

"SUSSEX TIKVAH"
A COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2003



"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

Company Information

Company Number	1699597
Charity registration number	286802
Principal office	17 Varndean Gardens BRIGHTON BN1 6WJ
Trustees	Peter Jacques Senker Jacqueline Senker Jack Mazzier Gwendoline Fletcher Hans Albrecht Barbara Blume Lynda Weinberg Jennifer Priestman Catherine Senker Arthur Oppenheimer
Reporting Accountants	Gibson Appleby Chartered Accountants Blenheim House 120 Church Street BRIGHTON BN1 1AU
Bankers	HSBC Ditchling Road BRIGHTON
Solicitors	Martyn M Cooperman Wynne Baxter Godfree 28-29 Old Steine BRIGHTON BN1 1GF

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

DIRECTORS AND TRUSTEES REPORT

The Directors, who are also the trustees, present their Report and the financial statements of the Company for the year ended 31st March 2003.

PRINCIPAL ACTIVITIES

The company is a Registered Charity which is governed by the memorandum and articles. Its principal activity is to provide for the education, treatment and care of mentally handicapped children and adults. During the year the company has operated a care home (Rachel Mazzier House) for the welfare of suitable residents.

INVESTMENT POWERS

The memorandum and articles states that the charity can invest the monies of the charity not immediately required for its purposes, in or upon such investments, securities or property as may be thought fit, subject nevertheless, to such conditions (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.

DIRECTORS AND TRUSTEES

The directors and trustees, during the year were:

Peter Jacques Senker
Jacqueline Senker
Jack Mazzier
Gwendoline Fletcher
Hans Albrecht
Barbara Blume
Lynda Weinberg
Jennifer Priestman
Catherine Senker
Arthur Oppenheimer

None of the directors or trustees have any interest in the company.

The Executive Committee may appoint any member of the charity as a member of the Executive Committee either to fill a casual vacancy or by way of addition to the Executive Committee. Any member so appointed shall retain office until the next Annual General Meeting when they shall be eligible for re-election.

CHARITY'S AIMS AND POLICIES

The charity is established for the public benefit for the education, treatment and care of mentally handicapped children, and adults of sub average general intellectual functioning.

The charity is governed by an Executive Committee established and run in accordance with its Articles of Association. Day to day operations are controlled by the residential home manager.

The charity has been running for some years a residential home for adults with learning difficulties. The charity also operates a small outreach service to help similar adults with learning difficulties who are living in environments in which insufficient support is offered to meet their needs.

There have been no significant changes in policies during the period.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

DIRECTORS AND TRUSTEES REPORT (continued)

REVIEW OF DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

During the year, our principal activity was running a house for people with moderate learning disabilities in central Brighton. The house is registered to provide accommodation for six residents and the same six people were in residence there through most of the year.

Sadly, a resident suffered a long illness and died during the year. The staff acted as powerful advocates to ensure that he received the very best treatment and provided outstanding support, which extended far beyond the boundaries of their job descriptions. The company was most grateful for the help of local organisations - the Martlets Hospice, Macmillan nurses, and Helping Hands - and, by no means least, his G.P. - who together enabled the resident to continue to live in the supportive and caring environment of the house until he died.

The average total cost of providing residents with accommodation, food and caring services was £2,638 per week (2002: £2,622). This amounts to a total weekly cost per resident of £440 per week (2002: £437) . The company employs two full time care workers, a deputy manager and a manager, together with part-time respite care staff. The company also employ one part-time outreach worker. The outreach service helped one individual adult living alone.

Having registered under the Care Standards Act 2000, the home received its first Announced Inspection by a National Care Standards Commission (NCSC) Inspector during the year. The Inspector considered that the home provided very high standards of care and support for vulnerable adults in a homely, supportive environment. She noted that the staff team were dedicated to their work and had great confidence in their manager who supported them well, and that there were excellent communications and regular staff meetings and supervision. Management procedures were systematic and records well maintained. The accommodation, furnishings and decoration were in good condition.

The company's accounts show that expenditure on training dropped sharply this year. However, as noted in the NCSC Inspection Report, the company remains totally committed to training its staff to NVQ standards, and to meet the specific needs of the residents. Indeed the amount of staff training provided during the year actually increased. The principal explanation for this apparent paradox is that nearly all the company's training costs during the year were met by Southdown Housing Association from funding they received from the Learning and Skills Council and the European Social Fund.

The house, and especially its equipment and furniture, is subject to heavy wear. Accordingly, it is essential to spend heavily on maintenance to ensure that the high standard of accommodation is sustained. This year it was necessary to refurbish the kitchen, and the cost involved is reflected in a substantial increase in maintenance repairs and renewals expenditure.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

DIRECTORS AND TRUSTEES REPORT

(continued)

As a consequence of changes in government policy, most of the responsibility for funding services such as those provided by this company have been transferred from Central Government and the Government's Housing Corporation to Local Authorities. This transfer necessitated the company engaging in extensive negotiations with Local Authorities. A further consequence of these changes has been a dramatic increase in the paperwork involved in, for example, monitoring performance. Without the invaluable assistance received from the staff of Brighton Housing Trust, our landlord, the company would have been totally incapable of dealing with the virtually impenetrable bureaucratic procedures involved. The directors are pleased to report that these negotiations were broadly successful, thus ensuring that the company remains on a sound financial basis.

The company wishes to express its gratitude to its highly skilled and dedicated management and staff team, including part-time as well as full-time workers, who have been mainly responsible for this highly successful if rather sad year.

With the exception of the members of the Executive Committee, the charity's dependence on volunteers is small and its dependence on donations in kind is minimal.

FINANCIAL REVIEW

As detailed on page 7, the net surplus on ordinary activities for the year was £12,481 (2002: deficit £298).

At the year end, and as more fully detailed on page 6, the charity had unrestricted reserves of £148,004 (2002 : £135,523). There were no restricted reserves in either year. The assets of the charity are held purely in respect of the principal activities. The investments are included in the accounts at cost, and note 5 gives further details of the market value at the year end. Details of movements in the year can be seen in the Statement of Financial Activities, on page 6 to the Financial Statements. All incoming reserves have been utilised in the principal activities of the company.

The charity is not financially dependent upon any individuals or corporation.

AUDITORS AND ACCOUNTANTS

Under Section 249 of the Companies Act 1985, the company is exempt from audit requirements. Messrs. Gibson Appleby have expressed their willingness to continue as accountants for the company, and to be re-appointed as auditors should there be a requirement in the future.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

BY ORDER OF THE BOARD



Secretary

Arthur Oppenheimer

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

BALANCE SHEET AT 31ST MARCH 2003

	Note	2003 £	£	£	2002 £
FIXED ASSETS					
Tangible	4		8,809		11,378
Investments	5		29,986		29,986
CURRENT ASSETS			38,795		41,364
Debtors	6	2,363		4,012	
Cash at bank and in hand		114,227		96,524	
		116,590		100,536	
CREDITORS : amounts falling due within one year	7	(7,381)		(6,377)	
NET CURRENT ASSETS			109,209		94,159
NET ASSETS			148,004		135,523
RESERVES					
Reserve fund - unrestricted			148,004		135,523
- restricted			-		-
MEMBERS FUNDS	8		148,004		135,523

For presentation purposes, the statutory information required from the directors in connection with confirmations, responsibilities and signatures is set out on the following page.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

BALANCE SHEET as at 31st March 2003
(continued)

The directors confirm that the company is entitled for the year ended 31st March 2003 to the exemption from audit of its financial statements conferred by subsection (2) of section 249A of the Companies Act 1985.

The directors further confirm that no notice has been deposited by members requiring the company to obtain an audit of its financial statements for that year.

The directors acknowledge their responsibilities for -

- i) ensuring that the company keeps proper accounting records which comply with the requirements of the Companies Act 1985, and
- ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its surplus for the year then ended in accordance with the requirements of Section 226 of the Act, and which otherwise comply with the requirements of this Act relating to financial statements so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the board on 29 July 2003

Jacqueline Senker J Senker

The notes and signatures set out above should be read in conjunction with the balance sheet set out on the previous page.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31st March 2003

	Unrestricted funds £	Restricted funds £	2003 Total £	2002 Total £
Income and Expenditure				
Incoming resources				
Donations, legacies and similar income	9,314	603	9,917	8,463
Outreach receipts	1,495	-	1,495	2,052
Bank deposit and deposit fund interest	2,985	-	2,985	3,866
Rachel Mazzier House fees	-	127,317	127,317	109,609
Housing Corporation grant	-	15,804	15,804	15,420
	<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources	13,794	143,724	157,518	139,410
	<hr/>	<hr/>	<hr/>	<hr/>
Resources expended				
Direct charitable expenditure				
Functional costs	3,213	115,720	118,933	115,684
Fees, subscriptions and donations	-	466	466	505
Support costs	-	12,289	12,289	10,192
Depreciation	-	3,332	3,332	3,380
	<hr/>	<hr/>	<hr/>	<hr/>
	3,213	131,807	135,020	129,761
Other expenditure				
Administration	-	10,020	10,020	9,947
	<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	3,213	141,827	145,040	139,708
	<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before transfers	10,584	1,897	12,481	(298)
Transfers between funds	1,897	(1,897)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds	12,481	-	12,481	(298)
Fund balances b/fwd at 1st April 2002	135,523	-	135,523	135,821
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balances c/fwd at 31st March 2003	148,004	-	148,004	135,523
	<hr/>	<hr/>	<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31st March 2003

	Note	2003 £	2002 £
GROSS INCOME	1c	154,536	135,544
Administrative expenses		(145,040)	(139,708)
OPERATING SURPLUS/(DEFICIT)	2	9,496	(4,164)
Bank interest receivable		2,985	3,866
NET SURPLUS/(DEFICIT) ON ORDINARY ACTIVITIES		12,481	(298)
RETAINED SURPLUS BROUGHT FORWARD		135,523	135,821
RETAINED SURPLUS CARRIED FORWARD		148,004	135,523

Continuing Activities

None of the Company's activities were acquired or discontinued during the above two financial years.

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the surplus/(deficit) for the above two financial years.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31st March 2003

(for management information only)

	2003	2002
	£	£
INCOME		
Outreach receipts	1,465	2,052
Donations and similar incoming resources	9,317	8,258
Bank deposit and Deposit Fund interest	2,985	3,866
	<u>13,767</u>	<u>14,176</u>
EXPENDITURE		
Printing, stationery and postage	253	379
Sundry expenses	145	89
Accountancy fees	705	722
Fundraising and publicity costs	-	-
Outreach costs	1,143	1,706
Donation	<u>200</u>	<u>100</u>
	(2,446)	(2,996)
	<u>11,321</u>	<u>11,180</u>
Rachel Mazzier House Surplus/(Deficit)	1,160	(11,478)
SUPLUS/(DEFICIT) FOR THE YEAR	<u><u>12,481</u></u>	<u><u>(298)</u></u>

This page does not form part of the financial statements.

"SUSSEX TIKVAH"

RACHEL MAZZIER HOUSE

INCOME AND EXPENDITURE ACCOUNT

for the year ended 31st March 2003

(for management information only)

	2003	2002
	£	£
RESIDENTS FEES	126,686	109,609
Donations Received	352	205
	<hr/>	<hr/>
	127,038	109,814
GENERAL RESIDENTS COSTS		
Salaries and national insurance	99,403	95,381
Pension contributions	3,165	2,725
Provisions and catering expenses	9,882	10,378
Medical treatment and supplies	302	555
Training costs	88	1,935
Rates	1,060	988
Light and heat	1,188	1,530
Insurance	1,637	1,243
T V Licence	111	171
Maintenance, repairs and renewals	7,936	4,125
Telephone	1,310	1,405
Fees, subscriptions and donations	436	505
Bank charges and interest	81	318
Printing, postage, stationery and advertising	539	1,063
Motor and travel expenses	4,715	4,829
Management fees	275	275
Accountancy fees	705	723
Sundry	727	-
Depreciation : Furniture and equipment	1,232	1,280
Depreciation : Motor vehicle	2,100	2,100
Loss on disposal of fixed asset	293	44
	<hr/>	<hr/>
	(137,185)	(131,573)
INDIVIDUAL RESIDENTS COSTS		
Residents college expenses	(4,497)	(5,139)
	<hr/>	<hr/>
DEFICIT FOR YEAR	(14,644)	(26,898)
Housing Trust grant received relating to deficits in prior years	15,804	15,420
	<hr/>	<hr/>
SURPLUS/(DEFICIT) CARRIED FORWARD	£ 1,160	£ (11,478)
	<hr/>	<hr/>

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2003

1. ACCOUNTING POLICIES

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with the Statement of Recommended Practice 2 (SORP 2000) issued in October 2000, and the Companies Act 1985.

In accordance with the recommendations of the SORP, the Statement of Financial Activities, has been analysed to show:

- (i) Unrestricted funds, being donations, subscriptions, investment income and fund raising income, less administration costs which are available to be distributed at the discretion of the Board, in the form of relief.
- (ii) Restricted funds, comprising Rachel Mazzier House fees and Housing Corporation grants, which are retained to cover (a) the day to day running of Rachel Mazzier House, per the company's principal activities and (b) to maintain the 'House' to a satisfactory standard.

b) Status

The company is limited by guarantee and the liability of the members is limited to £1 each.

c) Income and Expenditure

(i) Unrestricted Funds

Income and Expenditure is accounted for on an accruals basis. In common with many other charities of similar size and organisation, income from donations and fund raising events cannot be fully controlled until they are entered in the accounting records, and are not, therefore, susceptible to independent verification.

(ii) Restricted Funds

The fund raising income and expenditure have been netted as it is not considered practical to disclose separately. However, the amounts are not considered material to the accounts.

d) Rachel Mazzier House

The company is responsible for income and expenditure related to a care home for residents with learning difficulties. For consistency certain costs are netted off of the fee income. The income or deficit arising is credited or charged to the income and expenditure account in the relevant year. The deficit in 2003 was £14,644 (2002 : £26,898). The deficit in 2002 and previous years was funded by Brighton Housing Trust from Housing Corporation grants. In view of the uncertainty of the claims, the company adopted the policy of accounting for any grant income in the period it was received. Grants received in the financial year amounted to £15,804 (2002 : £15,420). From April 2003, the retrospect funding from the Government Housing Corporation ceased and instead the company receives regular payments direct from a Department of Brighton and Hove Council which administers Supporting People Funding. Again, this income is to be recognised in the period it is received.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2003

1. ACCOUNTING POLICIES (continued)

e) **Tangible Fixed Assets**

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

Furniture and equipment	- 15% Reducing Balance Method
Motor vehicle	- 20% On cost
Computer equipment	- 33.3% On cost

f) **Investments**

Fixed asset investments are stated at cost less provision for any permanent diminution in value. The market value is based on the closing middle market price as quoted on the unit trust market.

g) **Taxation**

The company is not liable for taxation as it does not trade for a profit, therefore no provision is included in the accounts.

h) **Cash Flow Statement**

The company has taken advantage of the exemption in FRS 1 from producing a cash flow statement on the grounds that it is a small company.

i) **Pension Costs**

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

	2003 £	2002 £
2. OPERATING SURPLUS/(DEFICIT)		

The operating surplus/(deficit) is stated after charging:

Depreciation	3,614	3,380
	=====	=====

3. **STAFF COSTS AND NUMBERS**

	£	£
Salaries and wages	92,932	89,891
Social Security costs	7,614	7,196
Pension costs	3,165	2,725
	-----	-----
	103,711	99,812
	=====	=====

No employee received emolument of more than £50,000.

Average number of full time equivalent employees	9	9
	=====	=====

The trustees were not paid or reimbursed for expenses during the year.

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2003

4. TANGIBLE FIXED ASSETS

	Motor Vehicles £	Furniture and Equipment £	Total £
COST			
At 1st April 2002	10,500	17,518	28,018
Additions	-	1,056	1,056
Disposals	-	(800)	(800)
	<u>10,500</u>	<u>17,774</u>	<u>28,274</u>
DEPRECIATION			
At 1st April 2002	4,200	12,440	16,640
Charge for the year	2,100	1,232	3,332
Disposals	-	(507)	(507)
	<u>6,300</u>	<u>13,165</u>	<u>19,465</u>
NET BOOK VALUE			
At 31st March 2003	<u>4,200</u>	<u>4,609</u>	<u>8,809</u>
At 31st March 2002	<u>6,300</u>	<u>5,078</u>	<u>11,378</u>

All the above assets are used for direct charitable purposes.

5. INVESTMENTS

**Other
Investments
£**

COST

At 1st April 2002 and 31st March 2003 29,986

The above investment relates to the cost of an investment in "accumulator" units in the "Equities Investment for Charities". The market value of this holding at 31st March 2003 was £52,394 (2002 : £65,430).

6. DEBTORS

	2003 £	2002 £
Prepayments	2,363	2,004
Other debtors	-	2,008
	<u>2,363</u>	<u>4,012</u>

"SUSSEX TIKVAH"

A COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31st March 2003

	2003 £	2002 £
7. CREDITORS : amounts falling due within one year:		
Accruals	2,014	2,033
Other taxation and social security	2,367	4,344
Other creditors	3,000	-
	<u>7,381</u>	<u>6,377</u>

8. MEMBERS FUNDS

There were no movements in members funds, other than as disclosed in the Income and Expenditure account and the Statement of Financial Activities.

9. PENSION SCHEME

The company operates a defined contribution scheme.

The employer contributes 5% of gross salary. Contributions of £3,165 (2002 : £2,725) were made during the year. There were no outstanding or prepaid contributions at the year end.

10. ULTIMATE CONTROL

Ultimate control of the company is held jointly by the members.

**ACCOUNTANT'S REPORT TO THE MEMBERS ON
THE UNAUDITED FINANCIAL STATEMENTS OF
"SUSSEX TIKVAH"
A COMPANY LIMITED BY GUARANTEE**

We report on the financial statements for the year ended 31st March 2003 set out on pages 5 to 11.

Respective responsibilities of directors and reporting accountant.

As described on page 5a the company's directors, who are also trustees, are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

**Blenheim House
120 Church Street
BRIGHTON
BN1 1AU**

Gibson Appleby

**Gibson Appleby
Reporting Accountant**

Date 1 October 2003