

Hamilton Lodge Trust Limited

Trustees' report and financial statements

Registered company number 489657

Registered charity number 306080

31 May 2005



Contents

Trustees' report	1
Statement of trustees' responsibilities	5
Report of the independent auditors to the members of Hamilton Lodge Trust Limited	6
Statement of financial activities	7
Balance sheet	8
Notes	9

Trustees' report

The Trustees present their annual report and the audited financial statements for the 14 month period ended 31 May 2005. The Trustees and Trustees' report constitute the Directors and the Directors' report for Companies Act purposes.

These financial statements comply with current statutory requirements and with the requirements of the Trust's governing document.

Objectives

The principal activity of Hamilton Lodge Trust Limited (HLT) continues to be the provision of a residential home in Essex for the care and personal development of people with learning difficulties to enable them to live a more independent lifestyle.

Business review

HLT became a subsidiary in company law of The Disabilities Trust (DT) on the 1 April 2004. The Chief Executive at the administrative centre of DT in Burgess Hill reports to the Board of Trustees and manages HLT through the senior management team of DT who meet monthly to review the performance and agree the ongoing operational and financial strategy.

During the period the Trust has sought to improve the service provided to the residents. Consequently additional costs have been incurred that has resulted in the recording of a deficit for the period.

The total incoming resources of HLT were £1,470,124 for the 14 month period ended 31 May 2005 (*year ended 31 March 2004: £1,447,784*).

In order to meet its objectives, HLT owns tangible fixed assets with a net book value of £438,477 (31 March 2004: £431,699) inclusive of the main house and various other accommodation facilities at the site in Essex.

The fixed assets currently held are £438,477 (31 March 2004: £431,699). An amount of £353,657 of unrestricted funds (31 March 2004: £364,294) has been designated as the fixed asset reserve.

Future developments

The parent charity (DT) is committed to enhancing the quality of life for its residents and to this end will strive to redevelop the service in the near future.

The Trustees consider that the net assets of HLT are sufficient to meet current and future commitment that will arise.

Reserves policy

The net outgoing resources for the period withdrawn from reserves is £127,095 (*2004 incoming resources transferred to reserves £108,941*).

At 31 May 2005 the Trust had reserves of £695,347 (31 March 2004: £822,442) of which £160,470 (31 March 2004: £161,714) represented restricted income funds. The Trustees have considered their policy on reserves and have designated the funds, which represent the investment made in fixed assets for use by the Trust. The total designated fixed asset reserve is currently £353,657 (31 March 2004: £364,294).

Trustees' report *(continued)*

Reserves policy *(continued)*

The policy of the Trust is to expend services to provide the unmet needs of people with disabilities. The Trustees consider that the reserves should be sufficient to ensure the ongoing financial viability of the existing service. Due to the volatility of the niche market in which the Trust operates, the trustees ideally seek to maintain a level of other reserves equivalent to the cost of covering staff salaries for 6 months.

Risk management

Risks to which the Charity is exposed are regularly reviewed by the Senior Management Team and, if appropriate, by the Trustees on a monthly basis and systems established in order to mitigate these risks. The Quality Assurance department together with Human Resources and Health & Safety advisors widens the Trust's approach to these major responsibilities. In addition an eminent Insurance advisor provides protection against risks that the Trust is exposed to and the appointment of an Internal Auditor further demonstrates the Trust's commitment to minimise such risks.

The External Affairs department continues to look at both new and proposed legislation in order to identify potential risks. Regular lobbying of politicians ensures that the Trust is aware of national agendas and is able to respond appropriately.

Trustees

Trustees are elected at the Annual General Meeting (AGM) and are eligible for re-election after three years. Trustees may also be co-opted to the board and are eligible for election at the following AGM.

Each trustee, being a member of the Trust, has given a guarantee of £1, in accordance with the Articles of Association. The trustees are all directors for the purposes of the Companies Act 1985.

The trustees who held office during the year were as follows: (E=Executive Committee Member).

G Anderson, FRICS (E)	(Chair)	
Mrs A Hancox (E)		Co-opted 24 September 2004
Mrs C Yorath		Re-elected 24 September 2004
V Hancox		Co-opted 24 September 2004
M Hayes (E)		
F Osman JP		
Mrs HS Akester (E)	(Vice Chair)	Re-elected 24 September 2004
Ms J Budd		Resigned 9 May 2005
Ms C Melvin		
Dr P Dobrowolski		
Mrs J Fawcett		
S Howell		
R Little		
M Rowe		
Mrs M Bartholomew		Appointed 24 September 2004
DA Heather		Appointed 4 November 2004
DEH Titheradge		Resigned 9 May 2005

At the first meeting after the AGM the Trustees elect an Executive Committee of up to seven members. This includes the Chairman, Vice Chair and five other Trustees. This committee meets as and when required. The full board of Trustees meets monthly. Four sub committees meet once / twice per year. Operational responsibilities are delegated to the Senior Management team who report to the board on a monthly basis enabling decisions to be taken by the board in order to achieve the Trust's objectives.

Trustees' report *(continued)*

Legal and administrative details

Hamilton Lodge Trust was incorporated as a company limited by guarantee on 21 December 1950. The company was registered with the Charity Commission on 13 November 1962 and is governed by its Memorandum and Articles of Association.

Registered office: 1st Floor
32 Market Place
Burgess Hill
West Sussex
RH15 9NP

Company Registered No: 489657

Charity number: 306080

Chief executive: Mr Colin Hedley

Bankers: Barclays Bank plc
PO Box 112
Horsham
West Sussex
RH12 1YQ

Solicitors: Winckworth Sherwood
35 Great Peter Street
Westminster
London
SW1P 3LR

Investment Managers: Newton Investment Limited
71 Queen Victoria Street
London
EC4V 4DR

Auditors: KPMG LLP
1 Forest Gate
Brighton Road
Crawley
West Sussex
RH11 9PT

Employees

All staff engaged in the provision of services are employed by the parent company, The Disabilities Trust.

Hamilton Lodge demonstrates its commitment to effective communication, both formally and informally, adopting communication processes appropriate to its needs.

The Disabilities Trust holds the Investors in People award and continues to maintain and improve where appropriate the highest possible standard. This reflects the value and contribution of all staff.

Trustees' report *(continued)*

Employees *(continued)*

It is the policy of The Disabilities Trust to promote equality of employment by giving full and fair consideration to applications from disabled people for vacancies where particular requirements are considered to be within their skills and experience. In the case of existing employees who may become disabled, every effort is made to retain them within the workforces, subject, if necessary, to retraining. Training, career development and promotion opportunities apply equally to all employees, taking into consideration their aptitude and abilities.

It is also the policy of The Disabilities Trust to maintain and develop the involvement of all employees in its affairs. Local managers provide, on a regular basis, information of concern to employees using a variety of methods such as business review meetings, briefing discussions and training sessions. The views of employees are also sought on matters affecting them.

Auditors

In accordance with Section 384 of the Companies Act 1985, a resolution for the re-appointment of KPMG LLP as auditors of the group will be proposed at the forthcoming Annual General Meeting.

By order of the board


Mr G Anderson
Chair

First Floor
32 Market Place
Burgess Hill
West Sussex
RH15 9NP

26 SEPTEMBER 2005

Statement of trustees' responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing those financial statements, the trustees 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

1 Forest Gate
Brighton Road
Crawley
RH11 9PT
United Kingdom

Report of the independent auditors to the members of Hamilton Lodge Trust Limited

We have audited the financial statements on pages 7 to 19.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 5, the trustees, who are also the directors of Hamilton Lodge Trust Limited for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

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 Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards 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 trustees in the preparation of the financial statements, and of 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 of the state of affairs of the charitable company at 31 May 2005 and of the charity's incoming resources and application of resources, including its income and expenditure, in the period then ended and have been properly prepared in accordance with the Companies Act 1985.

KPMG LLP
KPMG LLP
Chartered Accountants
Registered Auditor

30 September 2005

Statement of financial activities
for the 14 month period ended 31 May 2005

	<i>Note</i>	Unrestricted funds	Restricted funds	Total funds 2005	Total funds 12 months ended 31 March 2004
Income and expenditure		£	£	£	£
Incoming resources					
Donations	2	18,062	30	18,092	112,804
Activities in furtherance of the charity's objectives:					
Grants receivable	3	-	8,796	8,796	37,552
Fee income		1,395,254	-	1,395,254	1,257,723
Investment income:					
Return from UK investments	4	197	-	197	191
Bank interest receivable	5	16,746	-	16,746	12,294
Other incoming resources					
Other income	6	31,039	-	31,039	27,220
Total incoming resources		1,461,298	8,826	1,470,124	1,447,784
Resources expended					
Cost of generating funds:					
Fundraising and publicity	7	2,047	-	2,047	4,648
Charitable expenditure:					
Provision of care	8	1,327,251	-	1,327,251	1,101,439
Support costs	9	109,843	8,796	118,639	75,576
Management and administration	10	147,503	1,274	148,777	157,076
Finance costs	11	1,145	-	1,145	807
Total resources expended		1,587,789	10,070	1,597,859	1,339,546
Net (outgoing)/incoming resources for the year		(126,491)	(1,244)	(127,735)	108,238
Unrealised gains on investments	17	640	-	640	703
Net movement in funds		(125,851)	(1,244)	(127,095)	108,941
Fund balances brought forward		660,728	161,714	822,442	713,501
Fund balances carried forward		534,877	160,470	695,347	822,442

The company has no recognised gains or losses other than the result for the period stated above all of which were derived from continuing operations.

The notes on pages 9 to 19 form part of these financial statements.

Balance sheet

At 31 May 2005

	Note	2005 £	£	2004 £	£
Fixed assets					
Tangible assets	16		438,477		431,699
Investments	17		5,849		5,012
			<hr/>		<hr/>
			444,326		436,711
Current assets					
Stocks	18	6,368		4,256	
Debtors	19	89,474		63,000	
Cash at bank and in hand		299,171		426,271	
		<hr/>		<hr/>	
		395,013		493,527	
Creditors: amounts falling due within one year	20	(143,992)		(107,796)	
		<hr/>		<hr/>	
Net current assets			251,021		385,731
			<hr/>		<hr/>
Total assets less current liabilities			695,347		822,442
			<hr/>		<hr/>
Net assets			695,347		822,442
			<hr/>		<hr/>
Funds					
Unrestricted:					
Designated funds	21	388,657		399,294	
General funds		146,220		261,434	
Restricted	22	160,470		161,714	
		<hr/>		<hr/>	
Total funds			695,347		822,442
			<hr/>		<hr/>

The notes on pages 9 to 19 form part of these financial statements.

These financial statements were approved by the board of directors on 26.07.05 and were signed on its behalf by:



Mr G Anderson
Chairman

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements except as noted below.

Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985, and under the historical cost accounting rules.

Under Financial Reporting Standard (FRS) 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds of its size.

As the company is a wholly owned subsidiary of The Disabilities Trust, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group. The consolidated financial statements of The Disabilities Trust, within which this company is included, can be obtained from the address given in note 27.

Fixed assets and depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets by equal instalments over their estimated useful economic lives as follows:

Freehold buildings	-	2% per annum
Property improvements	-	2% per annum
Furniture, fixtures and fittings	-	33%/20% per annum
Motor vehicles	-	20% per annum

No depreciation is provided on freehold land.

There is a de minimus capitalisation limit of £200.

Leases

Assets acquired under finance leases are capitalised and the outstanding future lease obligations are shown in creditors. Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pension Costs

The company operates a defined benefit pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The contributions to the scheme are charged to the statement of financial activities so as to spread the cost of the pensions over the service lives of employees. Variations from the regular costs are spread over the average expected remaining working lives of current members in the scheme.

Stocks

Stocks are stated at the lower of cost and net realisable value. In determining the cost of raw materials and consumables, the purchase price is used.

Taxation

The Trust is a registered charity and is not liable to corporation tax.

Notes (continued)

1 Accounting policies (continued)

Income

Income has been taken to the credit of the statement of financial activities as follows:

Donations and gifts

Donations are accounted for at the time of the receipt. Where donations are in the form of assets the amount included in donations is the value of the asset to the Trust. Credit is taken for any income tax recoverable on monies received during the year.

Grants Receivable

Grants are included within accruals and deferred income in the balance sheet. Credit is taken for grants received as and when expended

Fee income

Income is accounted for on the basis of the amount receivable for the year

Investment income

Investment income is the amount receivable for the year, including recoverable tax.

Other incoming resources

Other incoming resources are accounted for on an accruals basis.

Deferred income

Care services invoiced in advance are accounted for as deferred income.

Expenditure

Expenditure has been charged to the statement of financial activities on an accruals basis. Costs are shown inclusive of any related value added tax. Expenditure categories noted below are analysed in the various notes to the financial statements.

Provision of care

This represents the direct costs involved in providing care for the residents of the high quality accommodation for physically disabled persons and people with brain injuries.

Support costs

These represent the costs incurred in providing central services which relate directly to the provision of care for the physically disabled persons and people with brain injuries.

Fundraising and publicity

These costs are incurred in relation to staff members who are engaged directly in fundraising, and also include the cost of specific campaigns for the raising of donations.

Management and administration

These costs relate to management time of staff involved in managing external entities for which management charges are received, organisational administration and compliance with constitutional and statutory requirements.

Notes (continued)

1 Accounting policies (continued)

Expenditure (continued)

Finance costs

These represent costs of bank charges and other finance costs.

Investments

Investments are stated in the balance sheet at market value. All realised and unrealised gains and losses are taken to the statement of financial activities and are reflected in 'other recognised gains and losses'. Realised gains and losses are calculated as the difference between market value at the beginning of the year and sale proceeds. Unrealised gains are derived from movement in market value during the year.

Fund accounting

The Trust has various types of funds for which it is responsible, and which require separate disclosure. These are as follows:

Restricted income funds

Donations or legacies which are earmarked by the donor for specific purposes. From these funds, the donation and income deriving therefrom may be utilised in accordance with the specific purposes.

Unrestricted funds

■ Designated

The Trust may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, the Trust sets aside funds which represent the investment made in fixed assets for use by the Trust and in addition it has set aside an amount to provide for certain care facilities.

■ General

Funds which are expendable in furtherance of the objects of the Trust.

2 Donations

	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Donations	18,062	-	18,062	98,913
New building donations	-	30	30	30
Minibus donations	-	-	-	13,861
	<u>18,062</u>	<u>30</u>	<u>18,092</u>	<u>112,804</u>

The amount for donations includes £Nil (2004: £38,400) paid in kind by The Disabilities Trust. This is the value of administrative and management charges which were waived by the Trust. The corresponding costs are shown in other management and administration costs.

Notes (continued)

3 Grants receivable

	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Training grant	-	8,796	8,796	-
Community Fund Grant	-	-	-	34,900
Other grants	-	-	-	2,652
	<hr/>	<hr/>	<hr/>	<hr/>
	-	8,796	8,796	37,552
	<hr/>	<hr/>	<hr/>	<hr/>

4 Return from UK investments

	Value 2005 £	Value 2004 £	Income 2005 £	Income 2004 £
UK quoted investments	5,849	5,012	197	191
	<hr/>	<hr/>	<hr/>	<hr/>

5 Interest receivable

	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Bank interest	16,746	-	16,746	12,294
	<hr/>	<hr/>	<hr/>	<hr/>

6 Other income

	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
DLA outings	11,254	-	11,254	26,060
Meal charges	118	-	118	433
Other income	15,562	-	15,562	698
Insurance claims	4,105	-	4,105	-
Wayleaves received	-	-	-	29
	<hr/>	<hr/>	<hr/>	<hr/>
	31,039	-	31,039	27,220
	<hr/>	<hr/>	<hr/>	<hr/>

7 Fundraising and publicity

	Unrestricted Funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Appeal costs	2,047	-	2,047	4,648
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

8 Charitable expenditure – Provision of care

	Unrestricted Funds	Restricted funds	Total funds 2005	Total funds 2004
	£	£	£	£
Salaries and wages	1,009,427	-	1,009,427	801,001
Pension contributions	11,517	-	11,517	24,975
Catering	191,209	-	191,209	185,447
Light and heat	35,969	-	35,969	25,533
Cleaning and waste disposal	22,628	-	22,628	13,167
Welfare	5,487	-	5,487	-
Rent, rates, water charges and council tax	12,929	-	12,929	9,327
Medical fees	718	-	718	-
Resident activities	4,186	-	4,186	3,259
Telephone	6,369	-	6,369	8,512
Insurance	22,225	-	22,225	17,487
Equipment hire	2,377	-	2,377	7,209
Medical aids	2,210	-	2,210	5,522
	<u>1,327,251</u>	<u>-</u>	<u>1,327,251</u>	<u>1,101,439</u>

9 Charitable expenditure – Support costs

	Unrestricted Funds	Restricted funds	Total funds 2005	Total funds 2004
	£	£	£	£
Motor and travel	20,916	-	20,916	15,506
Training and recruitment	11,496	8,796	20,292	10,158
Subscriptions and journals	531	-	531	3,762
Registration fees	3,960	-	3,960	-
Repairs and maintenance	72,940	-	72,940	46,150
	<u>109,843</u>	<u>8,796</u>	<u>118,639</u>	<u>75,576</u>

10 Charitable expenditure – Management and administration

	Unrestricted Funds	Restricted funds	Total funds 2005	Total funds 2004
	£	£	£	£
Audit fees	5,122	-	5,122	3,552
Management fees	59,511	-	59,511	29,562
Legal and professional fees	436	-	436	4,679
Sundry expenses	23,863	-	23,863	86,136
Postage and stationery	6,209	-	6,209	12,559
Depreciation	27,352	1,274	28,626	20,588
Bad debts	25,010	-	25,010	-
	<u>147,503</u>	<u>1,274</u>	<u>148,777</u>	<u>157,076</u>

Notes (continued)

11 Charitable expenditure – Finance costs

	Unrestricted funds £	Restricted funds £	Total funds 2005 £	Total funds 2004 £
Bank interest	13	-	13	807
Bank charges	1,132	-	1,132	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,145	-	1,145	807
	<hr/>	<hr/>	<hr/>	<hr/>

12 Staff numbers and costs

The average number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	2005	2004
Provision of care	50	50
Administration	5	4
	<hr/>	<hr/>
	55	54
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2005 £	2004 £
Wages and salaries	787,698	820,058
Social security costs	54,384	47,741
Other pension costs	31,788	25,081
	<hr/>	<hr/>
	873,870	892,880
	<hr/>	<hr/>

13 Remuneration of Trustees

The trustees received no remuneration during the year (2004: £nil). Trustees were reimbursed expenses totalling £nil (2004: £1,518) in respect of travelling expenses.

Notes (continued)

14 Net incoming resources for the year

	2005 £	2004 £
<i>Net incoming resources is stated after charging</i>		
Auditors' remuneration:		
Audit	5,122	3,552
Depreciation and other amounts written off tangible fixed assets:		
Owned	28,626	20,498
Hire of other assets - operating leases	2,377	7,209
	<u> </u>	<u> </u>

15 Taxation

The company is registered as a charity and its income is applied solely for charitable purposes. As a result, it is entitled to rely upon the relevant taxation exemptions and reliefs as set out in the Income and Corporation Taxes Act 1988 for its charitable activities.

16 Tangible fixed assets

	Freehold property £	Property improvements £	Fixtures and fittings £	Motor Vehicles £	Total £
Cost					
At beginning of year	532,164	33,670	190,566	55,246	811,646
Additions	-	4,034	21,370	10,000	35,404
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At end of year	532,164	37,704	211,936	65,246	847,050
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation					
At beginning of year	167,871	2,397	169,298	40,381	379,947
Charge for year	10,637	809	9,546	7,634	28,626
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At end of year	178,508	3,206	178,844	48,015	408,573
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value					
At 31 May 2005	353,656	34,498	33,092	17,231	438,477
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 May 2004	364,293	31,273	21,268	14,865	431,699
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Notes (continued)

17 Investments

	2005 £	2004 £
<i>Shares</i>		
Valuation at beginning of year	5,012	4,351
Additions	197	182
Disposals	-	(224)
Net gains on revaluation	640	703
	<hr/>	<hr/>
Market value at end of year	5,849	5,012
	<hr/>	<hr/>
Historic cost at end of year	2,927	2,725
	<hr/>	<hr/>

18 Stocks

	2005 £	2004 £
Consumables	6,368	4,256
	<hr/>	<hr/>

19 Debtors

	2005 £	2004 £
Trade debtors	23,806	56,012
Prepayments and accrued income	65,668	6,988
	<hr/>	<hr/>
	89,474	63,000
	<hr/>	<hr/>

20 Creditors: amounts falling due within one year

	2005 £	2004 £
Trade creditors	28,646	61,225
Amounts owed to group undertakings	32,066	-
Taxation and social security	-	12,883
Accruals and deferred income	83,280	33,688
	<hr/>	<hr/>
	143,992	107,796
	<hr/>	<hr/>

Notes (continued)

21 Designated funds

	Balance at 1 April 2004 £	Utilised / released £	Balance at 31 May 2005 £
Capital reserve	364,294	(10,637)	353,657
Property maintenance fund	35,000	-	35,000
	<hr/>	<hr/>	<hr/>
	399,294	(10,637)	388,657
	<hr/>	<hr/>	<hr/>

22 Restricted funds

	Balance at 1 April 2004 £	Incoming £	Outgoing / transfers £	Balance at 31 May 2005 £
New building project	142,644	30	-	142,674
Minibus fund	19,070	-	(1,274)	17,796
	<hr/>	<hr/>	<hr/>	<hr/>
	161,714	30	(1,274)	160,470
	<hr/>	<hr/>	<hr/>	<hr/>

The new building project is a restricted fund in respect of donations made specifically for the purpose of constructing new buildings. During the year £4,034 (2004: £24,515) was spent on property improvements at Selbourne Court. The net book value of these improvements is shown in fixed assets.

The minibus fund is a restricted fund in respect of raising funds to purchase replacement minibuses.

23 Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Other net assets £	Total £
New building project	27,912	-	114,762	142,674
Minibus fund	5,890	-	11,906	17,796
	<hr/>	<hr/>	<hr/>	<hr/>
Unrestricted funds	33,802	-	126,668	160,470
	404,675	5,849	124,353	534,877
	<hr/>	<hr/>	<hr/>	<hr/>
	438,477	5,849	251,021	695,347
	<hr/>	<hr/>	<hr/>	<hr/>

Notes (continued)

24 Commitments

Capital commitments at the end of the financial year for which no provision has been made, are as follows:

	2005 £	2004 £
Authorised but not contracted	<u>53,804</u>	<u>-</u>

Annual commitments under non-cancellable operating leases are as follows:

	2005 Other £	2004 Other £
Operating leases which expire:		
Within one year	-	-
In the second to fifth years inclusive	938	938
Over five years	-	-
	<u>938</u>	<u>938</u>

25 Pension scheme

The Hamilton Lodge Trust participates in a defined benefit scheme operated by Essex County Council. The contributions are determined by independent qualified actuaries, on the basis of triennial valuations.

Although the Fund is a defined benefit scheme, because Hamilton Lodge Trust, as a Small Admission Body, is grouped together with other similar employers, it is not possible to separately identify its share of the underlying assets and liabilities and it is therefore accounted for as a defined contribution scheme.

Pension contributions charged during the year amounted to £3,969

These financial statements reflect the contributions set by the 2001 valuation. In 2004/05 the ongoing contribution rate for Hamilton Lodge Trust was 172% of the employees' contribution. The value of the scheme's assets at 31 March 2001 was sufficient to cover 88.6% of the benefits that had accrued to members. On the basis of the 2001 valuation, the deficiency was to be eliminated over the average service life of members of 12 years. A sum of £2,479.20 was paid by Hamilton Lodge Trust in 2004/05 towards this deficiency. The main actuarial assumptions used in the 2001 valuation are shown in the table below.

The most recent valuation took place at 31 March 2004 and has specified the employer rates applicable for the three years from 1 April 2005. The ongoing contribution rate for Hamilton Lodge Trust will be 178% of the employees' contribution. The value of the scheme's assets at 31 March 2004 was sufficient to cover 71.4% of the benefits that had accrued to members. For Hamilton Lodge Trust, as a Small Admission Body, the 2004 valuation deficiency should be eliminated over the average service life of members of 11 years. A sum of £8,939.87 will be payable by Hamilton Lodge Trust in 2005/2006 towards this deficiency.

Any payments by the employer to meet unfunded benefits which are recharged to the employer, and contributions towards the cost of any non-ill-health early retirements, are in addition to the above.

Notes (continued)

25 Pension Scheme (continued)

The main actuarial assumptions used in the 2004 valuation are set out below (2001 Valuation assumptions shown in brackets)

	Past Service		Future Service	
Investment return				
- pre retirement	7.1%pa	(6.75%pa)	6.5%pa	(6.75%pa)
- post retirement	5.6%pa	(5.9%pa)	6.5%pa	(5.9%pa)
Pensionable pay increases	4.3%pa	(4.25%pa)	4.0%pa	(4.25%pa)
Pension increases	2.8%pa	(2.5%pa)	2.5%pa	(2.5%pa)

As at the 2004 Valuation, the market value of the Fund's assets was £1,916m and the value of the liabilities was £2,683m. The past service deficiency was £767m. The proportion of the Fund held in the major asset classes is shown below.

Fund assets	Proportion 31 March 2004
Equities	74.4%
Fixed gilts (UK)	11.5%
Index linked	6.8%
Property	4.8%
Cash	2.5%

26 Related party disclosures

As all of the members of Hamilton Lodge Trust Limited are the same as those of The Disabilities Trust, the company has taken advantage of the exemptions contained in Financial Reporting Standard 8 and has therefore not disclosed transactions on balances with entities which form part of the group.

27 Ultimate parent undertaking

The Trust became a subsidiary of The Disabilities Trust (DT) on 1 April 2004 when the Trustees of DT became the Trustees and only members of the Trust.

The largest, and only, group in which the results of the Trust are consolidated is that headed by The Disabilities Trust, registered in England and Wales which is the ultimate parent undertaking.

The consolidated accounts for the group are available from Head Office, First Floor, 32 Market Place, Burgess Hill, West Sussex, RH15 9NP.