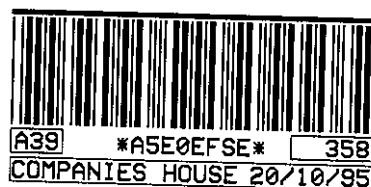


Style Acre Friends

Report and Financial Statements

Year Ended
31 March 1995



BDO Stoy Hayward
Chartered Accountants

STYLE ACRE FRIENDS

Annual report and financial statements for the year ended 31 March 1995

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Trustees

C Adams
M Griggs
G Matthews
E McClurking
P McClurking
D Riglen
I Riglen
L Sheldon
U Thornton
J Watts
P Wilmot

Secretary and registered office

P Wilmot, Langley, Upper Basildon, Nr Reading, Berkshire RG8 8NR

Registered number

2677365

Auditors

BDO Stoy Hayward, 2-10 Bridge Street, Reading, Berkshire RG1 2LU

STYLE ACRE FRIENDS

Report of the trustees for the year ended 31 March 1995

The trustees present their report together with the audited financial statements for the year ended 31 March 1995.

Results and dividends

The income and expenditure account is set out on page 3 and shows the result for the year.

Principal activities, trading review and future developments

For most of the year the activities of the company related to the raising of finance to provide a home for life for adults with learning difficulties and giving them a stable environment in which they can be helped to overcome difficulties and develop abilities and interests. From 1 March 1995 the purchase was completed and the prime objective changed to managing the home.

Trustees

The trustees of the company during the year were:

C Adams
M Griggs
G Matthews
E McClurking
P McClurking
J Niblett (ceased 26 September 1994)
D Riglen
I Riglen
L Sheldon
U Thornton
J Watts (appointed 27 October 1994)
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 period. 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
- 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.

STYLE ACRE FRIENDS

Report of the trustees for the year ended 31 March 1995 *(Continued)*

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 Thorntou
Trustee

27 July 1995

STYLE ACRE FRIENDS

Income and expenditure account for the year ended 31 March 1995

	Note	1995 £	1994 £
Incoming resources			
Donations and gifts	1	93,407	6,355
Interest receivable		1,307	156
Net income from trading activities	4	456	-
		<hr/>	<hr/>
		95,170	6,511
Resources expended			
Administration	5	10,296	1,017
		<hr/>	<hr/>
Net incoming resources		84,874	5,494
Funds brought forward		8,117	2,623
		<hr/>	<hr/>
Funds carried forward		92,991	8,117
		<hr/>	<hr/>

All amounts relate to continuing activities

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

The notes on pages 5 to 7 form part of these financial statements

STYLE ACRE FRIENDS

Balance sheet at 31 March 1995

	Note	£	1995 £	£	1994 £
Fixed assets					
Intangible assets	6		9,917		-
Tangible assets	7		389,357		121
			<u>399,274</u>		<u>121</u>
Current assets					
Debtors	8	1,072		-	
Cash at bank and in hand		52,539		7,996	
		<u>53,611</u>		<u>7,996</u>	
Creditors: amounts falling due within one year	9	44,894		-	
		<u></u>		<u></u>	
Net current assets			8,717		7,996
			<u></u>		<u></u>
Total assets less current liabilities			407,991		8,117
Creditors: amounts falling due after more than one year	10		315,000		-
			<u></u>		<u></u>
Net assets			92,991		8,117
			<u></u>		<u></u>
Capital and reserves					
Income and expenditure account			92,991		8,117
			<u></u>		<u></u>

The financial statements were approved by the Trustees on 27 July 1995.

Ursula Thornton

U Thornton

J. E. Watts

J Watts

The notes on pages 5 to 7 form part of these financial statements

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 1995

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents income receivable from fund raising, donations and gifts.

Depreciation

Depreciation 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:

Goodwill	- 10% per annum
Office equipment and fixtures	- 10% per annum
Freehold land and buildings	- 2% per annum

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 1995 was 73.

3 Taxation

The charitable status of the organisation has been confirmed by the Charity Commissioners. This means 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 income from trading activities

Upon the acquisition of the freehold property, the charity commenced trading.

A summary of the trading results for the period is shown below:

	1995 £	1994 £
Income	23,423	-
Expenditure		
Employee costs	10,549	-
Building costs	5,602	-
Consumables	1,885	-
Administration	689	-
Interest charges	3,409	-
Depreciation	833	-
	22,967	-
Net surplus	456	-

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 1995 (*Continued*)

5	Administrative expenses	1995 £	1994 £	
	is stated after charging:			
	Auditors' remuneration	294	294	
	Depreciation	14	14	
		<hr/>	<hr/>	
6	Intangible assets			
	Purchased goodwill at cost in period and carried forward	10,000	-	
	Depreciation in period	83	-	
		<hr/>	<hr/>	
	Net book value carried forward	9,917	-	
		<hr/>	<hr/>	
7	Tangible assets	Freehold land and buildings £	Office equipment and fixtures £	Total £
	<i>Cost</i>			
	At 1 April 1994	-	135	135
	Additions	375,000	15,000	390,000
		<hr/>	<hr/>	<hr/>
	At 31 March 1995	375,000	15,135	390,135
		<hr/>	<hr/>	<hr/>
	<i>Depreciation</i>			
	At 1 April 1994	-	14	14
	Charge for period	625	139	764
		<hr/>	<hr/>	<hr/>
	At 31 March 1995	625	153	778
		<hr/>	<hr/>	<hr/>
	<i>Net book value</i>			
	At 31 March 1995	374,375	14,982	389,357
		<hr/>	<hr/>	<hr/>
	At 31 March 1994	-	121	121
		<hr/>	<hr/>	<hr/>

STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 1995 (*Continued*)

8 Debtors	1995 £	1994 £
Accrued income	1,072	-
	<u> </u>	<u> </u>
All amounts shown under debtors fall due for payment within one year.		
9 Creditors: amounts falling due within one year		
Bank loans (secured, see note 10)	35,000	-
Other taxes and social security costs	2,858	-
Accruals	7,036	-
	<u> </u>	<u> </u>
	44,894	-
	<u> </u>	<u> </u>
10 Creditors: amounts falling due after one year		
Bank loans (secured)	215,000	-
Other loan	100,000	-
	<u> </u>	<u> </u>
	315,000	-
	<u> </u>	<u> </u>

The bank loans are secured on the company's freehold land and buildings, are repayable by 240 monthly instalments and bear interest at 10.75%.

The other loan is unsecured, repayable by 8 equal annual instalments commencing 1 March 1997 and is interest free subject to compliance with the terms of the loan.

11 Cashflow statement

The company has taken advantage of exemptions available not to prepare a cashflow statement.

STYLE ACRE FRIENDS

Report of the auditors

To the members of Style Acre Friends

We have audited the financial statements on pages 3 to 7 which have been prepared under the accounting policies set out on page 5.

Respective responsibilities of trustees and auditors

As described on page 1 the company's trustees are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

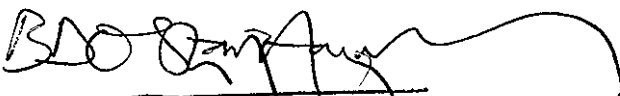
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an 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 trustees 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 company's affairs as at 31 March 1995 and of the surplus 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: 14 September 1995

The page which follows does not
form part of the statutory
financial statements of the company

STYLE ACRE FRIENDS

Detailed profit and loss account for the year ended 31 March 1995

	1995		1994	
	£	£	£	£
A) CHARITABLE				
Income				
Donations, gifts and fundraising		92,258		6,261
Subscriptions		249		-
Covenants and tax refunds		900		94
		<u> </u>		<u> </u>
		93,407		6,355
Interest receivable		1,307		156
		<u> </u>		<u> </u>
		94,714		6,511
Expenditure				
Property purchase fees	8,982		-	
Administration expenses	1,006		709	
Auditors' remuneration	294		294	
Depreciation	14		14	
	<u> </u>		<u> </u>	
		10,296		1,017
		<u> </u>		<u> </u>
Net charitable income		84,418		5,494
B) TRADING				
Income	23,423		-	
	<u> </u>		<u> </u>	
Expenditure				
Staff costs	10,232		-	
Training	317		-	
Food and consumables	1,885		-	
Buildings costs	5,602		-	
Administration	689		-	
Depreciation	833		-	
Interest charges	3,409		-	
	<u> </u>		<u> </u>	
	22,967		-	
	<u> </u>		<u> </u>	
Net trading income		456		-
		<u> </u>		<u> </u>
		84,874		5,494
		<u> </u>		<u> </u>