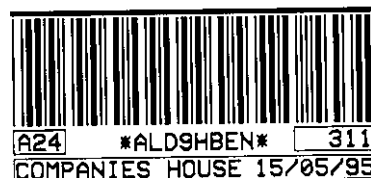


Company Registration Number : 575567

THE COMMUNITY OF THE EPIPHANY
TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

GOVERNORS' REPORT AND ACCOUNTS

31ST DECEMBER, 1994



THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Governors' Report

The Governors present their annual report and the audited accounts for the year ended 31st December, 1994.

Principal activities

The principal activities of the Association consist of the advancement of the Christian religion which is recognised in the Church of England and the promotion of its practice, the relief of those who are poor or sick, the advancement of education, the reform of those who shall have led or be in danger of leading immoral lives and the undertaking of any other project which is charitable according to the laws of England.

Business review

A summary of the year's income and expenditure account is given on page 4 of the accounts.

Governors

The governors who served during the year were:

C M Cross (died July, 1994)
E R Hutt
A Wood (Chairman)
M T Ball
M S Byrom
P J Dexter
A F M Colyer
K Wellington
E O'Neill

For Companies Act purposes the governors constitute directors of the company.

Auditors

On 31st December, 1994, KPMG Peat Marwick resigned as auditors of the Association and Winter Rule were appointed in their place.

In accordance with Section 385 of the Companies Act 1985, a resolution for the re-appointment of Winter Rule as auditors of the Association, is to be proposed at the forthcoming Annual General Meeting.

BY ORDER OF THE BOARD OF GOVERNORS

A Wood

The Venerable A Wood

Copeland Court
Kenwyn
TRURO

Date: 11th May, 1995

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Statement of Directors' Responsibilities

Company law requires the governors 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 of the company for that year. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable accounting standards 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 governors 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 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.

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Auditors' Report to the Members of
The Community of the Epiphany Trust Association Limited
(Limited by Guarantee)

We have audited the financial statements on page 4 to 9.

Respective responsibilities of governors and auditors

As described on page 2 the company's governors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of opinion

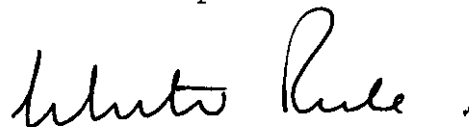
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the governors 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 company at 31st December, 1994 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Lowin House
Tregolls Road
TRURO



WINTER RULE
Chartered Accountants
& Registered Auditors

Date: 11th May, 1995

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Income and Expenditure Account

For the Year Ended 31st December, 1994

	1994 £	1993 £
Operating Income		
Income from fixed asset investments	65,765	65,883
Other interest receivable	2,437	3,853
Sisters' payments	200	200
Profit on disposal of investments	-	8,716
	-----	-----
	68,402	78,652
Operating Charges		
Grants payable to the Community of the Epiphany Mother House	(81,176)	(76,921)
Loss on disposal of investments	(6,072)	-
	-----	-----
(Deficit)/Surplus for the Financial Year	(18,846)	1,731
	=====	=====
Statement of Retained Surplus:		
Balance at 1st January, 1994	647,672	582,745
(Deficit)/Surplus for the financial year	(18,846)	1,731
Transfer from revaluation reserve	50,768	63,196
	-----	-----
Balance at 31st December, 1994	679,594	647,672
	=====	=====

There were no acquisitions or discontinued operations within the company during 1993 and 1994.

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Balance Sheet

As at 31st December, 1994

	Note	£	1994	£	1993	£
Fixed Assets						
Tangible assets	3		830,000		830,000	
Investments	4		1,035,988		1,242,875	
			-----		-----	
			1,865,988		2,072,875	
Current Assets						
Debtors	5	6,788		7,474		
Cash at bank and in hand	6	78,556		59,091		
		-----		-----		
		85,344		66,565		
Creditors: amounts falling due within one years	7	2,000		2,000		
		-----		-----		
Net Current Assets			83,344		64,565	
			-----		-----	
Net Assets			1,949,332		2,137,440	
			=====		=====	
Reserves						
	8					
Permanent endowment fund			552,833		552,833	
Revaluation reserve			686,690		907,016	
Fabric fund			30,215		29,919	
Income fund			679,594		647,672	
			-----		-----	
			1,949,332		2,137,440	
			=====		=====	

These accounts were approved by the Board of Governors on 11th May, 1995 and were signed on its behalf by:

A Wood

The Venerable A Wood

GOVERNOR

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Statement of Total Recognised Gains and Losses
For the Year Ended 31st December, 1994

	1994	1993
	£	£
(Deficit)/surplus for the financial year	(18,846)	1,731
Unrealised (deficit)/surplus on revaluation of investments	(169,558)	184,296
Fabric fund surplus	296	775
	-----	-----
Total recognised gains and losses relating to the financial year	(188,108)	186,802
	=====	=====

Note of Historical Cost Surplus
For the Year Ended 31st December, 1994

	1994	1993
	£	£
Reported (deficit)/surplus for the financial year	(18,846)	1,731
Realisation of investment gains of previous years	50,768	63,196
	-----	-----
Historical cost surplus for the financial year	31,922	64,927
	=====	=====

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Notes to the Accounts

1. **Constitution**

The Association is constituted as a company limited by guarantee under the Companies Act 1948. In the event of winding up, eight registered members are liable to contribute a sum not exceeding £1 per member towards the debts and liabilities of the Association and the costs, charges and expenses of winding up.

2. **Principal accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Association's accounts.

Basis of accounting

The accounts have been prepared under the historical cost convention as modified by the revaluation of tangible fixed assets and investments.

Tangible fixed assets

Tangible fixed assets are stated at 1992 valuation.

Investments

Investments are stated at market valuation.

Investment income

No account is taken of dividends and interest accrued in 1994 but not received until 1995.

Cash flow statement

As the company qualifies as a small company under S247 of the Companies Act 1985, it is exempt from the requirement to prepare a cash flow statement.

3. **Tangible fixed assets**

	<u>Freehold Property</u> £	<u>Fixtures Fittings & Equipment</u> £	<u>Total</u> £
Valuation:			
At 31st December, 1994 and 1993	750,000 =====	80,000 =====	830,000 =====

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Notes to the Accounts (continued)

3. **Tangible Fixed Assets (continued)**

Tangible fixed assets were revalued in 1992. The convent is stated at depreciated replacement value. Other freehold land and buildings and fixtures, fittings and equipment are stated at market value.

The historical cost of freehold land and buildings at 31st December, 1994 is £284,954 (1993: £284,954).

It is not possible to ascertain from the company's records the historical cost of fixtures, fittings and equipment.

4. **Investments**

	<u>Listed</u> £	<u>Unlisted</u> £	<u>Total</u> £
Valuation:			
At 1st January, 1994	1,240,875	2,000	1,242,875
Additions	101,707	-	101,707
Disposals	(139,036)	-	(139,036)
Deficit on revaluation in year	(169,558)	-	(169,558)
	-----	-----	-----
At 31st December, 1994	1,033,988	2,000	1,035,988
	=====	=====	=====

The historical cost of investments at 31st December, 1994 is £879,742 (1993: £866,303).

5. **Debtors**

	<u>1994</u> £	<u>1993</u> £
Income tax recoverable	6,788	7,474
	=====	=====

6. **Cash at Bank and in Hand**

	<u>1994</u> £	<u>1993</u> £
Central Board of Finance of the Church of England	42,872	54,775
Quilter Goodison Company Limited	33,765	2,508
Barclays Bank plc	1,919	1,808
	-----	-----
	78,556	59,091
	=====	=====

THE COMMUNITY OF THE EPIPHANY TRUST ASSOCIATION LIMITED
(LIMITED BY GUARANTEE)

Notes to the Accounts (continued)

7. Creditors: Amounts Falling Due Within One Year

	<u>1994</u>	<u>1993</u>
	£	£
Other creditors	2,000	2,000
	=====	=====

8. Reconciliation and Analysis of Movements on the Funds

	<u>Permanent</u> <u>Endowment</u> <u>Fund</u>	<u>Revaluation</u> <u>Reserve</u>	<u>Fabric</u> <u>Fund</u>	<u>Income</u> <u>Fund</u>	<u>Total</u>
	£	£	£	£	£
At 1st January, 1994	552,833	907,016	29,919	647,672	2,137,440
Income for year			296	68,402	68,698
Expenditure in year				(87,248)	(87,248)
Transfer of realised gains		(50,768)		50,768	-
Revaluation of investments		(169,558)			(169,558)
	-----	-----	-----	-----	-----
At 31st December, 1994	552,833	686,690	30,215	679,594	1,949,332
	=====	=====	=====	=====	=====

Represented by:

	<u>Permanent</u> <u>Endowment</u> <u>Fund</u>	<u>Revaluation</u> <u>Reserve</u>	<u>Fabric</u> <u>Fund</u>	<u>Income</u> <u>Fund</u>	<u>Total</u>
	£	£	£	£	£
Fixed assets	284,954	532,444		12,602	830,000
Investments	267,879	154,246		613,863	1,035,998
Debtors				6,788	6,788
Cash			30,215	48,341	78,556
Creditors				(2,000)	(2,000)
	-----	-----	-----	-----	-----
	552,833	686,690	30,215	679,594	1,949,332
	=====	=====	=====	=====	=====