

Charity Registration No. 1103725

Company Registration No. 5045034 (England and Wales)

**ADULTS SUPPORTING ADULTS (ASA LINCS)**  
**DIRECTORS' REPORT AND ACCOUNTS**  
**FOR THE YEAR ENDED 31 MARCH 2008**

WEDNESDAY



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# **ADULTS SUPPORTING ADULTS (ASA LINC'S)**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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**Trustees**

Jaqueline Smith  
Douglas Rawlinson  
John Kendall  
Neil Coote  
David Armes  
Niall Armstrong  
Pamela Railton  
Keith Phillips

**Secretary**

Trixie Bennett

**Charity number**

1103725

**Company number**

5045034

**Principal address**

Railton House  
East Road Business Park  
Sleaford  
Lincolnshire  
NG34 7EQ  
United Kingdom

**Registered office**

Railton House  
East Road Business Park  
Sleaford  
Lincolnshire  
NG34 7EQ  
United Kingdom

**Auditors**

Forrester Boyd  
139 Eastgate  
Louth  
Lincolnshire  
LN11 9QQ

**Bankers**

HSBC Bank plc  
88 Westgate  
Grantham  
Lincolnshire  
NG31 6LF  
United Kingdom

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# ADULTS SUPPORTING ADULTS (ASA LINC'S)

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# **ADULTS SUPPORTING ADULTS (ASA LINCS)**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31 MARCH 2008**

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The trustees present their report and accounts for the year ended 31 March 2008.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with ASA Lincs' governing document, the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

### **Structure, governance and management**

ASA Lincs is a company limited by guarantee and holds no share capital.

The trustees, who are also the directors for the purpose of company law, who served during the year were:

Jaqueline Smith  
Douglas Rawlinson

John Kendall

Paul Clifford

(Resigned 30 April 2007)

Neil Coote

David Armes

Niall Armstrong

Pamela Railton

Keith Phillips

(Appointed 17 January 2008)

The directors are committed to ensuring that their membership reflects not only the demographic and cultural environment in which the charity operates but also has the life and professional experiences essential to developing the charity's role. To this end they are constantly alert to the opportunities which their contact with the local community offer to attract appropriately qualified new members.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £10 in the event of a winding up.

The Memorandum and Articles of Association state that the number of members of the board shall not be less than three but will not exceed twelve.

All directors being eligible, offer themselves for election at the forthcoming Annual General Meeting.

The company was incorporated on 16th February, 2004 and commenced to operate on 1st April, 2005. The company is limited by guarantee and has no share capital.

The governing document of the charity is its Memorandum and Articles of Association.

The charity is managed by the directors.

Potential major risks are reviewed regularly. Monthly visits are carried out to ensure that the charity's objects are being met. Reserves are kept at a level to cover three months administrative and service costs in order to enable directors time to organise alternative arrangements in the event of funding being withdrawn.

### **Objectives and activities**

The objects of the company are:

- to support the needs of adults in Lincolnshire and other counties who are vulnerable as a result of disability, mental health difficulties or age, and to provide for them as appropriate to achieve an independent and socially inclusive lifestyle;

- to educate the population of Lincolnshire, and other counties as a whole, of the needs of vulnerable adults.

# **ADULTS SUPPORTING ADULTS (ASA LINCS)**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2008**

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At present ASA provides community support services as follows:

- Extended stay
- At home day service
- Respite services
- Day time provision

ASA's primary contract is with Lincolnshire County Council.

### **Achievements and performance**

During the third year of activity, the directors have, with the full support of the existing staff team, consolidated the externalisation of a social service adult placement scheme. The main administration centre has now been fully established in an independent location. In addition they have continued to obtain substantial private sector funding to establish the charity on a sound financial standing at the year end.

The directors have continued to expand the level of existing provision whilst developing new support services to meet changing client needs and statutory requirements.

The directors are committed to continued expansion and diversification of ASA's client services and the employees to manage this growth. They are actively working with other potential clients to assist with the delivery of services.

### **Financial review**

At 31st March, 2008 the charity had £529,278 in reserves, all of which were unrestricted. £157,482 of this reserve has been designated on special reserve by the directors.

The remaining reserves of £371,796 have been kept at a level to fund the ongoing activities. At present they represent approximately three months of administrative and service costs. This is not considered excessive by the directors.

It is the policy of ASA Lincs that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue ASA Lincs's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

ASA directors and senior management team will exercise a general duty of care when carrying out investment activities. They will consider the suitability for their charity of any investment. They will consider the need for diversification, to reduce the risk of losses resulting from concentrating on a particular investment or type of investment.

Investments will be reviewed at least on an annual basis, or at such time that an investment term is complete, if sooner.

To reduce risks the directors and senior management team will consider the following when investing surplus funds

- to invest in markets where financial services are closely regulated, and compensation schemes are in place
  - to have a suitably diversified investment portfolio; and
  - to be particularly wary of making speculative forms of investment.
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# **ADULTS SUPPORTING ADULTS (ASA Lincs)**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2008**

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### **Disclosure of information to auditors**

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

### **Auditors**

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Forrester Boyd be reappointed as auditors of the company will be put to the Annual General Meeting.

### **Statement of Trustees responsibilities**

The trustees are responsible for preparing the accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of ASA Lincs and of its incoming resources and application of resources, including its net income and expenditure for the year.

In preparing these accounts, 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 accounts on the going concern basis unless it is inappropriate to presume that ASA Lincs will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of ASA Lincs and which enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of ASA Lincs and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board of trustees



**Trixie Bennett**

Dated: 1 September 2008

# **ADULTS SUPPORTING ADULTS (ASA LINCS)**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF ADULTS SUPPORTING ADULTS (ASA LINCS)**

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We have audited the accounts of Adults Supporting Adults (ASA Lincs) for the year ended 31 March 2008 set out on pages 6 to 14. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As described on page 0, the trustees, who are also the directors of Adults Supporting Adults (ASA Lincs) for the purpose of company law, are responsible for preparing the Directors' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts, if the charity 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 trustees' remuneration and transactions with ASA Lincs is not disclosed.

We read other information contained in the Directors' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to ASA Lincs' 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 accounts 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 accounts.

## ADULTS SUPPORTING ADULTS (ASA LINCS)

### INDEPENDENT AUDITORS' REPORT (CONTINUED)

#### TO THE MEMBERS OF ADULTS SUPPORTING ADULTS (ASA LINCS)

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##### Opinion

In our opinion:

- the accounts give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the ASA Lincs's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with the Companies Act 1985; and
- the information provided in the Directors' Report is consistent with the accounts.

*Forrester Boyd*

Forrester Boyd  
Chartered Accountants  
Registered Auditor  
139 Eastgate  
Louth  
Lincolnshire  
LN11 9QQ

Dated: 15 September 2008



# ADULTS SUPPORTING ADULTS (ASA LINGS)

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2008

	Notes	Unrestricted funds £	Designated funds £	Total 2008 £	Total 2007 £
<b><u>Incoming resources from generated funds</u></b>					
Voluntary Income	2	7,766	-	7,766	10,324
Investment income	3	18,203	-	18,203	14,797
		25,969	-	25,969	25,121
Incoming resources from charitable activities	4	1,457,215	-	1,457,215	1,449,273
<b>Total incoming resources</b>		<b>1,483,184</b>	<b>-</b>	<b>1,483,184</b>	<b>1,474,394</b>
<b><u>Resources expended</u></b>					
<b>Charitable activities</b>					
Charitable Expenditure	5	1,316,509	-	1,316,509	1,247,064
Support Costs	6	66,402	-	66,402	49,449
<b>Total charitable expenditure</b>		<b>1,382,911</b>	<b>-</b>	<b>1,382,911</b>	<b>1,296,513</b>
Governance costs	7	44,397	-	44,397	32,082
<b>Total resources expended</b>		<b>1,427,308</b>	<b>-</b>	<b>1,427,308</b>	<b>1,328,595</b>
<b>Net incoming resources before transfers</b>		<b>55,876</b>	<b>-</b>	<b>55,876</b>	<b>145,799</b>
Gross transfers between funds		(31,257)	31,257	-	-
<b>Net income for the year/ Net movement in funds</b>		<b>24,619</b>	<b>31,257</b>	<b>55,876</b>	<b>145,799</b>
Fund balances at 1 April 2007					
As originally reported		382,177	126,225	508,402	327,603
Prior year adjustment	10	(35,000)	-	(35,000)	-
As restated		347,177	126,225	473,402	327,603
<b>Fund balances at 31 March 2008</b>		<b>371,796</b>	<b>157,482</b>	<b>529,278</b>	<b>473,402</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

# ADULTS SUPPORTING ADULTS (ASA LINC'S)

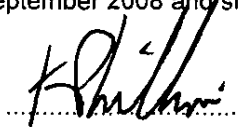
## BALANCE SHEET

AS AT 31 MARCH 2008

		2008		2007 as restated	
	Notes	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		47,106		56,823
<b>Current assets</b>					
Debtors	12	64,994		47,045	
Cash at bank and in hand		497,733		458,308	
		<u>562,727</u>		<u>505,353</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(80,555)</u>		<u>(88,774)</u>	
<b>Net current assets</b>			<u>482,172</u>		<u>416,579</u>
<b>Total assets less current liabilities</b>			<u><u>529,278</u></u>		<u><u>473,402</u></u>
<b>Income funds</b>					
Unrestricted funds:					
Designated funds			157,482		126,225
Other charitable funds			<u>371,796</u>		<u>347,177</u>
			<u><u>529,278</u></u>		<u><u>473,402</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts were approved by the Board on 1 September 2008 and signed on its behalf by

# ADULTS SUPPORTING ADULTS (ASA LINCS)

## NOTES TO THE ACCOUNTS

**FOR THE YEAR ENDED 31 MARCH 2008**

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### **1 Accounting policies**

#### **1.1 Basis of preparation**

The accounts have been prepared under the historical cost convention.

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985.

#### **1.2 Incoming resources**

Incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amounts can be quantified with reasonable accuracy.

Voluntary income and activities for generating funds are included in full in the Statement of Financial Activities in the year in which they are receivable.

Incoming resources from charitable activities, including grant income, are included in full in the Statement of Financial Activities in the year in which they are receivable.

Investment income is accounted for in the period in which the charity is entitled to receipt.

#### **1.3 Resources expended**

Resources expended are recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such services and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee and costs linked to the strategic management of the charity.

#### **1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	20% Straight Line
Motor vehicles	25% Straight Line

Items of equipment are capitalised where the purchase price exceeds £100. Where assets reach the end of their useful life before the costs have been written off they are fully depreciated in the year.

#### **1.5 Pensions**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those in the company in an independently administered fund. Employees who were transferred from the employment of the local council continue to be members of the LCC defined benefit scheme. Any shortfall, should there be one, will be met by the council. The cost to the charity is therefore the amount of contributions payable and therefore it is appropriate for the charity to account for the scheme as a defined contribution scheme. Contributions payable to both schemes for the year are charged in the Statement of Financial Activities (including income and expenditure account).

# ADULTS SUPPORTING ADULTS (ASA LINC)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 1 Accounting Policies

(continued)

#### 1.6 Accumulated funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Designated funds are funds set aside by the trustees out of unrestricted funds for specific future purposes or projects.

Unrestricted funds are incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

#### 1.7 Taxation

These financial statements are prepared on the basis that the company has an exemption under section 505 of the Income and Corporation Taxes Act (ICTA) 1988 and that no charge to taxation applies.

#### 1.8 Gifts in kind and donated services

All offices of the charity, with the exception of the head office, are sited in Lincolnshire County Council buildings, and are rent free. The contribution and notional rent are included in the accounts at a commercial value, as estimated by the trustees.

### 2 Voluntary Income

	2008 £	2007 £
Contribution from Lincolnshire County Council	7,766	10,324

### 3 Investment income

	2008 £	2007 £
Interest receivable	18,203	14,797

# ADULTS SUPPORTING ADULTS (ASA LINCS)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 4 Incoming resources from charitable activities

	2008 £	2007 £
Lincolnshire County Council Services Grant	1,214,385	1,215,360
Training & Consultancy	4,497	2,360
Private Sector funding	197,836	200,767
Private Provision	40,497	30,786
	<u>1,457,215</u>	<u>1,449,273</u>

### 5 Charitable expenditure

	2008 £	2007 £
Service providers	391,870	430,138
Travel expenses	2,657	9,982
Motor expenses	3,650	5,593
Wages and salaries	792,624	671,809
National insurance	44,162	38,906
Pensions	46,534	47,057
Training	12,568	11,012
Insurance	22,444	32,567
	<u>1,316,509</u>	<u>1,247,064</u>

# ADULTS SUPPORTING ADULTS (ASA LINC'S)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 6 Support costs

	2008 £	2007 £
Telephone	4,779	4,949
Printing, Postage & Stationery	9,673	7,485
Computer Expenses	6,716	5,488
Repairs & Maintenance	2,538	3,008
Subscriptions	2,542	2,064
Advertising	11,906	6,924
Staff costs	2,450	9,183
Light & Heat	5,837	2,411
Donations	75	50
Sundry Expenses	3,484	1,345
Bank Charges	866	131
Depreciation	15,536	6,411
	<u>66,402</u>	<u>49,449</u>

### 7 Governance costs

	2008 £	2007 £
Audit fees	3,349	2,938
Accountancy fees	1,275	4,244
Legal and professional fees	1,837	4,515
Rent and rates	36,846	18,908
Insurance	1,090	1,477
	<u>44,397</u>	<u>32,082</u>

# ADULTS SUPPORTING ADULTS (ASA LINCS)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year.

Mr D Rawlinson and Mrs P Railton were reimbursed a total of £295 and £18 respectively for travelling expenses (2007: £297).

During the year the charity paid £88 to Duncan & Toplis, Chartered Accountants for payroll services. Director Keith Phillips is a partner in this firm. The transactions were carried out under normal commercial terms.

During the year £6,800 was paid in respect of indemnity insurance (2007: £27,476).

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2008 Number	2007 Number
Managment & Administration	20	20
Day time service providers	50	64
	<u>70</u>	<u>84</u>

#### Employment costs

	2008 £	2007 £
Wages and salaries	792,624	671,809
Social security costs	44,162	38,906
Other pension costs	46,534	47,057
	<u>883,320</u>	<u>757,772</u>

There were no employees whose annual emoluments were £60,000 or more.

### 10 Prior year adjustment

The prior year adjustment of £35,000 relates to a change in accounting policy regarding the recognition of accrued wages costs. Previously these had been charged in the Statement of Financial Activities when paid as this matched them with grants received. However, the trustees consider that as there is a binding obligation on the charity at the balance sheet date to pay these wages, they should be recognised as liabilities.

# ADULTS SUPPORTING ADULTS (ASA LINC'S)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 11 Tangible fixed assets

	Office Equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2007	14,734	30,673	18,299	63,706
Additions	370	5,450	-	5,820
<b>At 31 March 2008</b>	<b>15,104</b>	<b>36,123</b>	<b>18,299</b>	<b>69,526</b>
<b>Depreciation</b>				
Transfers	4,909	6,968	3,660	15,537
At 1 April 2007 and at 31 March 2008	8,051	9,184	5,185	22,420
<b>Net book value</b>				
At 31 March 2008	7,053	26,939	13,114	47,106
At 31 March 2007	11,592	28,457	16,774	56,823

### 12 Debtors

	2008 £	2007 £
Trade debtors	38,019	24,242
Prepayments and accrued income	26,975	22,803
	<b>64,994</b>	<b>47,045</b>

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

	2008 £	2007 £
Bank overdrafts	-	25,640
Trade creditors	57,603	58,088
Taxes and social security costs	19,603	189
Accruals	3,349	4,857
	<b>80,555</b>	<b>88,774</b>



# ADULTS SUPPORTING ADULTS (ASA LINCS)

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2008

### 14 Analysis of net assets between funds

	Unrestricted funds £	Designated funds £	Total £
Fund balances at 31 March 2008 are represented by:			
Tangible fixed assets	47,106	-	47,106
Current assets	405,245	157,482	562,727
Creditors: amounts falling due within one year	(80,555)	-	(80,555)
	<u>371,796</u>	<u>157,482</u>	<u>529,278</u>

### 15 Commitments under operating leases

At 31 March 2008 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2008	2007
	£	£
Expiry date:		
In over five years	<u>28,500</u>	<u>28,500</u>

### 16 Controlling party

The charity is controlled by the trustees who are also the company's directors.

### 17 Company status

The charity is a company limited by guarantee. The members of the company are the directors and trustees named on page 1. In the event of the charity being wound up the liability in respect of the guarantee is limited to £10 per member of the charity.