

# **Report and Accounts**

**YEAR ENDED 31 MARCH 1997**



# MacIntyre Care

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Company No. 894054

Registered Charity No. 250840

## **DIRECTORS**

Gordon Owen CBE (Chairman)

Edward Lea FCA

Nikki Shale

Margaret Smith

Roger Smith

## **SECRETARY**

Rae Levene

## **AUDITORS**

Ernst & Young

400 Capability Green

Luton

Bedfordshire

LU1 3LU

## **BANKERS**

Midland Bank Plc

115 High Street

Bedford

Bedfordshire

MK40 1NL

## **SOLICITORS**

Park Woodfine

1 Lurke Street

Bedford

Bedfordshire

MK40 3TN

## **REGISTERED OFFICE**

602 South Seventh Street

Central Milton Keynes

Buckinghamshire

MK9 2JA

## DIRECTORS' REPORT

The directors' submit the report and accounts for the year ended 31 March 1997.

### MEMBERS OF THE BOARD

The following were directors of the company during the period:

Gordon Owen CBE	(Chairman)
Edward Lea FCA	
Nikki Shale	
Margaret Smith	
Norman Warner	Resigned 5/5/97
Graham Cranmer	Resigned 19/9/96
Roger Smith	

The directors are members of the company under paragraph 6 of the Memorandum of Association dated 15 December 1966. All members are liable to contribute up to £5 each towards the debts of the company in the event of it being wound up.

The directors retire by rotation at the Annual General Meeting in accordance with paragraphs 37 and 38 of the Articles of Association. Those retiring by rotation are:

Nikki Shale  
Margaret Smith

The aforementioned directors being eligible offer themselves for re-election.

### OBJECTS OF THE CHARITY

The main activities of the company are to provide good quality services for children and adults whose primary need is due to a learning disability. These objectives include; the provision of residential care and day services, the provision of residential special schools, the provision of employment training and the provision of domiciliary and home care support services. For the furtherance of its objectives the company seeks to work with The MacIntyre Charitable Trust and The MacIntyre Housing Association. These organisations can be contacted at the registered office of the company.

### AFFILIATIONS

The company is a member of the National Council for Voluntary Organisations, Voluntary Organisations for Disability Group, The Council for Disabled Children and Association for Residential Care.

### PROJECTS AND DEVELOPMENTS

We are greatly indebted to the many people who support our work and who promote and assist the company in many ways.

During the year ended March 1997 the directors were pleased to welcome to the company the new services developed at 1-4 Crosby Close, St Albans; Anvil Close, Wandsworth; Rowan Close, Cottage Farm, Dryad Spinney and new Day Support Services, Southampton and T.Potts coffee shop, Wheathampstead.

Over the next 12 months MacIntyre Care will continue to consolidate its core activities while completing two new residential services at Southampton and a further home in Kington, Herefordshire. During the period the directors anticipate the successful reprovision of services at Westoning, Bedfordshire within new accommodation to be provided in Bedfordshire and Milton Keynes.

DIRECTORS' REPORT

**FINANCIAL REVIEW OF THE ACCOUNTING PERIOD**

The results are for the year ended 31 March 1997. The comparative figures are for the 15 month period ended 31 March 1996. The net incoming resources from operations for the year before the donation of £2,449,175 from an associated charity are £435,795.

During the year an associated charity donated three freehold properties with a net book value of £4,284,045. In consideration of this donation MacIntyre Care has accepted a liability for a bank loan of £1,400,000 secured on these properties and has also written off a debt of £434,870 due from the associated charity. The donation will greatly assist MacIntyre Care to further provide services which are in keeping with the objects of the associated charity.

In the previous year the directors set in motion a number of changes to improve the charity's financial performance. The net incoming resources from operations of £435,795 is a substantial improvement over the previous year's deficit of £222,183, which in itself was a marked improvement over the deficit in the year ended 31 December 1994. The management are now charged with the responsibility of sustaining sufficient revenue through fees charged to statutory agencies to meet the company's charitable objects.

**FIXED ASSETS**

Movements on fixed assets are shown in note 9.

**EQUAL OPPORTUNITIES**

MacIntyre Care is an equal opportunities employer and gives equal consideration to all members of society without discrimination. In pursuance of this the company is supportive of the policies and practices set out in the Disability Discrimination Act 1995 and actively promotes the welfare of people with disabilities within the organisation.

Opportunities are offered for staff to develop both personally and professionally and this development is seen as ongoing within the company, with particular attention being paid to the development of widespread promotion of equal opportunities for all staff.

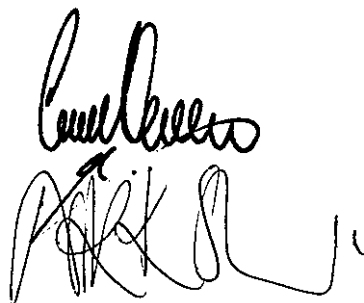
The company is committed to ensure that staff have regular access to varied staff development activities and acknowledges and reinforces the importance of staff training at all levels.

**AUDITORS**

A resolution to reappoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board

Director



10 June 1997

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE  
ACCOUNTS

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and group and of the results of the group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The directors 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 accounts 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.

**REPORT OF THE AUDITORS**  
**to the members of MacIntyre Care**

We have audited the accounts on pages 7 to 21, which have been prepared under the historical cost convention, as modified by the revaluation of certain fixed assets, and on the basis of the accounting policies set out on pages 11 and 12.

**Respective responsibilities of directors and auditors**

As described on page 5 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

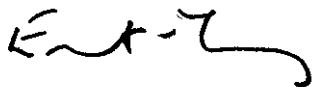
**Basis of opinion**

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 accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 accounts 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 accounts.

**Opinion**

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 31 March 1997 and of the results of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Chartered Accountants  
Registered Auditor  
Luton

11 June 1997

# MacIntyre Care

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 1997

	<i>Note</i>	<i>Un- restricted funds £</i>	<i>Restricted funds £</i>	<i>12 months Total 1997 £</i>	<i>15 months Total 1996 £</i>
<b>INCOME AND EXPENDITURE</b>					
<b>INCOMING RESOURCES</b>					
Donations and grants		34,447	17,668	52,115	180,619
Fees		17,637,539	-	17,637,539	20,103,680
Interest receivable		2,690	-	2,690	-
Trading activities		284,109	-	284,109	927,957
Other income		85,752	-	85,752	61,727
Assets donated from associated charity		2,449,175	-	2,449,175	-
<b>TOTAL INCOMING RESOURCES</b>	<b>2</b>	<b>20,493,712</b>	<b>17,668</b>	<b>20,511,380</b>	<b>21,273,983</b>
<b>RESOURCES EXPENDED</b>					
Direct charitable expenditure:					
Care services		16,247,392	15,989	16,263,381	19,108,780
Support costs		764,578	-	764,578	990,914
Assets donated to associated charity		-	-	-	3,402,400
Other expenditure:					
Fund raising and publicity		-	-	-	54,965
Management and administration		304,765	-	304,765	470,391
Cost of trading activities		204,620	-	204,620	661,041
Interest payable	<b>7</b>	87,387	-	87,387	210,075
<b>TOTAL RESOURCES EXPENDED</b>		<b>17,608,742</b>	<b>15,989</b>	<b>17,624,731</b>	<b>24,898,566</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>2,884,970</b>	<b>1,679</b>	<b>2,886,649</b>	<b>(3,624,583)</b>
<b>FUND BALANCES BROUGHT FORWARD</b>		<b>(1,311,227)</b>	<b>82,152</b>	<b>(1,229,075)</b>	<b>2,395,508</b>
<b>FUND BALANCES CARRIED FORWARD</b>		<b>1,573,743</b>	<b>83,831</b>	<b>1,657,574</b>	<b>(1,229,075)</b>
<b>HISTORICAL COST OUTGOING RESOURCES</b>					
Reported net incoming/(outgoing) resources				2,886,649	(3,624,583)
Realisation of prior year property revaluation				-	1,919,714
<b>HISTORICAL COST NET INCOMING/ OUTGOING RESOURCES</b>				<b>2,886,649</b>	<b>(1,704,869)</b>

There are no other recognised gains or losses in the period other than those noted above.

# MacIntyre Care

## CONSOLIDATED BALANCE SHEET at 31 March 1997

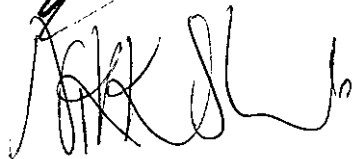
	Notes	1997 £	1996 £
<b>FIXED ASSETS</b>			
Tangible assets	9	5,952,669	2,148,535
<b>CURRENT ASSETS</b>			
Stocks	11	31,455	36,539
Debtors	12	2,541,547	2,974,717
Cash at bank and in hand		107,501	18,442
		<u>2,680,503</u>	<u>3,029,698</u>
<b>CREDITORS: amounts falling due within one year</b>	13	5,409,598	5,841,332
<b>NET CURRENT LIABILITIES</b>		<u>(2,729,095)</u>	<u>(2,811,634)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,223,574</u>	<u>(663,099)</u>
<b>CREDITORS: amounts falling due after one year</b>	14	1,566,000	565,976
<b>NET ASSETS/(LIABILITIES)</b>		<u>1,657,574</u>	<u>(1,229,075)</u>
<b>RESERVES</b>			
Restricted funds		83,831	82,152
Unrestricted funds:			
General reserve		1,573,743	(1,311,227)
<b>TOTAL NON-EQUITY FUNDS</b>	17	<u>1,657,574</u>	<u>(1,229,075)</u>

These accounts were approved by the Board on 10 June 1997.

Director



Director



10 June 1997



# MacIntyre Care

## COMPANY BALANCE SHEET at 31 March 1997

	Notes	1997 £	1996 £
<b>FIXED ASSETS</b>			
Tangible assets	9	5,952,699	2,148,535
<b>INVESTMENT IN SUBSIDIARIES</b>	10	99	101
		<u>5,952,768</u>	<u>2,148,636</u>
<b>CURRENT ASSETS</b>			
Stocks	11	31,455	36,539
Debtors	12	2,541,547	2,974,217
Cash at bank and in hand		106,532	16,417
		<u>2,679,534</u>	<u>3,027,173</u>
<b>CREDITORS: amounts falling due within one year</b>	13	5,409,598	5,841,132
<b>NET CURRENT LIABILITIES</b>		<u>(2,730,064)</u>	<u>(2,813,959)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>3,222,704</u>	<u>(665,323)</u>
<b>CREDITORS: amounts falling due after one year</b>	14	1,566,000	565,976
<b>NET ASSETS/(LIABILITIES)</b>		<u>1,656,704</u>	<u>(1,231,299)</u>
<b>RESERVES</b>			
Restricted funds		83,831	82,152
Unrestricted funds:			
General reserve		1,572,873	(1,313,451)
<b>TOTAL NON-EQUITY FUNDS</b>	17	<u>1,656,704</u>	<u>(1,231,299)</u>

These accounts were approved by the Board on

Director



Director



10 June 1997

# MacIntyre Care

## CONSOLIDATED CASHFLOW STATEMENT for the year ended 31 March 1997

	<i>Note</i>	<i>1997</i> £	<i>1996</i> £
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	3a	73,125	570,140
<b>RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>			
Interest received		2,690	—
Hire purchase interest paid		(23,555)	(38,068)
Other interest paid		(63,832)	(172,007)
<b>NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE</b>		(84,697)	(210,075)
<b>CAPITAL EXPENDITURE</b>			
Purchase of fixed assets		—	(374,337)
Sale of fixed assets		25,322	125,553
<b>NET CASH INFLOW FROM CAPITAL EXPENDITURE</b>		25,322	(248,784)
<b>NET CASH INFLOW BEFORE FINANCING</b>		13,750	111,281
<b>FINANCING</b>			
Proceeds from borrowings	15b	—	1,177,850
Repayment of borrowings	15b	(114,149)	(55,440)
Capital element of finance lease repayments	16	(175,709)	(284,165)
<b>NET CASH (OUTFLOW)/INFLOW FROM FINANCING</b>		(289,858)	838,245
<b>(DECREASE)/INCREASE IN CASH</b>	21	(276,108)	949,526

NOTES TO THE ACCOUNTS  
at 31 March 1997

**1 ACCOUNTING POLICIES**

***Basis of preparation***

The accounts are drawn up in accordance with applicable accounting standards, in addition to Statement of Recommended Practice "Accounting by Charities" issued in October 1995.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain freehold and leasehold properties.

The comparative figures are for a 15 month period ended 31 March 1996.

***Basis of consolidation***

The consolidated accounts include the parent company and its subsidiaries after exclusion of intercompany balances and transactions.

As permitted by S230 of the Companies Act 1985, a separate revenue account for the company has not been included in the accounts.

***Income recognition***

General donations and grants are credited to revenue when they are receivable. Donations in kind are valued by the directors at estimated market value and included in donations when receivable.

All donations and grants which are received subject to specific conditions imposed by the donor are recorded as Restricted Funds and shown as such on the Balance Sheet. Expenditure is allocated against these funds as it is incurred.

Donations and grants received for specific capital projects are held on the balance sheet until the related expenditure has been incurred when they are recognised as income. Amounts relating to fixed asset purchases are held within restricted funds and amortised in line with the depreciation of the related fixed asset.

***Fixed assets***

Equipment and furnishings are capitalised at inception of a service and depreciated in accordance with the rates below. The cost of replacements is written off during the period the expenditure is incurred.

***Depreciation***

Depreciation is provided on all tangible fixed assets at rates calculated to write off each asset evenly over its expected useful life as follows:

Freehold buildings	-	2% per annum
Leasehold buildings	-	period of the lease
Equipment and furnishings	-	15% per annum
Motor vehicles	-	25% per annum

NOTES TO THE ACCOUNTS  
at 31 March 1997

**1 ACCOUNTING POLICIES (continued)**

**Stocks**

Stocks are stated at the lower of cost and net realisable value. Costs include all costs incurred to bring the goods to their present location and condition at balance sheet date. Net realisable value represents anticipated selling price less any further costs expected to be incurred to disposal.

**Leasing and hire purchase contracts**

Assets acquired under finance lease agreements or hire purchase agreements are capitalised and liabilities are set up for the capital portions of the instalments. The interest portions of the instalments are charged to the profit and loss account to represent a constant proportion of the balance of capital repayments outstanding.

Rentals on operating leases are charged to revenue on a straight line basis.

**Pensions**

The company operates a defined contribution pension scheme for its employees. Contributions to this scheme are charged to revenue as they fall due. The company has no potential liability other than for the payment of those instalments.

**2 INCOMING RESOURCES**

Fees represent amounts invoiced to local authorities and health authorities in respect of the provision of care services, provided in the United Kingdom, and income from the Department of Social Security. Trading income, which is stated net of VAT, relates to the sales of goods and other services.

Income is all attributable to the continuing activities of the company, in accordance with its objects.

**3 NET OUTGOING RESOURCES**

(a) Reconciliation of net outgoing resources for the year to net cash inflow from operating activities:

	1997 £	1996 £
Net incoming/(outgoing) resources before interest	2,971,346	(3,414,508)
Assets donated to associated charity	-	3,402,400
Assets donated from associated charity	(2,449,175)	-
Depreciation	440,343	540,826
Loss on disposal of fixed assets	14,246	163,337
Decrease in stocks	5,084	67,285
(Increase) in debtors	(1,700)	(1,195,539)
(Decrease)/Increase in creditors	(907,019)	1,006,339
Net cash inflow from operating activities	73,125	570,140

## NOTES TO THE ACCOUNTS

at 31 March 1997

**3 NET OUTGOING RESOURCES (continued)**

(b) This is stated after charging:

	1997	1996
	£	£
Depreciation and amortisation of owned fixed assets	369,139	324,909
Depreciation of assets held under hire purchase agreements	71,204	215,917
Operating lease rentals - equipment and vehicles	420,311	409,846
- land and buildings	656,013	599,004
Auditors remuneration - audit	26,438	32,500
- other financial services	18,462	25,000

**4. RECONCILIATION OF NET CASHFLOW TO MOVEMENT IN NET DEBT**

	1997
	£
Decrease in cash in the period	(276,108)
Cash inflow from loan transferred from associated charity	(1,400,000)
Cash repayments of loans	114,149
Finance lease repayments	175,709
Movement in net debt in the period	(1,386,250)
Net debt as at 1 April 1997	(1,234,406)
Net debt as at 31 March 1997	(2,620,656)

**ANALYSIS OF CHANGES IN NET DEBT**

	At 1 April 1996	Cashflows	At 31 March 1997
	£	£	£
Cash in hand, at bank	18,442	89,059	107,501
Overdrafts	(397,163)	(365,167)	(762,330)
Debt due within one year	(114,000)	(175,000)	(289,000)
Debt due after one year	(455,149)	(1,110,851)	(1,566,000)
Finance leases	(286,536)	175,709	(110,827)
	(1,234,406)	(1,386,250)	(2,620,656)

## MacIntyre Care

### NOTES TO THE ACCOUNTS at 31 March 1997

#### 5 EMPLOYEES

The average monthly number of employees during the period was as follows:

	1997 No.	15 months 1996 No.
Office and management	76	94
Teaching, care and maintenance	1,237	932
	<u>1,313</u>	<u>1,026</u>

*Staff costs during the period amounted to:*

	1997 £	15 months 1996 £
Wages and salaries	11,592,705	13,929,930
Social security costs	1,012,625	1,272,703
Other pension costs	178,664	147,613
	<u>12,783,994</u>	<u>15,350,246</u>

#### *Employees emoluments:*

Employees receiving emoluments (including benefits in kind) in excess of £40,000 were as follows:-

	1997 No.	15 months 1996 No.
£40,000 - £50,000	2	-
£50,000 - £60,000	-	2
	<u></u>	<u></u>

#### 6 DIRECTORS' EMOLUMENTS

None of the directors received any remuneration in the current or prior year.

# MacIntyre Care

## NOTES TO THE ACCOUNTS

at 31 March 1997

### 7 INTEREST PAYABLE

	1997 £	15 months 1996 £
On loans and overdrafts repayable:		
Within five years not by instalments	31,292	83,889
After five years by instalments	1,500	-
Hire purchase	23,555	38,068
Other interest	31,040	88,118
	<u>87,387</u>	<u>210,075</u>

### 8 TAXATION

The company is registered as a charity and is therefore not liable to Corporation Tax or Income Tax, and other group companies have sufficient losses brought forward to cover any potential liability in those companies.

### 9 TANGIBLE ASSETS

<i>Group and Company</i>	<i>Freehold land and buildings £</i>	<i>Short term leasehold property £</i>	<i>Motor vehicles £</i>	<i>Equipment and furnishings £</i>	<i>Total £</i>
Cost or valuation:					
At 1 April 1996					
Cost	231,583	393,465	631,369	1,729,336	2,985,753
Additions	4,284,045	-	-	-	4,284,045
Disposals	-	-	(138,895)	-	(138,895)
At 31 March 1997 Cost	<u>4,515,628</u>	<u>393,465</u>	<u>492,474</u>	<u>1,729,336</u>	<u>7,130,903</u>
Depreciation:					
At 1 April 1996	35,408	46,136	324,883	430,791	837,218
Charge for the period	4,632	33,082	143,996	258,633	440,343
Disposals	-	-	(99,327)	-	(99,327)
At 31 March 1997:	<u>40,040</u>	<u>79,218</u>	<u>369,552</u>	<u>689,424</u>	<u>1,178,234</u>
Net book value					
At 31 March 1997	<u>4,475,588</u>	<u>314,247</u>	<u>122,922</u>	<u>1,039,912</u>	<u>5,952,669</u>
At 1 April 1996	<u>196,175</u>	<u>347,329</u>	<u>306,486</u>	<u>1,298,545</u>	<u>2,148,535</u>

Fixed assets include motor vehicles with a net book value of £97,118 (1996: £293,809) held under hire purchase agreements.

# MacIntyre Care

## NOTES TO THE ACCOUNTS

at 31 March 1997

### 10 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

	£
At 1 April 1996 and 31 March 1997	101
Amounts provided at 1 April 1996 and 31 March 1997	(2)
	<u>99</u>

The company is the beneficial owner of 100% of the issued ordinary share capital of the following company:

<i>Subsidiary undertaking</i>	<i>Principal activity</i>
MacIntyre Adventure Limited	Adventure activities for people with disabilities

The company is registered in England and covenants its profits to the company.

MacIntyre Publishing and MacIntyre Marketing are wholly owned dormant subsidiaries of MacIntyre Care. Both of these companies are currently being dissolved.

### 11 STOCKS

*Group and Company*

	1997 £	1996 £
Finished goods and goods for resale	31,455	36,539

### 12 DEBTORS

	1997 £	Group 1996 £	1997 £	Company 1996 £
Trade debtors	2,395,331	2,214,715	2,395,331	2,214,715
Other debtors	33,588	628,944	33,588	628,944
Prepayments and accrued income	112,628	131,058	112,628	130,558
	<u>2,541,547</u>	<u>2,974,717</u>	<u>2,541,547</u>	<u>2,974,217</u>



## NOTES TO THE ACCOUNTS

at 31 March 1997

**13 CREDITORS:** amounts falling due within one year

	<i>1997</i>	<i>Group</i> <i>1996</i>	<i>1997</i>	<i>Company</i> <i>1996</i>
	£	£	£	£
Current instalments due on loans	289,000	114,000	289,000	114,000
Bank overdrafts	762,330	397,163	762,330	397,163
Hire purchase	110,827	175,708	110,827	175,708
Trade creditors	118,420	366,856	118,420	366,856
Other taxes and social security	470,794	1,573,859	470,794	1,573,859
Fees in advance	3,016,492	2,797,005	3,016,492	2,797,005
Other creditors	219,970	250,586	219,970	250,586
Accruals	421,765	166,155	421,765	165,955
	<u>5,409,598</u>	<u>5,841,332</u>	<u>5,409,598</u>	<u>5,841,132</u>

Bank overdrafts are secured by way of charges over the company's book debts together with a floating charge over all other assets of the company.

**14 CREDITORS:** amounts falling due after one year*Group and Company*

	<i>1997</i>	<i>1996</i>
	£	£
Bank loan	1,271,000	35,000
Other loans	295,000	420,149
Hire purchase obligations	-	110,827
	<u>1,566,000</u>	<u>565,976</u>

A bank loan of £35,000 is repayable by quarterly instalments, this bank loan is secured by way of a fixed charge over certain assets. A bank loan of £1,400,000 is repayable by monthly instalments commencing June 1997, this bank loan is secured by way of a fixed charge over certain assets.

Other loans of £195,000 (1996 - £195,149) are only repayable if the properties to which the advances relate cease to be used for providing residential care. In such an event the repayments could be satisfied by the transfer of the related properties. The loans are unsecured and interest free.

# MacIntyre Care

## NOTES TO THE ACCOUNTS at 31 March 1997

### 15 LOANS

#### *Group and company*

#### (a) Analysis of loans

	1997 £	1996 £
Not wholly repayable within five years:		
By instalments	1,400,000	-
Other than by instalments	195,000	195,149
	<u>1,595,000</u>	<u>195,149</u>
Wholly repayable within five years	260,000	374,000
	<u>1,855,000</u>	<u>569,149</u>
Less: amount due within one year	(289,000)	(114,000)
	<u>1,566,000</u>	<u>455,149</u>

	1997 £	1996 £
Amounts falling due:		
within one year, or on demand	289,000	114,000
between one and two years	371,000	139,000
between two and five years	750,000	121,000
over five years	445,000	195,149
	<u>1,855,000</u>	<u>569,149</u>

#### (b) Analysis of changes in group loan financing during the year:

	1997 £	1996 £
At 1 April	569,149	1,399,339
New loans raised	-	1,177,850
Loan repayments made	(114,149)	(55,440)
Transfer to associated charity	-	(1,797,600)
Released on disposal of property	-	(155,000)
Transfer from associated charity	1,400,000	-
	<u>1,855,000</u>	<u>569,149</u>
At 31 March	<u>1,855,000</u>	<u>569,149</u>

# MacIntyre Care

## NOTES TO THE ACCOUNTS

at 31 March 1997

### 16 OBLIGATIONS UNDER FINANCE LEASES AND HIRE PURCHASE CONTRACTS

*Group and company*

	1997 £	1996 £
Amounts payable:		
within one year	118,680	199,264
within two to five years	-	118,680
	<u>118,680</u>	<u>317,944</u>
Less: finance charges allocated to future periods	(7,853)	(31,408)
	<u>110,827</u>	<u>286,536</u>

Analysis of changes in finance leases and hire purchase contracts during the period:

	1997 £	1996 £
At 1 April	286,536	498,027
Inception of leases	-	72,674
Capital element of finance lease repayments	(175,709)	(284,165)
	<u>110,827</u>	<u>286,536</u>

### 17 RECONCILIATION OF MOVEMENT ON RESERVES

*Group*

	Restricted funds £	General reserve £	Revaluation reserve £	Total £
At 31 December 1994	25,919	449,875	1,919,714	2,395,508
Net incoming/(outgoing) resources	56,233	(3,680,816)	-	(3,624,583)
Transfer on disposal	-	1,919,714	(1,919,714)	-
	<u>82,152</u>	<u>(1,311,227)</u>	<u>-</u>	<u>(1,229,075)</u>
At 1 April 1996	82,152	(1,311,227)	-	(1,229,075)
Net incoming resources	1,679	2,884,970	-	2,886,649
	<u>83,831</u>	<u>1,573,743</u>	<u>-</u>	<u>1,657,574</u>

## NOTES TO THE ACCOUNTS

at 31 March 1997

**17 RECONCILIATION OF MOVEMENT ON RESERVES (continued)**

Restricted funds represent the net book value of fixed assets purchased with specific capital grants of £55,382 (1996: £56,233) together with unspent restricted donations of £28,449 (1996: £25,919) held as current assets. Restricted funds relating to fixed assets are released over the life of the assets to match depreciation charged.

*Company*

	<i>Restricted funds £</i>	<i>General reserve £</i>	<i>Revaluation reserve £</i>	<i>Total £</i>
At 31 December 1994	25,919	446,673	1,919,714	2,392,306
Net incoming/(outgoing) resources	56,233	(3,679,838)	-	(3,623,605)
Transfer on disposal	-	1,919,714	(1,919,714)	-
At 1 April 1996	82,152	(1,313,451)	-	(1,231,299)
Net incoming resources	1,679	2,886,324	-	2,888,003
At 31 March 1997	83,831	1,572,873	-	1,656,704

The company's Memorandum of Association specifies that upon dissolution of the company any surplus assets should not be distributed to the members but transferred instead to a similar charitable institution. All funds therefore represent non-equity interests.

**18 PENSIONS**

The company operates a defined contribution pension scheme for its employees. The total pension cost for the company in the period was £178,664 (1996: £147,613). Outstanding contributions at the year end amounted to £8,722 (1996: £155,165). The company also had a loan outstanding to the pension scheme of £75,000. The loan is repayable in equal monthly instalments of £12,500 commencing April 1997.

**19 CAPITAL COMMITMENTS**

There were no authorised capital commitments outstanding at the balance sheet date (1996: £Nil).

NOTES TO THE ACCOUNTS

at 31 March 1997

**20 OPERATING LEASE COMMITMENTS**

At 31 March 1997 the group has the following annual commitments under non-cancellable operating leases:

	<i>Land and buildings</i>			<i>Other</i>
	<i>1997</i>	<i>1996</i>	<i>1997</i>	<i>1996</i>
	£	£	£	£
Operating leases which expire:				
within one year	-	43,900	19,034	23,875
within two to five years	52,518	41,738	352,995	292,365
after more than five years	454,792	575,300	-	-
	<u>507,310</u>	<u>660,938</u>	<u>372,029</u>	<u>316,240</u>

**21 MOVEMENTS IN CASH AND CASH EQUIVALENTS**

	<i>1997</i>	<i>Change in year</i>	<i>1996</i>	<i>Change in period</i>	<i>1994</i>
	£	£	£	£	£
Cash at bank and in hand	107,501	89,059	18,442	(210,963)	229,405
Bank overdrafts	(762,330)	(365,167)	(397,163)	1,160,489	(1,557,652)
	<u>(654,829)</u>	<u>(276,108)</u>	<u>(378,721)</u>	<u>949,526</u>	<u>(1,328,247)</u>

**22 RELATED PARTY TRANSACTION**

During the year an associated charity donated three properties with a net book value of £4,284,045. In consideration for this donation MacIntyre Care accepted liability for a bank loan of £1,400,000 and has written off a debt of £434,870 due from the associated charity.