

HENRY DOUBLEDAY RESEARCH ASSOCIATION

(A company limited by guarantee and not having a share capital)

ABBREVIATED VERSION OF THE FULL BALANCE SHEET AT 31 DECEMBER 1996

TOGETHER WITH OTHER INFORMATION

REQUIRED BY SECTION A OF PART III SCHEDULE 8 COMPANIES ACT 1985

IN RESPECT OF THE YEAR ENDED 31 DECEMBER 1996

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REGISTERED NUMBER:

2188402

REGISTERED CHARITY NUMBER

298104



# LIMEHOUSE & CO

*Chartered Accountants  
Registered Auditor*

*3 Whitehall Road, Rugby CV21 3AE  
Telephone Rugby (01788) 542032 Facsimile (01788) 547303*

SPECIAL AUDITOR'S REPORT  
UNDER PARAGRAPH 24 SCHEDULE 8 COMPANIES ACT 1985  
TO THE COUNCIL OF MANAGEMENT OF HENRY DOUBLEDAY RESEARCH ASSOCIATION

We have examined the abbreviated version of the full balance sheet at 31 December 1996 together with the other information required by Section A of Part III Schedule 8 Companies Act 1985 (the abbreviated accounts) together with the audited financial statements for the year ended 31 December 1996 which have been prepared under Section 226 Companies Act 1985.

Respective responsibilities of Council of Management and auditors

The Council of Management are responsible for preparing the abbreviated accounts in accordance with Schedule 8 Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to the exemptions claimed in the Council of Managements' statement on the balance sheet and to provide the Council of Management with a report stating whether in our opinion the company is entitled to those exemptions, and whether the abbreviated accounts are properly prepared.

Basis of opinion

We have carried out the procedures we considered necessary to confirm, by reference to the audited financial statements, that the company is entitled to the exemptions claimed in the Council of Managements' statement and that the abbreviated accounts have been properly prepared from those financial statements. The scope of our work, for the purpose of this report, does not include examining or dealing with events occurring after the date of our report on the full financial statements.

Opinion

In our opinion the company is entitled to the exemptions claimed in the Council of Managements' statement on the abbreviated version of the full balance sheet, and the abbreviated accounts are properly prepared in accordance with Schedule 8 Companies Act 1985.

Other information

Our report to the members on the full financial statements for the year ended 31 December 1996 is set out overleaf.

3 WHITEHALL ROAD  
RUGBY CV21 3AE

22nd July 1997

  
LIMEHOUSE & CO.

Chartered Accountants  
Registered Auditor

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## REPORT OF THE AUDITORS TO THE MEMBERS OF

### HENRY DOUBLEDAY RESEARCH ASSOCIATION

We have audited the financial statements set out on pages 6 to 21 which have been prepared under the historical cost convention and in accordance with the accounting policies set out on page 6.

#### Respective responsibilities of the Council of management and auditors

As described in the Council of management's report the Council of management, who are also the directors for the purposes of company law, are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion on those statements, based on our audit, and to report that 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable 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 the charitable company's affairs at 31 December 1996 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

3 WHITEHALL ROAD  
RUGBY CV21 3AE

22nd July 1997

  
LIMEHOUSE & CO.

Chartered Accountants  
Registered Auditor

## HENRY DOUBLEDAY RESEARCH ASSOCIATION

### ACCOUNTING POLICIES

#### Basis of accounting

The accounts are drawn up under the historical cost convention in accordance with applicable accounting standards.

#### Incoming Resources

Incoming Resources represents the invoice value, excluding value added tax, of goods and services supplied to customers.

#### Depreciation

Depreciation of fixed assets is provided at the rates shown to write off the cost of fixed assets over their estimated useful lives.

Asset classification	Rate	Basis
Land and buildings: Freehold buildings	2%/ 10%	Straight line
Long leasehold		Over the period of the lease
Grounds and research equipment	10% - 25%	Straight line
Fixtures and equipment:		
Shop, cafe, establishment and computers	10% - 25%	Straight line

#### Research and development

Research and development expenditure is written off as incurred.

#### Repairs

Repairs to fixed assets are written off as incurred.

#### Operating Leases

Operating lease rentals are written off as incurred.

#### Government Grants

Grants are allocated between revenue and capital. The revenue element of the grant is released to the Statement of Financial Activities in the year in which the grant is received. The capital element of the grant is released to the Statement of Financial Activities over the life of the asset to which the grant relates.

HENRY DOUBLEDAY RESEARCH ASSOCIATION

ACCOUNTING POLICIES (continued)

Deferred Taxation

Deferred taxation is provided using the liability method in respect of accelerated capital allowances and other timing differences unless, in the opinion of the directors, the taxation in question will not become payable in the foreseeable future.

Deferred Income

Income received from life membership subscriptions and deposit covenanted donations is credited to separate accounts, shown on the Balance Sheet as Deferred Income and split according to whether the receipt will be credited to the Statement of Financial Activities within one year.

Restricted Fund

All Income and Expenditure in connection with the Restricted Fund is dealt with via the Statement of Financial Activities.

Pension Costs

The Association contributes to a defined benefit pension scheme. The regular pension cost is charged to the Statement of Financial Activities and is based on the expected pension costs over the service lives of the employees. The current pension surplus is spread in the Statement of Financial Activities over the remaining service lives of current employees, now estimated at 10 years.

HENRY DOUBLEDAY RESEARCH ASSOCIATION

BALANCE SHEET AT 31 DECEMBER 1996

		1996	1995
	NOTES	£	£
<u>FIXED ASSETS</u>			
Tangible assets	1	965,353	975,994
Investments	2	3	1
		<hr/>	<hr/>
		965,356	975,995
<u>CURRENT ASSETS</u>			
Debtors		284,606	157,516
Cash at bank and in hand		18,581	5,573
		<hr/>	<hr/>
		303,187	163,089
<u>CREDITORS</u>			
Amounts falling due within one year		(387,309)	(276,418)
		<hr/>	<hr/>
<u>NET CURRENT LIABILITIES</u>		(84,122)	(113,329)
		<hr/>	<hr/>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		881,234	862,666
<u>CREDITORS</u>			
Amounts falling due after more than one year		(208,987)	(238,622)
		<hr/>	<hr/>
<u>NET ASSETS</u>		£672,247	£624,044
		<hr/>	<hr/>
<u>REPRESENTED BY</u>			
Unrestricted funds:			
Other Charitable Funds		(79,426)	(49,793)
Designated Funds		731,466	673,837
Restricted Funds		20,207	-
		<hr/>	<hr/>
		£672,247	£624,044
		<hr/>	<hr/>

These accounts were approved by the Council of Management on 19 July 1997

Advantage is taken of the exemptions conferred by Section A of Part III of Schedule 8 Companies Act 1985 on the grounds that the company is entitled to these exemptions as a small company.

Bill Blyth

COUNCIL MEMBER

*W. A. Blyth*

HENRY DOUBLEDAY RESEARCH ASSOCIATION

NOTES TO THE ACCOUNTS

YEAR ENDED 31 DECEMBER 1996

1. TANGIBLE FIXED ASSETS

	Total
	£
COST:	
Brought forward	1,279,266
Additions	34,879
	<hr/>
Carried forward	1,314,145
	<hr/>
DEPRECIATION:	
Brought forward	303,272
Charge for the year	45,520
	<hr/>
Carried forward	348,792
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NET BOOK VALUE AT 31 DECEMBER 1996	£965,353
	<hr/>
NET BOOK VALUE AT 31 DECEMBER 1995	£975,994
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HENRY DOUBLEDAY RESEARCH ASSOCIATION

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 1996

2. INVESTMENTS

	Total
	£
COST:	
Brought forward	1
Additions	2
	<hr/>
Carried forward	3
	<hr/>
AMOUNTS WRITTEN OFF:	
	<hr/>
Carried forward	-
	<hr/>
NET BOOK VALUE AT 31 DECEMBER 1996	£3
	<hr/>
NET BOOK VALUE AT 31 DECEMBER 1995	£1
	<hr/>



HENRY DOUBLEDAY RESEARCH ASSOCIATION

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 1996

3. SUBSIDIARY UNDERTAKINGS

The following undertaking was directly owned  
by Henry Doubleday Research Association:

	Principal activity	1996	1995
HDRA (Consultants) Limited	Organic gardening and composting consultancy services	100%	-

The above company was incorporated in Great Britain  
and registered in England and Wales on 26 February 1996.

Results as shown in the accounts of the above company for the year ended  
31 December 1996:

	£
Capital and reserves	2
Turnover	107,240
Profit before taxation	15,884
A Deed of Covenant of £15,884 was paid from HDRA (Consultants) Limited to Henry Doubleday Research Association on 31 December 1996. This is included in investment income in the Statement of Financial Activities on page 8.	

The following undertaking was indirectly owned  
by Henry Doubleday Research Association

	Principal activity	1996	1995
The Composting Company Limited	Composting advice	50%	-

The above company was incorporated in Great Britain and registered in England  
and Wales on 8 October 1996, when the 2 subscriber shares were issued. It had  
not commenced trading before 31 December 1996.

On 10 February 1997, 498 £1 "A" ordinary shares in The Composting Company  
Limited were allotted to HDRA (Consultants) Limited. 500 £1 "B" ordinary shares  
were also allotted to Beacon Waste Limited on the same date.

HENRY DOUBLEDAY RESEARCH ASSOCIATION

NOTES TO THE ACCOUNTS (continued)

YEAR ENDED 31 DECEMBER 1996

4. CREDITORS

	1996	1995
	£	£

Amounts falling due after more than one year:

Details of amounts not wholly repayable within five years are as follows:

Bank loans and overdrafts:

Instalments due between one and two years	31,934	33,385
Instalments due between two and five years	47,231	71,586
Instalments due after five years	71,055	80,551
	<hr/>	<hr/>
	£150,220	£185,522
	<hr/>	<hr/>

5. SECURED BORROWINGS

The loans amounting to £197,325 (1995 £229,690) are secured on the Association's land and buildings at Ryton Gardens, a fixed and floating charge over the current and future assets of the company, and a legal mortgage over the leasehold property and buildings at Yalding Organic Gardens, Kent.