

2677365

Style Acre Friends

Report and Financial Statements

Year Ended
31 March 2001



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BDO Stoy Hayward
Chartered Accountants

STYLE ACRE FRIENDS

Annual report and financial statements for the year ended 31 March 2001

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Trustees

M Adams
C Dennis
K Faulkner
P McClurking
D Riglen
I Riglen
L Sheldon
U Thornton
D Vallins
P Wilmot

Secretary, registered office and principal place of business

P Wilmot, Style Acre, Brightwell-cum-Sotwell, Oxfordshire OX10 0PT

Company number

2677365

Registered charity number

1010701

Auditors

BDO Stoy Hayward, Kings Wharf, 20-30 Kings Road, Reading, Berkshire, RG1 3EX.

STYLE ACRE FRIENDS

Report of the trustees for the year ended 31 March 2001

The trustees present their report, (in their capacity as directors of a company limited by guarantee) together with the audited financial statements, for the year ended 31 March 2001.

Results and dividends

The statement of financial activities is set out on page 5 and shows the result for the year.

Principal activities, trading review and future developments

We have continued to provide 22 adults with learning difficulties a high quality of residential care and day service.

In February 2001, the Trust purchased a flat in Wallingford to accommodate 3 of the residents.

The charity shop continues to successfully operate both financially and as a provider of work experience for some of our residents.

The skill centre ("Turnstyle") was completed in March 2000 and has operated throughout the year offering day care facilities to our residents and increasingly to those with learning difficulties living within the surrounding area.

The Trustees are pleased with the continued development of the Trust and continue to seek further opportunities to further its objectives of providing a high quality of life to those with learning difficulties.

Trustees

The trustees of the company during the year were:

M Adams
C Dennis
K Faulkner
K Liddle (resigned August 2001)
P McClurking
D Riglen
I Riglen
L Sheldon
U Thornton
D Vallins
P Wilmot

Trustees' responsibilities

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and

STYLE ACRE FRIENDS

Report of the trustees for the year ended 31 March 2001 (*Continued*)

Trustees' responsibilities (*Continued*)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees 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.

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the Trustees



U Thornton
Trustee

Date: 27 SEP 2001

STYLE ACRE FRIENDS

Report of the independent auditors

To the members of Style Acre Friends

We have audited the financial statements on pages 5 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of trustees and auditors

The trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Trustees' Report which includes the statutory disclosure as required under the Companies Act 1985 and consider the implications for our report if we become aware of any apparent misstatements within it.

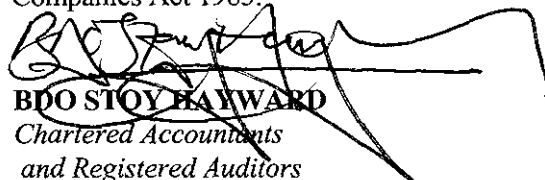
Basis of opinion

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 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 as at 31 March 2001 and of its statement of financial activities including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO STOY HAYWARD
Chartered Accountants
and Registered Auditors

Reading

Date: 27 September 2001

STYLE ACRE FRIENDS

Income and expenditure account and statement of financial activities for the year ended 31 March 2001

	Note	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2001 £	Total 2000 £
Incoming resources	1					
Donations and gifts		19,931	19,950	-	39,881	235,159
Interest receivable		2,631	167	-	2,798	4,502
Charitable trading income	4	547,741	-	-	547,741	489,288
Total incoming resources		570,303	20,117	-	590,420	728,949
Resources expended						
Direct charitable expenditure	4	598,777	3,454	-	602,231	538,999
Administration		3,384	-	-	3,384	2,273
Fundraising		-	-	-	-	14,225
Total resources expended		602,161	3,454	-	605,615	555,497
Net (outgoing)/incoming resources	5	(31,858)	16,663	-	(15,195)	173,452
Unrealised gain on revaluation of tangible fixed assets	7	-	-	372,057	372,057	-
Transfer between funds	11	(259,390)	-	259,390	-	-
Net movement in funds		(291,248)	16,663	631,447	356,862	173,452
Funds brought forward		421,458	172,694	-	594,152	420,700
Funds carried forward	13	130,210	189,357	631,447	951,014	594,152

All amounts relate to continuing activities

All recognised gains and losses are included in the income and expenditure account

The notes on pages 7 to 11 form part of these financial statements

STYLE ACRE FRIENDS

Balance sheet at 31 March 2001

	Note	2001	2000
		£	£
Fixed assets			
Intangible assets	6	3,917	4,917
Tangible assets	7	1,195,248	696,622
		<u>1,199,165</u>	<u>701,539</u>
Current assets			
Debtors	8	19,950	17,021
Cash at bank and in hand		82,335	96,683
		<u>102,285</u>	<u>113,704</u>
Creditors: amounts falling due within one year	9	56,595	59,795
		<u>45,690</u>	<u>53,909</u>
Net current assets			
		<u>1,244,855</u>	<u>755,448</u>
Total assets less current liabilities			
Creditors: amounts falling due after more than one year	10	293,841	161,296
		<u>951,014</u>	<u>594,152</u>
Net assets			
Capital and reserves			
Designated funds	11	631,447	-
Restricted funds	12	189,357	172,694
Unrestricted funds		130,210	421,458
		<u>951,014</u>	<u>594,152</u>

The financial statements were approved by the trustees on 27 SEP 2001

U Thornton

Ursula Thornton

D Vallins

D Vallins

The notes on pages 7 to 11 form part of these financial statements

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2001

1 Accounting policies

The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold and long lease-hold property and are in accordance with applicable accounting standards. The accounts have been prepared, as appropriate, in accordance with Statement of Recommended Practice No 2 "Accounting by Charities" (Revised) published in 1995 by the Institute of Chartered Accountants in England and Wales.

Incoming resources

Incoming resources represent income receivable from fundraising, donations and gifts, interest received and charitable trading income.

Restricted funds

Restricted funds received to be used for specifically nominated expenditure by the donor are credited to income in the year in which they are received. Where amounts are not specifically allocated against expenditure in that year the balance is deferred and added to the balance brought forward on the restricted funds and is used in subsequent years in line with the restrictions placed by the donor.

Designated funds

Designated funds represent monies set aside for specific purposes at the discretion of the trustees rather than the donors.

Depreciation and amortisation

Freehold and long leasehold land and buildings are included in the financial statement at open market value.

Depreciation and amortisation is provided to write off the cost, less estimated residual values, of all fixed assets over their expected useful lives. It is calculated at the following rates:-

Purchased goodwill	- 10% per annum
Freehold and Long Leasehold buildings	- 2% per annum
Office equipment, fixtures and motor vehicles	- 10% per annum

Direct charitable expenditure

Direct charitable expenditure includes the direct functional costs of the activity and depreciation on related assets.

Pension contributions

Pension contributions are charged to the Statement of Financial Activities in the year in which they are due.

2 Company status

The company does not have a share capital and is limited by the guarantee of its members to the extent of £1 each. The membership at 31 March 2001 comprised 97 individuals.

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

3 Taxation

The charitable status of the organisation has been confirmed and that the company is not liable to corporation tax on its surplus or gains to the extent that they are applied for charitable purposes.

4 Net result from trading activities

A summary of the trading result for the year is shown below.

	2001 £	2000 £
Income	547,741	489,288
Expenditure		
Wages, salaries and employee costs	383,641	319,980
Employers national insurance contributions	28,922	23,060
Pension contributions	12,066	10,282
	424,629	353,322
Building costs and services	64,048	93,278
Consumables	36,013	35,715
Training (staff and residents)	16,889	9,678
Administration	21,626	14,908
Interest charges	16,864	16,824
Depreciation and amortisation	22,162	15,221
	602,231	538,946
Net deficit	(54,490)	(49,658)

The average number of employees during the year was 30 (2000-27)

5 Net incoming resources

This is stated after charging:

Trustees expenses	-	-
Auditors' remuneration	4,406	4,312
Depreciation and amortisation	22,162	15,221

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

6 Intangible assets

Purchased goodwill brought forward and carried forward	10,000	10,000
Amortisation brought forward	5,083	4,083
Charge for the period	1,000	1,000
Amortisation carried forward	6,083	5,083
Net book value carried forward	3,917	4,917

7 Tangible assets

	Long leasehold land and buildings £	Freehold land and buildings £	Office equipment and fixtures £	Motor vehicles £	Total £
<i>Cost or valuation</i>					
At 1 April 2000	99,408	600,832	44,534	17,280	762,054
Additions	140,000	(14,593)	7,985	14,339	147,731
Revaluation in year	100,592	213,761	-	-	314,353
At 31 March 2001	340,000	800,000	52,519	31,619	1,224,138
<i>Depreciation</i>					
At 1 April 2000	5,964	38,125	13,355	7,988	65,432
Charge for the period	1,988	11,627	5,252	2,295	21,162
Adjustment on revaluation	(7,952)	(49,752)	-	-	(57,704)
At 31 March 2001	-	-	18,607	10,283	28,890
<i>Net book value</i>					
At 31 March 2001	340,000	800,000	33,912	21,336	1,195,248
At 31 March 2000	93,444	562,707	31,179	9,292	696,622

The net book value represents fixed assets used for direct charitable purposes

The freehold and long leasehold property have been included at open market valuations obtained by the Trustees for the purposes of bank finance.

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2001 (Continued)

8 Debtors	2001 £	2000 £
Accrued income	19,950	17,021

All amounts shown under debtors fall due for payment within one year.

9 Creditors: amounts falling due within one year	2001 £	2000 £
Current instalment due on bank loans (secured, see note 10)	7,600	4,500
Other taxes and social security costs	9,308	5,212
Accruals	39,687	50,083
	<u>56,595</u>	<u>59,795</u>

10 Creditors: amounts falling due after more than one year

Bank loans repayable after more than five years (secured)	293,841	161,296
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The bank loans which are interest bearing are secured on the company's leasehold and freehold land and buildings and are repayable by monthly instalments expiring between March 2015 and March 2021.

11 Designated Funds

It was resolved by the Trustees that a designated fund be created from the unrestricted fund in the sum of £631,447 as at 31 March 2001. The creation of this fund represents the value of the Trust's interest in freehold and long leasehold land and buildings (net of bank loans) which were financed from previously donated funds.

12 Restricted funds	Balance brought forward £	Incoming resources £	Resources expended £	Balance carried forward £
Skill centre	172,694	-	(3,454)	169,240
Minibus appeal	-	20,117	-	20,117
	<u>172,694</u>	<u>20,117</u>	<u>(3,454)</u>	<u>189,357</u>

The restricted funds applied in the construction of the Skill centre have been capitalised into tangible fixed assets. The fund will be amortised to match depreciation being charged in future periods.

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2001 (*Continued*)

13 Analysis of net assets between funds

Fund balances at 31 March 2001 are represented by:

	Designated funds £	Unrestricted funds £	Restricted funds £	Total funds £
Intangible assets	-	3,917	-	3,917
Tangible fixed assets	932,888	93,120	169,240	1,195,248
Current assets	-	82,168	20,117	102,285
Current liabilities	(7,600)	(48,995)	-	(56,595)
Long term liabilities	(293,841)	-	-	(293,841)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	631,447	130,210	189,357	951,014
	<hr/>	<hr/>	<hr/>	<hr/>

Sufficient resources are considered to be held to enable each fund to be applied in accordance with any restrictions imposed.

Sufficient unrestricted funds are held to ensure efficient operations of the Charity.

14 Cash flow statement

The company has taken advantage of the exemption available not to prepare a cash flow statement.

15 Pension commitments

The company operates a defined contribution scheme in respect of certain of its employees. Contributions are charged in the financial statements as incurred and there were no outstanding contributions as at the balance sheet date. Pension costs charged in the year were £12,066 (2000 - £10,282).

16 Capital commitments

After the year end the charity purchased a minibus at a cost of £30,000 from the restricted funds donated in respect of the minibus appeal (note 12)