

**LINK-ABILITY**

**ABBREVIATED  
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED  
31 MARCH 1998**



## **LINK-ABILITY**

### **ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998**

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## **LINK-ABILITY**

### **TRUSTEES' AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1998**

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#### **TRUSTEES/DIRECTORS**

Mr A Alker  
Mrs R Trustam  
Mrs L Nolan  
Mr R Sage  
Mr B Collinge

#### **SECRETARY**

A Alker

#### **REGISTERED OFFICE**

Office 7  
27 Victoria Street  
Chorley  
Lancashire  
PR7 6TX

#### **REGISTERED NUMBER**

2350533

#### **REGISTERED CHARITY NUMBER**

701132

#### **BUSINESS ADDRESS**

Office 7  
27 Victoria Street  
Chorley  
Lancashire  
PR7 6TX

#### **AUDITORS**

R P Smith & Co.  
Chartered Accountants  
28 St Thomas's Road  
Chorley  
Lancashire  
PR7 1HX

## **LINK-ABILITY**

### **TRUSTEES' AND DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1998**

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#### **SOLICITORS**

Kevills  
32 St Thomas's Road  
Chorley

#### **PRINCIPAL BANKERS**

Barclays Bank plc  
Market Street  
Chorley

## **LINK-ABILITY**

### **AUDITORS' REPORT TO THE COMPANY PURSUANT TO SECTION 247B OF THE COMPANIES ACT 1985**

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We have examined the abbreviated accounts on pages 4 to 7 together with the full financial statements of the company prepared under section 226 of the Companies Act 1985 for the year ended 31 March 1998.

#### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS**

The directors are responsible for preparing the abbreviated accounts in accordance with Schedule 8A to the Companies Act 1985. It is our responsibility to form an independent opinion as to the company's entitlement to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and whether the abbreviated accounts have been properly prepared in accordance with that Schedule.

#### **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 deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 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 after the date of our report on the full financial statements.

#### **OPINION**

In our opinion, the company is entitled to deliver abbreviated accounts prepared in accordance with section 246(5) and (6) of the Companies Act 1985 and the abbreviated accounts on pages 4 to 7 have been properly prepared in accordance with Schedule 8A.

*R. P. Smith & Co*

**R P Smith & Co.  
Chartered Accountants  
Registered Auditors  
28 St Thomas's Road  
Chorley  
Lancashire  
PR7 1HX**

Date signed: *2 October 1998*

## LINK-ABILITY

### ABBREVIATED BALANCE SHEET AT 31 MARCH 1998

	Notes	£	1998 £	£	1997 £
<b>FIXED ASSETS</b>	2				
Tangible assets			15,059		19,721
<b>CURRENT ASSETS</b>					
Debtors		13,175		9,597	
Cash at bank and in hand		150,970		188,729	
		<u>164,145</u>		<u>198,326</u>	
<b>CREDITORS: amounts falling due within one year</b>	3	(18,852)		(16,567)	
<b>NET CURRENT ASSETS</b>			145,293		181,759
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>160,352</u>		<u>201,480</u>
<b>ACCRUALS AND DEFERRED INCOME</b>			(1,314)		(1,721)
<b>NET ASSETS</b>			<u>159,038</u>		<u>199,759</u>
<b>CAPITAL AND RESERVES</b>					
New Houses Set Up Fund	5		50,000		50,000
Special Projects Reserve	5		25,000		25,000
Capital Funding Reserve	5		77,648		75,648
Void Funding Reserve	5		6,390		49,111
<b>TOTAL FUNDS</b>			<u>159,038</u>		<u>199,759</u>

The abbreviated financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

Approved by the board of trustees/directors on 1 October 1998 and signed on its behalf by:

Mr A Alker *A. Alker* )

) Trustees/Directors

Mr R Sage *Robert K Sage* )

## LINK-ABILITY

### **NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998**

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#### **1. STATEMENT OF ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention.

##### **Turnover**

Turnover represents the total invoice value of goods sold and services rendered during the year. The company also receives from the residents DSS supplementation to assist in funding their welfare.

##### **Depreciation of tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its useful life:

Tenants Improvements:	10.0% on cost
Household/Office Improvements:	25.0% on cost
St Mary's Gate Equipment:	25.0% on reducing balance

##### **Government grants**

Government grants in respect of capital expenditure are credited to the profit and loss account over the estimated useful life of the relevant fixed assets. The grants shown in the balance sheet represent the total grants receivable to date less the amount so far credited to the profit and loss account.

##### **Leasing and hire purchase commitments**

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their estimated useful lives. The interest element of the rental obligations is charged to the profit and loss account over the period of the lease.

Lease payments under operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

##### **Pension costs**

The company operates a money purchase (defined contribution) pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

## LINK-ABILITY

### NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

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#### 2. FIXED ASSETS

	Tangible assets £
<b>Cost:</b>	
At 1 April 1997	66,333
Additions	720
	<hr/>
At 31 March 1998	67,053
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<b>Depreciation:</b>	
At 1 April 1997	46,611
Charge for year	5,383
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At 31 March 1998	51,994
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<b>Net book value:</b>	
At 31 March 1998	15,059
	<hr/>
At 31 March 1997	19,721
	<hr/>

#### 3. CREDITORS: amounts falling due within one year

Included in creditors are bank loans and overdrafts payable within one year amounting to £1,339 (1997 £1,173) which are secured.

#### 4. SHARE CAPITAL

The company is limited by guarantee and has no share capital. The Directors of the company undertake, whilst still a member or within one year after ceasing to be a member, to contribute such amount as may be required (not exceeding £1) to the company's assets should the company be wound up.



## LINK-ABILITY

### NOTES TO THE ABBREVIATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1998

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#### 5. DESIGNATED FUNDS

	New Houses Set Up Fund	Special Projects Fund	Capital Funding Reserve	Void Funding Reserve	1998 £	1997 £
Balance at 1.4.97	50,000	25,000	75648	49,111	199,759	196,298
Income				-	-	-
Transfers in/out	-	-	2,000	(42,721)	(40,721)	3,461
	<u>50,000</u>	<u>25,000</u>	<u>77,648</u>	<u>6,390</u>	<u>159,038</u>	<u>199,759</u>

##### New Houses Set Up Fund

This reserve has been created in the past by the directors as an approximation of the amount that they would consider would be required to set up an additional house in the community which would not be reimbursed or immediately reimbursed by any particular funder. It has been decided not to make any changes during the year.

##### Special Projects Fund

This consists of monies set aside to provide funds for any special project that the company wishes to provide within its rules which may not attract funds from outside the organisation. Due to the considered under-funding of current activities before bringing into account donations, grants and interest received, it has been decided not to make any alteration this year.

##### Capital Funding Reserve

The capital funding reserve is maintained to provide funds for the replacement of equipment and has been calculated on the cost of equipment purchased plus inflation. It has been decided to maintain the policy in relation to this and there has been an addition of £2,000 during the year which brings into account equipment taken out of use, new equipment purchased and the provision of inflation at 3.0%. This is in excess of the residual income for the year, the surplus having been transferred from void funding reserve.

##### Void Funding Reserve

The void funding reserve has been established to cover the short-term costs that may be incurred should any available places fall vacant and not attract funding. During the year, because of the deficit of residual income, a transfer has been made from the void funding reserve to the capital funding reserve of £2,000.