

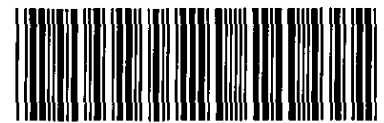
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The
Redwoods
Caring
Foundation



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annual report and accounts 2008 – 2009



The
Redwoods
Caring
Foundation



**annual report and accounts
2008 – 2009**

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DIRECTORS

The directors who served during the year were:

Brian J Hayes A.M.B.C
Shirley Hayes
Jeanette C Godward R.G.N., Operations Director
Rosalind Brown R.G.N., Director of Care Services

COMPANY DETAILS

Registered Office

Kirk Farm House, 6 Lasswade Road, Edinburgh EH16 6RZ

Registered Scottish Charity

Charity No. SC013566

Company Registered in Scotland (Limited by Guarantee)

Company No. 125367

PROFESSIONAL SERVICES

Bankers

Royal Bank of Scotland, 30 Nicolson Street, Edinburgh EH11 2JN
Bank Manager: Angus Johnstone

Solicitors

Beveridge, Philp & Ross, 22 Bernard Street, Edinburgh EH6 6PP
Contact: Robert McMillan

Accountant

William Davidson, 68 Edgehead Road, Pathhead, Midlothian EH37 5RJ

Auditor

Neil C Andrew, 2 Murieston Road, Edinburgh EH11 2JH

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Redwoods Caring Foundation is a charity registered in Scotland, and a registered company, established in 1985, whose aims were stated in its Memorandum & Articles of Association to be the provision of care and support for people with learning disabilities. This document also clearly sets out the charity's Christian ethos.

The charity is governed by a Board of Directors, as set out above. Board meetings are held on a bi-monthly basis. The Board decides matters of strategy and overall policy, sets and monitors budgets, and ensures that the day to day operations of the charity are in line with its stated mission statement, vision and values. It is also served by a Senior Manager and Finance Officer from within the organisation, who are available to report and advise as required.

The induction process for newly-appointed Directors includes meetings with the existing Board members as well as the provision of documentation - the founding documents, relevant minutes, a history of the organisation, and recent annual reports and accounts.

Risk Assessment

The Redwoods Caring Foundation has undertaken an assessment of the principal risks to which we are exposed, and has taken action to mitigate against such risks.

Reserves Policy

The Redwoods Caring Foundation does not have a separate reserve fund, and has no investments other than those required for direct service provision, including the purchase of land and buildings and other capital assets. Cash balances are held in bank accounts as working capital.

Each service (unit) that Redwoods provides is treated separately, but within the overall unrestricted funds of the organisation, unless the conditions of funding require it to be restricted.

The Board of Directors are committed to ensuring that all funds held are used in the most effective way to further the charity's objectives. To this end, transfers may sometimes be approved between units within unrestricted funds.

All land and building owned by Redwoods is also held as part of the unrestricted funds, apart from new developments which must be held as distinct restricted funds for such time as they are the subject of specific fundraising. A major part of the income to unrestricted funds comes from management charges on the service units, and provided that there are sufficient reserves in the service units to cover any client vacancies, this is reasonably predictable. The expenditure from unrestricted funds is, however, subject to a considerable level of uncertainty, since it is necessary to meet, for example, the cost of building repairs, which cannot all be planned in advance.

In order to provide new services, bank or mortgage borrowing will often be necessary to fund part of the cost. It is not considered necessary to retain a positive cash balance in unrestricted funds since these are offset by the capital value of buildings, on which capital could be raised if necessary by mortgage or, should any service be discontinued, by sale. It is, however, considered prudent to restrict the amount of borrowing by Central Services to 50% of the book value (market value) of assets held as land and buildings.

MISSION STATEMENT

The Redwoods Caring Foundation is committed to providing a range of sensitive and flexible services for people with learning disabilities, including residential, day services and residential short breaks in the Lothians. Those for whom Redwoods care are encouraged and assisted to reach their maximum potential in terms of their spiritual, emotional and physical wellbeing.

REVIEW OF THE YEAR

In a year which, for so many, has been full of challenges, changes and severe tests, Redwoods has also experienced buffeting, squeezing and serious storms.

However, Redwoods was established by God, it has been sustained by Him over the past 23 years and He has been faithful in continuing to work out His plan in and through Redwoods, even during the most challenging of times.

Precious pearls

When God created the pearl, He did so by allowing the irritation of a grain of sand in the oyster shell to fashion a jewel of great beauty and worth. This picture can be reflected both at the level of many individual people whom Redwoods supports, and in Redwoods as a whole.

In the words of the hymn-writer "On Christ the solid rock I stand - all other ground is sinking sand". It has been a great comfort and source of security to know that Redwoods, birthed out of God's heart of love and compassion, is being sustained during these turbulent times.

We acknowledge with great gratitude that, although the financial position of Redwoods is a critical challenge to manage, the funds have continued to be available from local government to allow the support and care provided by Redwoods to be maintained.

For many whom Redwoods supports, this year has been one when we have seen the beautiful pearl emerge in their lives.

In the summer a number of artists from Redwoods Day Centre staged an exhibition of their work in The Lot, a bistro in the heart of Edinburgh. It was a great success and many people saw their creative gifts (pearls) on display.

For other people the pearls in their lives emerged in the form of employment, some having worked extraordinarily hard to realise this dream. The difficult times of being turned down for

work, lack of opportunities or apparent inexperience, fashioned a young man who now, with confidence and excitement, has walked into his first job. Another person was given great acclaim at the annual awards ceremony in his workplace - yet another pearl for many to see.

For other people the result of their response to guidance, encouragement, hard work and sometimes pain has been success in making a sandwich, crossing the road safely, communicating on the phone - all their efforts and successes are honoured by the staff teams.

External feedback

This year Redwoods has specifically sought the views of the people we support and their families in relation to the services we provide and how we provide it. We greatly appreciated the feedback, which was extremely positive, and we are working on the areas of improvement which had been suggested.

During the year Redwoods achieved good grades from the Care Commission during their annual inspection. We value the comments, constructive input and encouragement from those who "look in" to Redwoods, either from a family or statutory perspective.

A living infrastructure

It has been said that "vision without infrastructure is an assumption". How true this is in Redwoods.

There is no doubt in our minds and hearts that the vision God gave Redwoods is evolving and it will come to fruition. However, without 'infrastructure', this would not happen, and we consider the vital element of infrastructure to be the amazingly dedicated, creative and diligent staff team - they are a determinant of the growth and development of Redwoods.

As they stand shoulder to shoulder, the staff team in each unit provide a framework where the people whom they support can be encouraged and strengthened as they grow and develop. This framework is not fixed and rigid but rather a vibrant, living structure which responds to the needs of the people Redwoods has the privilege of supporting.

The staff teams provide the secure environment where people can learn, live, grow - and make mistakes! We honour every one of the staff who are precious gifts from God. They have been, and continue to be, fashioned by Him, through hardship, struggles and challenges - fashioning pearl after pearl - all of which brings glory to the God who they serve.

The staff teams were re-accredited with the 'Investors in People' award in November, for another 3 years. They truly are those who invest their lives, time and energy in the lives of the people for whom they care.

We honour and highly value each of the managers for their continued, tireless commitment to the vision of Redwoods. We know that they are the lynch-pins in the infrastructure, without them it would not hold together.

Each manager is a Godly example to the teams they lead and their hard work, diligence and foresightedness are visual expressions of their confidence in the fact that God will do what He has said He will do.

The pearls that are on show and those that are still being formed in the lives of the staff and the people Redwoods supports are the evidence that God is truly at work in sustaining, growing, healing and restoring these precious people - who form Redwoods.

FINANCIAL REVIEW

Redwoods has produced accounts in accordance with all current statutory requirements and regulations. The majority of our core funding comes from the local authority Social Work Departments, and we thank them for their continued support in the midst of the difficult financial situation they are dealing with. We are also incredibly grateful for all the generous donations made by individuals and trusts over the course of the year.

The organisation's income in 2008/9 was £1,079,331, and total expenditure was £1,203,862. This resulted in an overall loss for the year of £124,531, and therefore a decrease in net assets to £508,097.

This has obviously been a difficult year financially for Redwoods, and the Board of Directors are monitoring the situation closely. We are grateful that the organisation's reserves were able to take the impact of a significant loss this year. We anticipate that a further loss may be incurred during the following year, while we seek to put in place re-structuring measures that will help to strengthen the financial position of the various services we provide.

FUTURE PLANS

Re-structuring

Work has already begun on conducting a service review, and in the coming year we will be seeking to build on this, re-structuring how we do things to ensure that the services we provide are as efficient and of as high a quality as possible.

Music Therapy

It has been a long-term aim to extend and enhance the music services that Redwoods is able to offer. During the coming year, we are planning that a Music Therapy service will begin and we are excited at this prospect - our hope is that this part of the service will grow and be of great benefit to those we support.

In the year to come we look forward to many more pearls being released, as we together move further into the purposes God has for Redwoods.

DIRECTORS' RESPONSIBILITIES

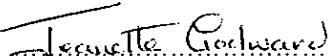
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

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

The directors 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.

For these purposes, the Directors have retained the services of William Davidson and Neil Andrew for the auditing of the annual accounts.

Approved and signed by order of the Board of Directors


Jeanette C Godward - Director

11th Dec 2009
Date

**INDEPENDENT
AUDITOR'S
REPORT**

This report is issued in respect of an audit carried out under section 235 of the Companies Act 1985 and section 44(1)(c) of the Charities & Trustee Investment (Scotland) Act 2005.

We have audited the financial statements of The Redwoods Caring Foundation for the year ended 31 March 2009 which comprise the Statement of Financial Affairs, Income & Expenditure Account, Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

This report is made exclusively to the members, as a body, in accordance with section 235 of the Companies Act 1985 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities & Trustee Investment (Scotland) Act 2005 and Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK & Ireland).

We report to you our opinion as to whether the financial statements give a fair view and are properly prepared in accordance with the Companies Act 1985, the Charities & Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if, in our opinion, the information given in the Directors' Annual Report is consistent with the financial statements, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We read the other information published with the financial statements and consider whether it is consistent with the audited financial statements. The other information comprises only the Directors' Annual Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

We read the Directors' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK & 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 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 charity'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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2009, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- * have been properly prepared in accordance with the Charities & Trustee Investment (Scotland) Act 2005, regulation 8 of the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2005; and
- * the information given in the Directors' Annual Report is consistent with the financial statements.

Signed:

Neil Andrew CA

Date:

11/12/2009

Neil Andrew CA

Registered Auditors

(Eligible to act as an auditor in terms of section 25 of the Companies Act 1989)

2 Murieston Road

EDINBURGH

EH11 2JH

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

STATEMENT OF FINANCIAL AFFAIRS
for the year ended 31 March 2009

		2009			2008
		£	£	£	£
		Unrestricted	Restricted	Total	Total
	Note	Funds	Funds	Funds	Funds
INCOMING RESOURCES	2				
Donations, Legacies and Similar Operating Activities		8,394	15,055	23,449	8,577
<i>In furtherance of the objectives</i>					
Client/SW Income		991,823	0	991,823	1,110,466
Investment Income					
Interest Receivable		7,882	23	7,905	7,045
Other Incoming Resources					
Rent / Building usage		56,154	0	56,154	55,095
TOTAL INCOMING RESOURCES	14	1,064,253	15,078	1,079,331	1,181,183
RESOURCES EXPENDED					
Costs of generating funds					
Fundraising		0	0	0	210
Charitable Expenditure					
<i>Activities in furtherance of the objectives</i>					
Direct Charitable Expenditure		1,183,950	14,549	1,198,499	1,179,913
<i>Management & Admin</i>					
Interest Payable		3,178	0	3,178	4,307
Audit fees		2,185	0	2,185	2,115
TOTAL RESOURCES EXPENDED	14	1,189,313	14,549	1,203,862	1,186,545
Net Incoming/(Outgoing) Resources before transfers		(125,060)	529	(124,531)	(5,362)
Transfers between funds	14	194,699	(194,699)	0	0
Net Incoming/(Outgoing) Resources	14	69,639	(194,170)	(124,531)	(5,362)
Fund balances brought forward at 1 April 2008	14	359,993	272,635	632,628	637,990
Fund balances carried forward at 31 March 2009		429,632	78,465	508,097	632,628

The notes on pages 11 to 14 form part of these accounts

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

INCOME AND EXPENDITURE ACCOUNT
for the year ended 31 March 2009

		2009 £	2008 £
INCOME	2	1,071,426	1,174,138
OPERATING COSTS		<u>(1,200,684)</u>	<u>(1,182,238)</u>
OPERATING SURPLUS / (DEFICIT)		(129,258)	(8,100)
INTEREST RECEIVABLE	7	7,905	7,045
INTEREST PAYABLE	8	<u>(3,178)</u>	<u>(4,307)</u>
SURPLUS / (DEFICIT) FOR THE FINANCIAL YEAR		(124,531)	(5,363)
BALANCE BROUGHT FORWARD	13	<u>632,628</u>	<u>637,990</u>
BALANCE CARRIED FORWARD		<u>508,097</u>	<u>632,628</u>

All amounts relate to continuing operations.

There are no recognised gains or losses other than the profit for the year.

The notes on pages 11 to 14 form part of these accounts

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

BALANCE SHEET
as at 31 March 2009

	Notes	2009	2008
		£	£
FIXED ASSETS			
Tangible assets	9	377,524	388,953
CURRENT ASSETS			
Stock		3,518	3,509
Debtors	10	102,514	95,923
Bank current account		31,578	276,091
Deposit Accounts		75,013	1,716
Unit imprest accounts		2,238	2,262
Cash in hand		<u>851</u>	<u>851</u>
		<u>215,712</u>	<u>380,352</u>
CREDITORS			
Amounts falling due within one year	11	<u>(37,629)</u>	<u>(83,749)</u>
NET CURRENT ASSETS		<u>178,083</u>	<u>296,602</u>
TOTAL NET ASSETS		<u>555,607</u>	<u>685,555</u>
CREDITORS			
Amounts falling due after more than one year	11	<u>(47,510)</u>	<u>(52,928)</u>
NET ASSETS		<u>508,097</u>	<u>632,628</u>
CAPITAL AND RESERVES	14		
Unrestricted funds		429,632	359,993
Restricted funds		<u>78,465</u>	<u>272,635</u>
		<u>508,097</u>	<u>632,628</u>

Approved by the board on (date)
and signed on its behalf by:

Jeanette Godward
(Director)

The notes on pages 11 to 14 form part of these accounts

THE REDWOODS CARING FOUNDATION
Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 March 2009

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material to the Company's affairs.

a) Accounting convention

The financial statements are prepared under the historical cost convention.

b) Fixed assets and depreciation

Fixed assets are stated at cost and are written off over their estimated useful lives on a straight line basis at the following rates:

Freehold land and buildings	2%
Leasehold improvements	Over the length of the lease
Furnishings and equipment	25%
Motor Vehicles	25%

c) Income

Income comprises funding from central and local government, plus donations and grants and other income derived from fundraising. All income is credited to the Profit and Loss Account in the year it is received.

d) Taxation

The Redwoods Caring Foundation has been given charitable status and exemption from Income Tax under Section 505 of the Income and Corporation Taxes Act 1988.

e) Refurbishment Expenditure

In order that the Net Book Value of Redwoods House remains in line with the current market value, all expenditure on the refurbishment of Redwoods House during 1993 and 1994 was charged to the Profit and Loss Account in the year it was incurred. During the period 1995/96 part of the refurbishment costs incurred were capitalised in line with the increased market value.

2. INCOME

The analysis of income by source was as follows:

	2009		2008
	£	£	£
	Unrestricted	Restricted	Total
	Funds	Funds	Funds
Donations & Appeals	8,394	15,055	23,449
Operating Activities Income (Clients/SW)	991,823	0	991,823
Other Income (e.g. Building usage)	56,154	0	56,154
	<u>1,056,371</u>	<u>15,055</u>	<u>1,071,426</u>
			<u>1,174,138</u>

3. SURPLUS ON ORDINARY ACTIVITIES	2009	2008
	£	£
Surplus on ordinary activities is stated after charging the following:		
Depreciation (incl. gain on disposable assets) (Note 9)	19,470	21,402
Auditors' remuneration	2,185	2,115
Staff costs (Note 4)	924,488	900,012
4. STAFF PARTICULARS		
	£	£
Staff costs comprised:		
Staff Salaries	819,461	774,408
Agency staff costs	20,781	44,042
Social Security costs	71,063	67,280
Pension costs	13,183	14,282
	<u>924,488</u>	<u>900,012</u>
The number of employees at the year end (whole time equivalent) was:	<u>40.38</u>	<u>40.03</u>
5. DIRECTORS' EMOLUMENTS		
Two directors are employed in managerial capacities, and are included in Note 4 above.		
All salaries fall in the lowest £0 - £40,000 band.		
Salaries -	£	£
Operations Director	34,701	34,021
Director of Care Services	33,134	32,484
Social Security costs	7,290	7,176
Pension costs	2,718	2,664
	<u>77,843</u>	<u>76,345</u>
6. PENSION COSTS		
All employees are encouraged to contribute to their own Personal Pension Plan. The company makes an additional contribution, currently 4% of salary, after 2 years of continuous employment.		
7. INTEREST RECEIVABLE	2009	2008
	£	£
This represents interest receivable on bank deposits:	7,905	7,045
8. INTEREST PAYABLE AND SIMILAR CHARGES	2009	2008
	£	£
Interest payable and similar charges comprised:		
On bank overdraft wholly repayable within five years	0	0
Interest on other loans	<u>3,178</u>	<u>4,307</u>
	<u>3,178</u>	<u>4,307</u>

9. TANGIBLE FIXED ASSETS

	<u>Freehold Land & Buildings</u>	<u>Leasehold Improve- ments</u>	<u>Furnish- ings & Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
	£	£	£	£	£
COST					
Opening Balance	527,611	21,590	55,872	34,637	639,710
Additions	0	0	8,040	0	8,040
Disposals	0	0	(1,098)	0	(1,098)
Closing Balance	<u>527,611</u>	<u>21,590</u>	<u>62,815</u>	<u>34,637</u>	<u>646,653</u>
AGGREGATE DEPRECIATION					
Opening Balance	149,289	21,590	48,547	31,330	250,757
Charge for year	12,976	0	5,291	1,202	19,470
Charged on disposal	0	0	(1,098)	0	(1,098)
Closing Balance	<u>162,266</u>	<u>21,590</u>	<u>52,741</u>	<u>32,533</u>	<u>269,129</u>
NET BOOK VALUE					
Opening Balance	<u>378,322</u>	<u>0</u>	<u>7,325</u>	<u>3,306</u>	<u>388,953</u>
Closing Balance	<u>365,346</u>	<u>0</u>	<u>10,074</u>	<u>2,104</u>	<u>377,524</u>

Freehold Land and Buildings

Freehold land and buildings are included in the accounts at cost (less depreciation) and it is the directors' intention that this should continue. However the estimated market values of the four freehold properties are as follows:

Redwoods House, Newbattle Road, Newtongran (valued March 2008)	£1,025,000
Redwoods House - Caretaker's house (valued March 2008)	£175,000
12 Paisley Drive, Edinburgh (valued August 2004)	£300,000
19/4 Hazelwood Grove (valued August 2004)	£90,000

There is a Standard Security in favour of the Secretary of State for Scotland for the grant provided for the refurbishment of Redwoods House to the sum of £267,843 if Redwoods ceases to provide residential care accommodation within 15 years from May 1995. This security is postponed to the Bank of Scotland.

	2009	2008
	£	£
10. DEBTORS		
Sundry Debtors	11,707	3,943
Accrued income	87,905	89,095
Prepayments	<u>2,903</u>	<u>2,885</u>
	<u>102,514</u>	<u>95,923</u>

The amount of debtors falling due after more than one year was nil.

	<u>Amounts falling due within one year</u>		<u>Amounts falling due after more than one year</u>	
	2009	2008	2009	2008
	£	£	£	£
11. CREDITORS				
Trade creditors	8,750	9,520	0	0
Other creditors and term loans	10,072	56,952	47,510	52,928
Social Security and other taxes	<u>18,807</u>	<u>17,277</u>	<u>0</u>	<u>0</u>
	<u>37,629</u>	<u>83,749</u>	<u>47,510</u>	<u>52,928</u>

The bank overdraft and term loans are secured by a charge over the company's properties.

"Other creditors and term loans" include:

- Hazelwood Grove: Term Loan of £65,450 taken over 15 years from September 2004

12. LEASE COMMITMENTS

The company had operating leases commitments to pay during the next year in respect of property, vehicle and equipment leases:

	2009	2008
	£	£
Expiring between two and five years	28,259	27,928
Expiring in more than five years	0	0
	<u>28,259</u>	<u>27,928</u>

13. SOCIAL INVESTMENT

In 2008/9, a one-off donation of £1,000 was given to Wellsprings, under the category of Social Investment, in line with the charity's Policy on Social Investment.

14. CAPITAL AND RESERVES

	2009			2008
	£	£	£	£
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
Opening Balance	359,993	272,635	632,628	637,990
Units reclassified as Unrestricted (see Note 16)	194,699	(194,699)	0	
Retained surplus / (deficit) for the year	(125,060)	529	(124,531)	(5,362)
Closing balance	<u>429,632</u>	<u>78,465</u>	<u>508,097</u>	<u>632,628</u>

15. RESTRICTED FUNDS

	Balance	Movement in Funds		Balance
	at 1 Apr '08	Incoming Resources	Outgoing Resources	at 31 Mar '09
Fund	£	£	£	£
Small Project Fund	860	0	0	860
RMA Fund	(0)	0	0	(0)
Music & Arts Project Fund	61,064	15,055	(9,598)	66,521
VSD Fund	14,296	0	(4,951)	9,345
Elderly/Housing	1,716	<u>23</u>	0	1,739
	<u>77,936</u>	<u>15,078</u>	<u>(14,549)</u>	<u>78,465</u>

Funds previously designated as "Art Room" and "Music Project" were combined as at 1st April 2008 to be the Music & Arts Project Fund.

16. RECLASSIFICATION

In previous years, each operational unit has been treated as a restricted fund within the accounts. However, a review of finances has revealed that this is inaccurate and they are, in fact, part of the charity's unrestricted funds. A decision was therefore taken by the Board of directors to re-classify these unit funds as unrestricted, with effect from 1st April 2008. Each unit will continue to be reported on separately, and detailed in Note 17 below.

17. OPERATIONAL UNIT SUMMARY

	Balance	Movement in Funds				Balance
	at 1 Apr '08	Incoming Resources	Outgoing Resources	Management Charges	Vehicle Pool	at 31 Mar '09
Unit	£	£	£	£		£
Telferton	22,400	139,363	(134,124)	(14,099)	(5,960)	7,580
Paisley Drive	58,081	173,959	(179,791)	(18,155)	0	34,094
Ash Lea	20,257	238,504	(267,534)	(21,156)	(5,589)	(35,518)
The Beeches	71,138	321,894	(311,457)	(26,062)	(4,308)	51,205
Oakview	<u>22,823</u>	<u>118,828</u>	<u>(110,317)</u>	<u>(9,305)</u>	<u>0</u>	<u>22,029</u>

It should be noted that balances carried forward on each unit are not cash balances, but part of the capital funds tied up in the fixed assets required to run the unit.

18. CAPITAL COMMITMENTS

There is a long term commitment to the building of a music and arts facility, at an estimated cost of £100,000. This is dependant upon funding and planning permission being obtained.