

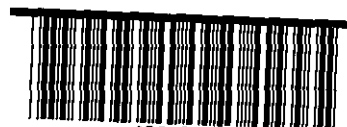
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**Style Acre Friends**

Report and Financial Statements

Year Ended  
31 March 2002



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**BDO Stoy Hayward**  
Chartered Accountants

## **STYLE ACRE FRIENDS**

**Annual report and financial statements for the year ended 31 March 2002**

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### **Trustees**

E Atkins  
E Cobb  
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 2002**

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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 2002.

#### **Results and dividends**

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

#### **Charitable objects**

Style Acre Friends is a registered charity and is governed by its Memorandum and Articles of Association. It is committed to providing the highest quality of supported living to men and women who are unable to live fully independent lives in the community. It does this by the provision of residential and day care services, with facilities according to different levels of need. Style Acre Friends ensures that staff are appropriately trained and supervised, with sufficient resources, specialised equipment and staff-to-client ratios to provide a very high standard of care to the clients.

#### **Principal activities, trading review and future developments**

The trustees have continued to provide 26 adults with learning difficulties a high quality of residential care and day service.

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

The skill centre ("Turnstyle") has operated throughout the year offering day care facilities to our clients 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.

#### **Reserves policy**

The Trust's policy is to endeavour to maintain Unrestricted Funds at or around a level which enables the ongoing activities of the Trust to be funded for a period of approximately three months looking forward, in the light of current forecasts and budgets.

In determining the level of funds required consideration will be given to planned expenditure, the capital expenditure programme, anticipated revenue streams and the risks and effects of any contingencies.

Restricted and designated funds are separately recorded and reported.

#### **Risk Management**

The Trustees are aware of the requirement to include a statement on risk assessment and are in the process of undertaking a risk assessment to enable them to make the appropriate statement in future years.

## STYLE ACRE FRIENDS

### Report of the trustees for the year ended 31 March 2002 *(Continued)*

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#### Trustees

The trustees of the company during the year were:

M Adams (resigned November 2001)  
E Atkins (appointed November 2001)  
E Cobb (appointed November 2001)  
C Dennis  
K Faulkner  
P McClurking  
D Riglen  
I Riglen  
L Sheldon  
U Thornton  
D Vallins  
P Wilmot

The existing trustees may make appointments of new trustees but all trustees must retire at the AGM and can seek re-election.

#### 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:

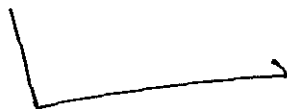
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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



P W Wilmot  
Trustee

3 October 2002

## STYLE ACRE FRIENDS

### Report of the independent auditors

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#### 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.

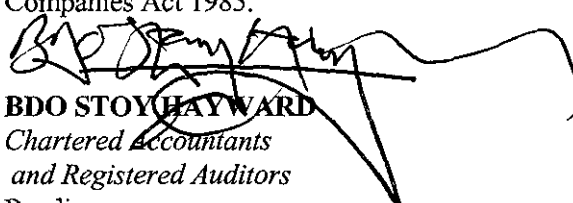
#### *Basis of opinion*

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 2002 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  
4 October 2002

# STYLE ACRE FRIENDS

## Income and expenditure account and statement of financial activities for the year ended 31 March 2002

	Note	Unrestricted funds £	Restricted funds £	Designated funds £	Total 2002 £	Total 2001 £
<b>Incoming resources</b>	1					
Donations and bequests		17,069	9,700	-	26,769	39,881
<i>Activities in furtherance of the charity's objects:</i>						
Fees for residential care		687,497	-	-	687,497	501,284
<i>Activities for generating funds:</i>						
Shop income		40,977	-	-	40,977	33,518
Turnstyle income		63,745	-	-	63,745	12,939
Interest receivable		290	5	-	295	2,798
<b>Total incoming resources</b>		809,578	9,705	-	819,283	590,420
<i>Charitable expenditure:</i>						
<i>Costs of activities in furtherance of the charity's objects:</i>						
Care costs	4	808,223	-	-	808,223	602,231
Administration		2,494	-	-	2,494	3,384
<b>Total resources expended</b>		810,717	-	-	810,717	605,615
<b>Net (outgoing)/incoming resources</b>	5	(1,139)	9,705	-	8,566	(15,195)
Unrealised gain on revaluation of tangible fixed assets		-	-	-	-	372,057
Transfer between funds		21,455	(5,466)	(15,989)	-	-
<b>Net movement in funds</b>		20,316	4,239	(15,989)	8,566	356,862
Funds brought forward		130,210	189,357	631,447	951,014	594,152
<b>Funds carried forward</b>	13	150,526	193,596	615,458	959,580	951,014

All amounts relate to continuing activities

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

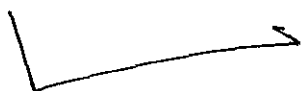
The notes on pages 7 to 11 form part of these financial statements


# STYLE ACRE FRIENDS

## Balance sheet at 31 March 2002

	Note	2002 £	2002 £	2001 £	2001 £
<b>Fixed assets</b>					
Intangible assets	6		2,917		3,917
Tangible assets	7		1,188,272		1,195,248
			<u>1,191,189</u>		<u>1,199,165</u>
<b>Current assets</b>					
Debtors	8	6,559		19,950	
Cash at bank and in hand		95,051		82,335	
		<u>101,610</u>		<u>102,285</u>	
<b>Creditors: amounts falling due within one year</b>	9	45,599		56,595	
		<u></u>		<u></u>	
<b>Net current assets</b>			56,011		45,690
			<u></u>		<u></u>
<b>Total assets less current liabilities</b>			1,247,200		1,244,855
<b>Creditors: amounts falling due after more than one year</b>	10		287,620		293,841
			<u></u>		<u></u>
<b>Net assets</b>			959,580		951,014
			<u></u>		<u></u>
<b>Capital and reserves</b>					
Designated funds	11	615,458		631,447	
Restricted funds	12	193,596		189,357	
Unrestricted funds		150,526		130,210	
		<u>959,580</u>		<u>951,014</u>	

The financial statements were approved by the trustees on 3 October 2002.

  
P W Wilmot

  
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 2002

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### 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 in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in October 2000 and the Charities Act 1993.

#### *Incoming resources*

Incoming resources represent income receivable from fundraising, donations and gifts, interest received and residential care fees.

#### *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 2002 comprised 81 individuals.



## STYLE ACRE FRIENDS

### Notes forming part of the financial statements for the year ended 31 March 2002 (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 Care costs

	2002 £	2001 £
Wages, salaries and employee costs	523,707	383,641
Employers national insurance contributions	38,813	28,922
Pension contributions	15,157	12,066
	<hr/>	<hr/>
	577,677	424,629
Building costs and services	102,209	64,048
Consumables	40,931	36,013
Training (staff and residents)	5,325	16,889
Administration	22,105	21,626
Interest charges	25,069	16,864
Depreciation and amortisation	34,907	22,162
	<hr/>	<hr/>
	808,233	602,231
	<hr/>	<hr/>

The average number of employees during the year was 38 (2001-30).

Reimbursement of expenses were made to the Trustees during the year amounting to £264 (2001: £264).

There were no employees earning over £50,000 per annum (2001: Nil).

#### 5 Net (outgoing)/incoming resources

	2002 £	2001 £
This is stated after charging:		
Auditors' remuneration	5,464	4,406
Depreciation and amortisation	34,907	22,162
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# STYLE ACRE FRIENDS

## Notes forming part of the financial statements for the year ended 31 March 2002 (Continued)

### 6 Intangible assets

	2002 £	2001 £
Purchased goodwill brought forward and carried forward	10,000	10,000
Amortisation brought forward	6,083	5,083
Charge for the period	1,000	1,000
Amortisation carried forward	7,083	6,083
Net book value carried forward	2,917	3,917

### 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 2001	340,000	800,000	52,519	31,619	1,224,138
Additions	-	-	-	26,931	26,931
At 31 March 2002	340,000	800,000	52,519	58,550	1,251,069
<i>Depreciation</i>					
At 1 April 2001	-	-	18,607	10,283	28,890
Charge for the period	6,800	16,000	5,252	5,855	33,907
At 31 March 2002	6,800	16,000	23,859	16,138	62,797
<i>Net book value</i>					
At 31 March 2002	333,200	784,000	28,660	42,412	1,188,272
At 31 March 2001	340,000	800,000	33,912	21,336	1,195,248

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. Depreciation on the revalued assets is £11,583 higher than under the historical cost convention.

## STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2002 (Continued)

### 8 Debtors

	2002 £	2001 £
Accrued income	6,559	19,950

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

### 9 Creditors: amounts falling due within one year

	2002 £	2001 £
Current instalment due on bank loans (secured, see note 10)	20,153	7,600
Other taxes and social security costs	10,513	9,308
Accruals	14,933	39,687
	45,599	56,595

### 10 Creditors: amounts falling due after more than one year

	2002 £	2001 £
Bank loans repayable after two but less than five years	10,097	-
Bank loans repayable after more than five years	277,523	293,841
	287,620	293,841

The bank loans repayable after more than five years 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

The designated 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. The fund has been amortised to match depreciation charged in the year.

## STYLE ACRE FRIENDS

Notes forming part of the financial statements for the year ended 31 March 2002 (Continued)

### 12 Restricted funds

	Balance brought forward £	Incoming resources £	Resources expended £	Balance carried forward £
Skill centre	169,240	-	(3,454)	165,786
Minibus appeal	20,117	-	(2,012)	18,105
Special needs appeal	-	9,705	-	9,705
	<u>189,357</u>	<u>9,705</u>	<u>(5,466)</u>	<u>193,596</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.

### 13 Analysis of net assets between funds

Fund balances at 31 March 2002 are represented by:

	Designated funds £	Unrestricted funds £	Restricted funds £	Total funds £
Intangible assets	-	2,917	-	2,917
Tangible fixed assets	905,961	98,420	183,891	1,188,272
Current assets	-	91,905	9,705	101,610
Current liabilities	(12,980)	(32,619)	-	(45,599)
Long term liabilities	(277,523)	(10,097)	-	(287,620)
	<u>615,458</u>	<u>150,526</u>	<u>193,596</u>	<u>959,580</u>

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 open to all 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 £15,157 (2001 - £12,066).