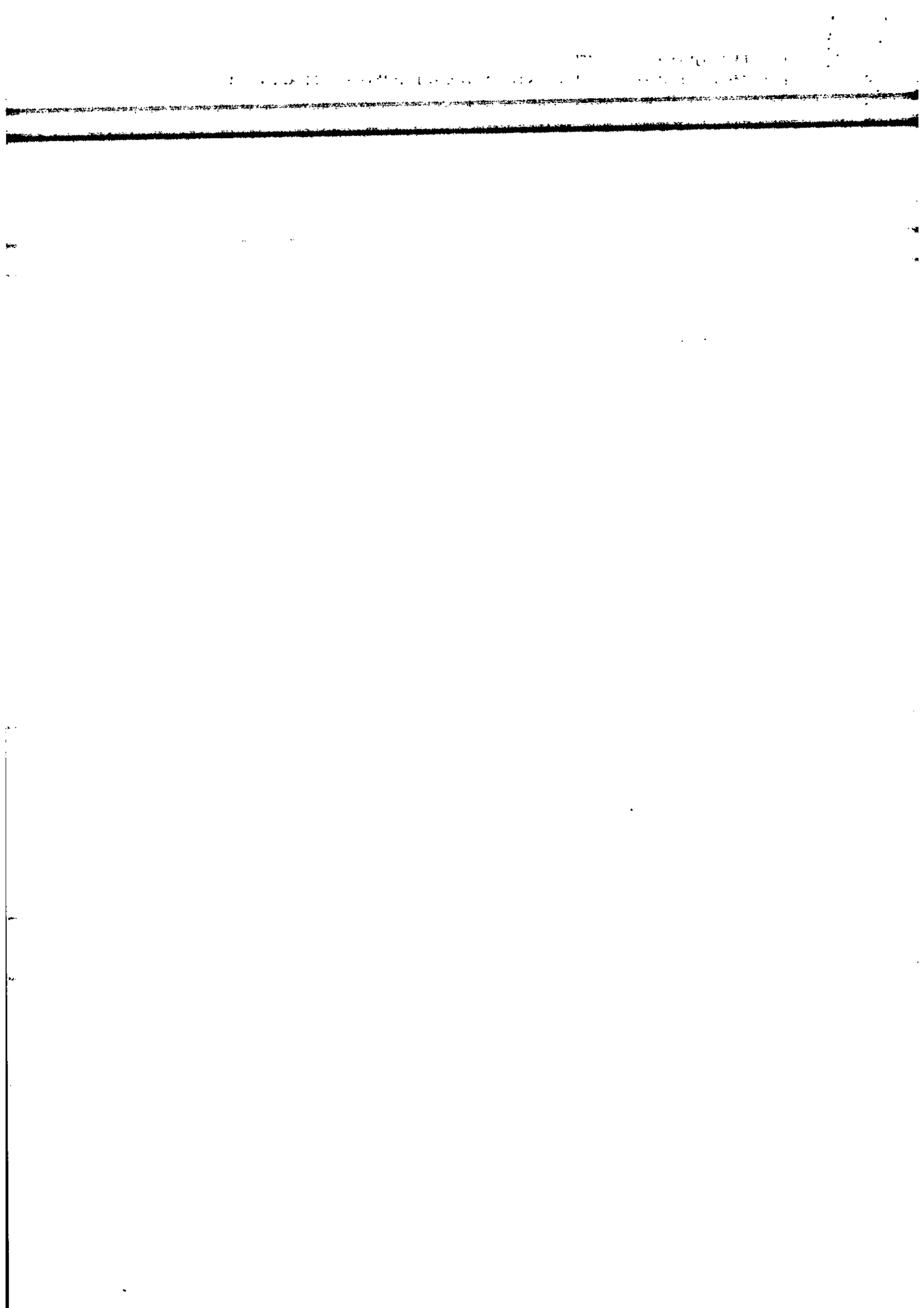
Date: 10 JUNE 2008

CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL).

CASH FLOW STATEMENT

for the year ended 31 December 2007

	Notes	2006 €	2006 €
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	13	51,045	13,657
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		(26,490)	(22,402)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT			
Payments to acquire tangible assets		-	(19,000)
NET CASH OUTFLOW BEFORE FINANCING		24,555	(27,745)
INCREASE/(DECREASE) IN CASH IN THE YEAR		<u>24,555</u>	<u>(27,745)</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENTS IN NET FUNDS			
	Notes	2007 €	2006 €
INCREASE/(DECREASE) IN CASH IN THE YEAR		24,555	(27,745)
Cash inflow from increases in liquid resources		-	-
CHANGE IN NET FUNDS RESULTING FROM CASH FLOWS		24,555	(27,745)
NET FUNDS AT 31 DECEMBER 2006		<u>(388,446)</u>	<u>(360,701)</u>
NET FUNDS AT 31 DECEMBER 2007	14	<u>(363,891)</u>	<u>(388,446)</u>



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

1. ACCOUNTING POLICIES

1.1. Accounting Convention

The financial statements are prepared under the historical cost convention.

1.2. Grants Receivable

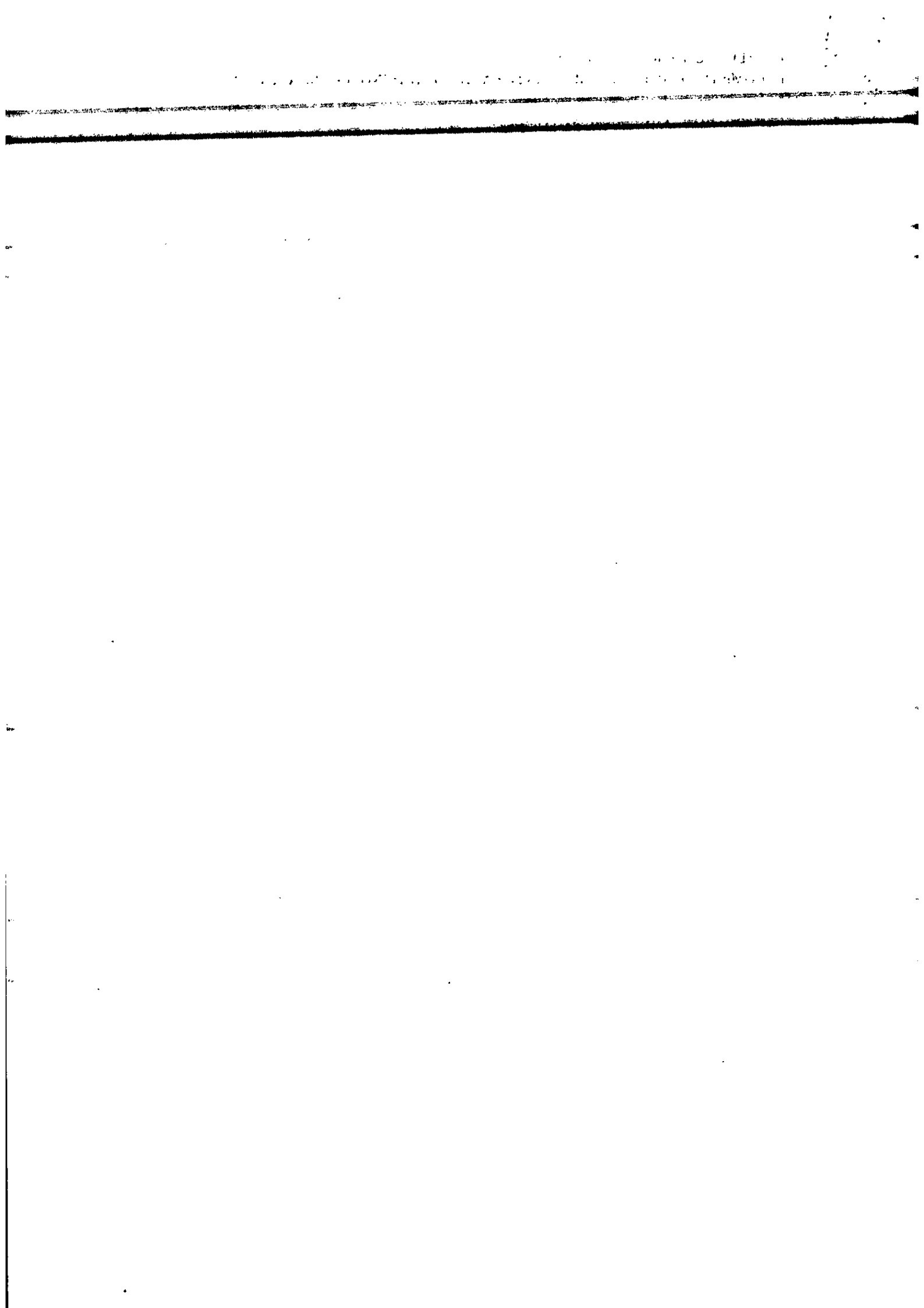
Grants receivable are accounted for when the company's entitlement becomes legally enforceable.

1.3. Tangible Fixed Assets and Depreciation

The cost of fixed assets including leased assets is written off equal instalments over their expected useful lives as follows:-

Freehold land	Nil
Freehold Buildings	2% Straight Line
Fixtures and fittings	20% Straight Line

2. INCOME	2007	2006
	€	€
Grants received	-	15,222
Sundry income	1,200	6,270
	<u>1,200</u>	<u>21,492</u>
	<u><u>1,200</u></u>	<u><u>21,492</u></u>
3. ADMINISTRATION OVERHEADS	2007	2006
	€	€
Wages and salaries	-	22,100
Employer PRSI	-	2,221
Employer Pension	(601)	1,081
Travel	3,001	1,784
Audit	1,900	1,961
Rent	-	867
Promotional activities	-	1,975
Advertising	-	10,142
Telephone	-	522
Legal and professional	-	38,588
General expenses	1,292	7,717
Loss/(Profit) on foreign exchange	-	842
Depreciation	5,920	5,920
	<u>11,512</u>	<u>95,720</u>
	<u><u>11,512</u></u>	<u><u>95,720</u></u>



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

4. EMPLOYEES AND REMUNERATION

The average number of persons employed by the company in the financial year was 0 (2006 : 1).

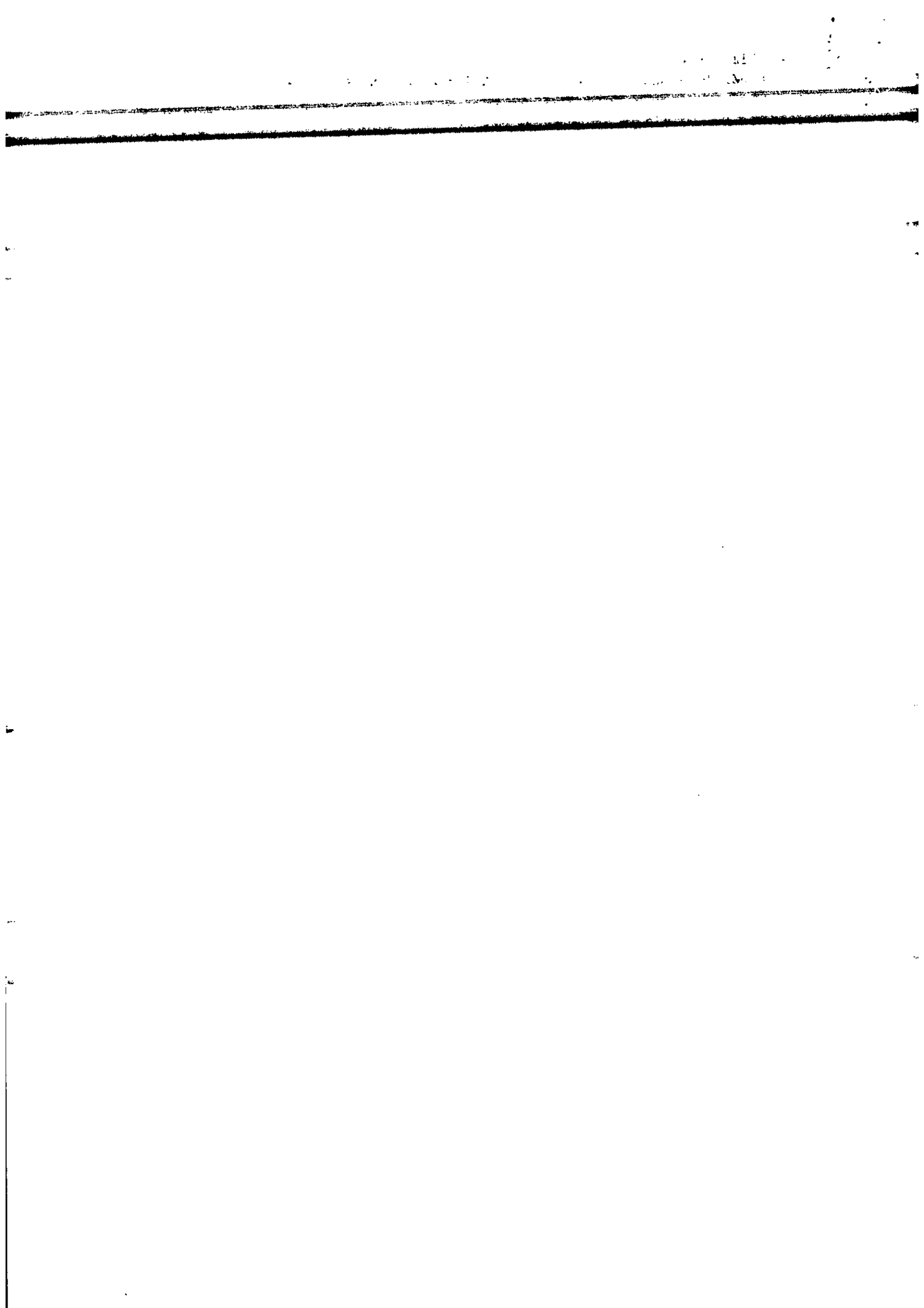
	2006	2006
	€	€
The staff costs are comprised of:		
Wages and salaries	-	22,100
Social welfare costs	-	2,221
Pension costs	(601)	1,081
	<u>(601)</u>	<u>25,402</u>

5. ADM/CPA PEACE II INCOME & EXPENDITURE

	2007	2006
	€	€
Grant income receivable	-	15,222
	<u>-</u>	<u>15,222</u>
<u>Expenditure</u>		
Salaries	-	15,222
Travel & subsistence	-	-
Running costs	-	-
Rent & rates	-	-
Marketing costs	-	-
Professional and consultancy	-	-
Total expenditure	<u>-</u>	<u>15,222</u>
Income less expenditure	<u>-</u>	<u>-</u>

Reconciliation of Annual Financial Statements to Expenditure Returns Submitted to Border Action

	2007	2006
	€	€
Peace 11 Expenditure , per audited financial statements for the year ended 31 December 2007	-	15,222
<u>Add:</u>		
Fixed assets purchased during the year	-	-
Reconciled PEACE 11 expenditure	<u>-</u>	<u>15,222</u>
Cumulative expenditure reported to Border action for the year ended 31 December 2007	<u>-</u>	<u>15,222</u>



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

6. INTEREST PAYABLE AND SIMILAR CHARGES	2007	2006
	€	€
Bank overdraft and loans repayable within five years	26,490	22,402
	<u>26,490</u>	<u>22,402</u>

7. TAXATION ON DEFICIT ON ORDINARY ACTIVITIES

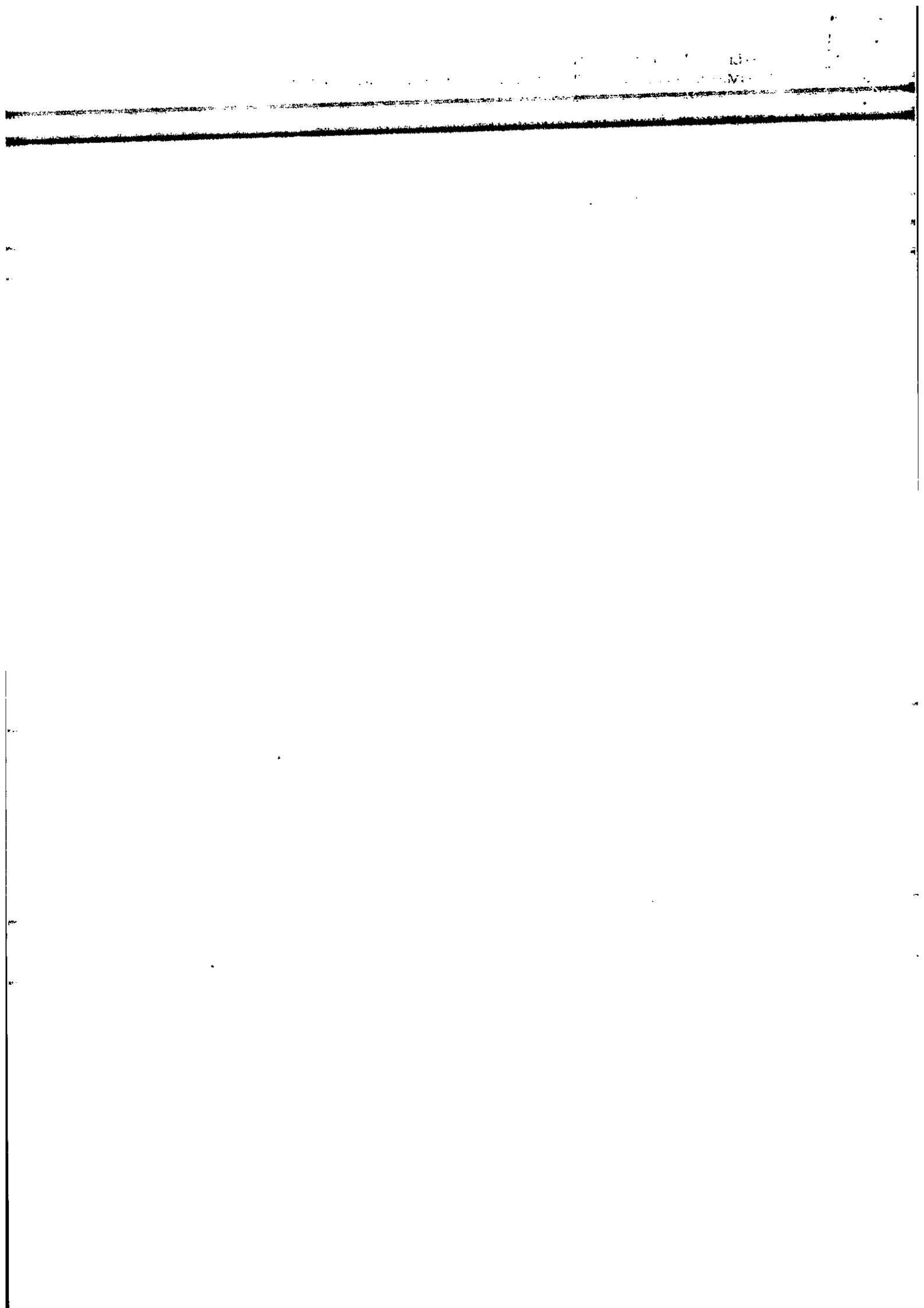
This company has charitable status and is not liable for Corporation Tax

8. TANGIBLE FIXED ASSETS

	Land	Buildings	Fixtures	Total
	€	€	€	€
COST				
1 January 2007	432,386	155,921	13,398	601,705
At 31 December 2007	<u>432,386</u>	<u>155,921</u>	<u>13,398</u>	<u>601,705</u>
DEPRECIATION				
Charge for the year	-	3,240	2,680	5,920
At 31 December 2007	<u>-</u>	<u>3,240</u>	<u>8,040</u>	<u>11,280</u>
NET BOOK VALUES				
At 31 December 2007	<u>432,386</u>	<u>152,681</u>	<u>5,358</u>	<u>590,425</u>
At 31 December 2006	<u>432,386</u>	<u>155,921</u>	<u>8,038</u>	<u>596,345</u>

The land and buildings at Castle Saunderson, Co Cavan , are held in trust by The Scout Foundation Limited.

9. DEBTORS	2006	2006
	€	€
Grants receivable	-	25,787
Paye/Prsi	-	3,468
	<u>-</u>	<u>29,255</u>



CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

10. CREDITORS (amounts falling due within one year)	2006	2006
	€	€
Accrued expenses	15,300	28,101
Amounts due to Scouting Ireland	183,974	144,992
Bank overdraft	9,674	37,772
	<u>208,948</u>	<u>210,865</u>
11. CREDITORS (amounts falling due after more than one year)	2006	2005
	€	€
Long term loan	<u>354,216</u>	<u>350,674</u>

12. CONTINGENT LIABILITIES

The board of directors have resolved that the project at Castle Saunderson should be wound up. ADM (Area Development Management Ltd) and CPA (Combat Poverty Agency) have assisted this project by providing grants for certain expenditure incurred between 27/11/2003 and 31/12/2005. The company had agreed to operate the grant-aided project for a minimum of five years from the last date of payment by ADM/CPA. ADM/CPA reserves the right to reclaim all grant aid, which has not been used for the purposes granted and shall hold the company liable for repayment in full. As stated in the contract if a resolution is passed to wind up the company, all or such portion of the funds paid or to be paid as ADM/CPA may determine, shall be reimbursed to or withheld by ADM/CPA, and the assets of the company shall be disposed of in a manner which has been agreed in writing with ADM/CPA.

At the balance sheet date the company has received €168,339 in grant aid from ADM/CPA.

Donations received to date from other sources amount to €1,026,342. These donations may have to be repaid. However the accounts do not reflect this as there is no certainty in respect of the sale or whether there would be a surplus or not. The decision to repay these donations would only be taken when the sale and other liabilities in the accounts are dealt with.

During the year the board of directors discussed an agreement with Cavan County Council to sell 73 acres of them. Castlesaunderson Limited would retain the remaining 30 acres to develop a campsite on.

The agreement is subject to CAVan County Council receiving a grant from ICBAM in the region of €2.6m. There is a default on the deal if the grant is less than €1.7m. These are only discussion agreements at the moment, there are no binding agreements signed.

CASTLE SAUNDERSON LIMITED
(A COMPANY LIMITED BY GUARANTEE AND NOT HAVING ANY SHARE CAPITAL)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2007

13 . NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	2007	2006
	€	€
Operating deficit	(10,310)	(74,228)
Depreciation	5,920	5,920
Decrease in debtors	29,255	24,088
Increase /(decrease) in creditors	26,180	57,877
	<u>51,045</u>	<u>13,657</u>
Net cash inflow/(outflow) from operating activities	<u>51,045</u>	<u>13,657</u>

14. ANALYSIS OF MOVEMENT IN CASH RESOURCES

	1 Jan 2007 €	Net cash movement €	31 Dec 2007 €
Cash at bank and in hand	(37,772)	28,097	(9,675)
Bank Loan	<u>(350,674)</u>	<u>(3,542)</u>	<u>(354,216)</u>
Total	<u>(388,446)</u>	<u>24,555</u>	<u>(363,891)</u>

15. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved on 10 June 2008