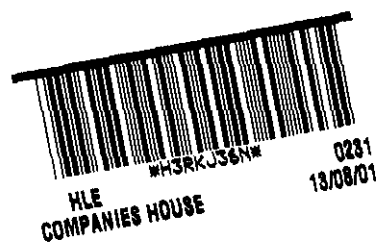


**FAMILY SUPPORT SERVICES (MIDLANDS) LIMITED
ABBREVIATED STATUTORY ACCOUNTS
FOR THE YEAR ENDED 31 JULY 2000**

Company registration No.3122208 (England and Wales)



Family Support Services (Midlands) Limited

**Auditors' Report to Family Support Services Limited
pursuant to section 247B of the Companies Act 1985**

We have examined the abbreviated accounts set out on pages 2 to 4, together with the financial statements of the company for the year ended 31 July 2000 prepared under section 226 of the Companies Act 1985.

Respective responsibilities of directors and auditors

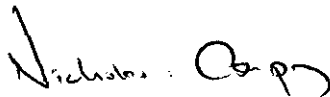
The directors are responsible for preparing the abbreviated accounts in accordance with section 246 of the Companies Act 1985. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Act to the registrar of companies and whether the accounts to be delivered are properly prepared in accordance with those provisions and to report our opinion to you.

Basis of opinion

We have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared. The scope of our work for the purpose of this report did not include examining or dealing with events after the date of our report on the financial statements.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with sections 246(5) and (6) of the Companies Act 1985, and the abbreviated accounts on pages 2 to 4 are properly prepared in accordance with those provisions.



Nicholas & Company
Registered Auditors
Chartered Accountants.
9, Prospect Road,
Ossett,
West Yorkshire.
WF5 8AE.

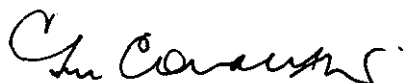
8 May 2001

Family Support Services (Midlands) Limited
Abbreviated Balance Sheet
As at 31 July 2000

	Notes	2000		1999	
		£	£	£	£
Fixed Assets					
Tangible assets	2		291,032		323,313
Current Assets					
Stock		1,300		1,300	
Debtors	3	449,418		144,388	
Cash at bank and in hand		55,147		194,463	
		<u>505,865</u>		<u>340,151</u>	
Creditors payable within one year	4	<u>(504,867)</u>		<u>(312,393)</u>	
Net current assets			<u>998</u>		<u>27,758</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			292,030		351,071
Creditors payable after one year	4		<u>(232,161)</u>		<u>(231,453)</u>
			<u>£59,869</u>		<u>£119,618</u>
 Capital and Reserves					
Called up share capital	5		1,000		1,000
Profit and loss account			<u>58,869</u>		<u>118,618</u>
Shareholders' funds- equity interest			<u>£59,869</u>		<u>£119,618</u>

The financial statements which have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 were approved by the board on 8 May 2001 and signed on its behalf.

Signed on behalf of the board of directors



G. Condliffe

Director

8 May 2001

The notes on pages 3 and 4 form part of these financial statements

Family Support Services (Midlands) Limited
Notes to the Abbreviated Accounts
Year to 31 July 2000

1 Accounting Policies

(a) Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention and include the results of the company's operations which are described in the Directors' Report and all of which are continuing.
The company has taken advantage of the exemption in financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds it is a small company.

(b) Turnover

Turnover comprises the invoiced value of services supplied by the company, net of Value Added Tax.

(c) Tangible fixed assets and depreciation.

Tangible fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	10.0%	straight line
Motor vehicles	25.0%	reducing balance

(d) Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

(e) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to profit and loss account as incurred.

(f) Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

(g) Deferred taxation

Provision is made for taxation deferred as a result of material timing differences between the incidence of income and expenditure for taxation and accounts purposes, using the liability method, only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability will crystallise in the near future.

2 Tangible fixed assets

£

Cost

Brought forward	386,177
Additions	6,926
Disposals	(39,500)
As at 31 July 2000	<u>353,603</u>

Depreciation

Brought forward	
Charge	62,864
On disposals	13,397
As at 31 July 2000	<u>76,261</u>

Net book values

As at 31 July 2000	<u>£277,342</u>
As at 31 July 1999	<u>£323,313</u>

Included above are assets held under hire purchase contracts amounting to £nil (1998 - £30,320)

Family Support Services (Midlands) Limited
Notes to the Abbreviated Accounts
Year to 31 July 2000

3 Debtors

All debtors fall due within one year.

4 Creditors

Creditors include the following:

Secured creditors

July 2000

July 1999

£281,698

£ 318,836

5 Share Capital

July 2000

July 1999

Authorised

Ordinary shares of £1 each

£1,000

£1,000

Allotted, called up and fully paid

Ordinary shares of £1 each

£1,000

£1,000

6 Transactions with Directors.

B. Scanlon, G. Condliffe, G. Rozario and M. Judson are the directors and majority shareholders in Family Support Services (UK) and (Etruria) Limited whom the company was charged services to the values of £25,662 and £78,544 respectively. At the balance sheet date the amount owed by the companies was £nil (1999 - £).