

819788

WYCLIFFE BIBLE TRANSLATORS LIMITED

Registered Office: Wycliffe Centre, Horsleys Green, High Wycombe, Bucks. HP14 3XL
Registered Company No. 819788 Registered Charity No. 251233

Trustees' and Council of Management Report for the year to 30th September 1996

The Company

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association. The activity of the Company is conducted by a Council of Management who act in the role of Directors in accordance with Section 282 of the Companies Act 1985, and who also are the charity Trustees.

Relationships

This Company and Summer Institute of Linguistics Limited are separate entities and account independently but work in association with each other, have the same Council of Management and operate from the same premises. Wycliffe Bible Translators International Inc. and Summer Institute of Linguistics Inc. are both U.S. registered organisations with whom the Company co-operates world-wide in furtherance of its objects. Wycliffe Associates (UK) is a separate organisation formed to offer practical assistance to the members of Wycliffe Bible Translators Ltd. and other organisations with similar objects. All these organisations may be contacted through the Company's Registered Office.

Because the Company and Summer Institute of Linguistics Ltd. share the same site, overhead costs are transacted between them. Donations made are shown in Note 5 to the Accounts.

Trustees (Council of Management)

The Trustees (Council of Management) are elected at the Annual General Meeting by the Voting Members of the Company, either for two years (Assigned members) or for four years (Constituency members). Assigned members are those who are members of the Company undertaking assignments in direct furtherance of the Company's objects. Constituency members are those who are members of the Company by virtue of their election to the Council.

The following have served as Trustees for the full year, unless dates are indicated:

Rev R.W. Welch (Chairman)—C	K.M. MacKenzie, Esq. (appointed 1/12/95)—C
E.D. Arthur, Esq. (appointed 1/8/96)—A	B. Prebble, Esq.—C
R.S. Bruce, Esq.—C	Dr. C.D.W. Robinson—A
J.L. Cooke, Esq.—C	Dr. G.B. Wetherill—C
Mrs. J. Cordiner—C	P.L. Hower, Esq. (resigned 2/10/95)—A
Miss M.A. Everett (appointed 1/8/96)—C	D.M.C. Black, Esq. (resigned 1/12/95)—C
T.E. Graham, Esq. (appointed 1/8/96)—A	G.R. Hunt, Esq. (resigned 24/6/96)—A
Rev. P.J. Grainger—C	D.J. Landin, Esq. (appointed 18/10/95; resigned 24/6/96)—A
E.P. Hockett, Esq.—C	Miss C.A. Waring (resigned 24/6/96)—A
K.A. Jarrett, Esq.—A	
P.K.E. Kingston, Esq. (appointed 1/8/96)—A	

C: Constituency member A: Assigned member

There have been no further changes to the Trustees since 30th September 1996.



Professional Advisers

The Company's Auditors are Messrs. Griffin Stone, Moscrop & Co., Chartered Accountants and Registered Auditors, of 41 Welbeck Street, London W1M 8HD. A resolution to re-appoint them will be proposed at the next Annual General Meeting.

The Company's Bankers are National Westminster Bank plc of 33 High Street, High Wycombe, Bucks. HP11 2AJ.

The Company's Solicitors are Fairchild Dobbs, Solicitors, of 1 Bulstrode Way, Gerrards Cross, Bucks. SL9 7QT.

Narrative Report

Objects and policies

The principal activity of the Company is in accordance with the objects stated in the Memorandum of Association, namely to glorify God by promoting the translation of the Holy Scriptures into vernacular languages, and the publication and distribution of these vernacular Scriptures.

The Company has an Executive Director and supporting staff who report to the Council of Management. Council agrees and reviews policies and assures itself that the Executive Director is implementing these. The majority of members of the Company work overseas in Bible translation and associated work, normally by secondment to the Summer Institute of Linguistics Inc. The UK administration provides personnel support to its members and forwards financial donations; liaises with churches and the Christian constituency; promotes Bible translation, literacy and related activities with a view to engendering prayer, recruiting new workers and prompting financial support.

The Company does not make appeals for funds. Needs for resources of finance, equipment and personnel are brought to God in prayer. Information about projects and the work of members is made known to interested parties through publications and presentations. Gifts are used in accordance with the wishes of the donor. A percentage (up to 10%) of each donation is used towards administrative costs both in the UK and overseas.

The Company is evangelical and interdenominational. Members (including the Council of Management) are required to subscribe to the doctrinal basis as contained in the Memorandum of Association. Members are not paid a salary but trust in God to supply their financial needs. The Company is therefore largely staffed by unsalaried people supported by donations given by Christian churches and individuals. Other volunteers are not members of the Company but receive some expenses arising out of their work for the Company. There are a few salaried staff in the UK.

Activities of the year under review

There have been no material changes of policy during the year. The principal activity of the Company throughout the year under review has been to promote the translation of the Holy Scriptures into vernacular languages. There has been no change in this activity this year.

Significant developments during the year include:

Members have continued to work jointly with members of other Wycliffe Organisations in assignments taking place in over 30 countries world-wide. The 400th New Testament translation was completed in which members of Wycliffe Organisations have had substantial involvement. Nearly 1,000 languages are currently being worked on around

WYCLIFFE BIBLE TRANSLATORS LIMITED

the world by members of Wycliffe Organisations involved in Bible translation, literacy and linguistic research.

New programmes have been introduced to provide short-term overseas experience for young people. These programmes include a training and orientation element prior to the participants going to an overseas assignment as a team or teams. These programmes seek to extend the success of the Graduate International Programme (GRIP) which has been training recent graduates and placing them in individual overseas assignments.

A video of translation and literacy work among the Ngbaka people of Zaire has been produced with professional help and has been well received. It has been used as the basis for a road-show tour, using multimedia to present the challenges and benefits of putting translated scriptures into people's hands. The tour continues into the autumn.

Financial Review

The Council of Management presents the Accounts of the Company showing the results of the activities for the year ended 30th September 1996. The funds were used entirely to support the work of translation, related language work and administration necessary for the support of these activities. The Company's assets, which are held for administrative purposes, are available and adequate to fulfil its obligations. The total fund balances at 30th September 1996 of £559,629 include £327,227 in the Retirement and Supplementary Funds. The SK Hine Fund was closed during the year under review.

Some specific factors have contributed to an overall deficit of £74,199 in the year. This is largely due to:

1. Legacy funds for two years being distributed during the year under review, resulting in £66,000 distribution against £30,062 legacy income for the year (see "Donations", below);
2. Excess of the Ngbaka video production costs of £13,528 being written off in unrestricted funds this year.

Taking these factors into account, the general operating fund was approximately in balance for the year, and the Trustees are satisfied that the financial position remains healthy. Income from donations and gifts (not including legacies) increased on 1994-95, as did overall income. The Supplementary Fund has continued to cover the shortfall in support of those members not receiving sufficient income from designated donations.

Donations

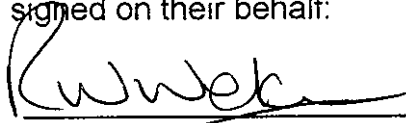
The Company made charitable donations from unrestricted funds of £73,011 (1995: £26,465). This includes £66,000 distributed from legacies received in 1994-95 and 1995-96.

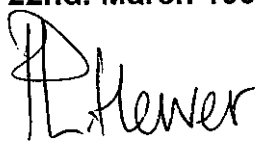
Approval

In preparing this Report, the Council of Management has taken advantage of special exemptions applicable to small Companies provided by Part II of Schedule 8 to the Companies Act 1985.

Approved by the Council of Management on **22nd. March 1997**

and signed on their behalf:


Roger Welch, Chairman


Philip Hower, Secretary

WYCLIFFE BIBLE TRANSLATORS LIMITED

Income and Expenditure Account for the year to 30th September 1996

	Note		1995
Income	2	1,153,618	1,143,422
Other operating income	3	<u>47,102</u>	<u>44,524</u>
		1,200,720	1,187,946
Deduct: Staff costs	41,180		39,334
Depreciation	21,819		18,723
Audit fee	1,350		1,332
Other operating charges	<u>1,256,260</u>	<u>1,320,609</u>	<u>1,116,100</u>
			<u>1,175,489</u>
Operating (deficit)/surplus		(119,889)	12,457
Interest received (net)	4	<u>45,690</u>	<u>42,097</u>
(Deficit)/surplus on ordinary activities		£(<u>74,199</u>)	<u>54,554</u>

Continuing operations

None of the Company's activities were acquired or discontinued during the above two financial years.

Statement of total recognised gains and losses

(Deficit)/surplus on ordinary activities	£(74,199)	54,554
Unrealised gain on investment	<u>217</u>	<u>779</u>
Total (deficit)/surplus for the year	£(<u>73,982</u>)	<u>55,333</u>

The attached Notes form an integral part of these Accounts and should be read in conjunction therewith.

WYCLIFFE BIBLE TRANSLATORS LIMITED

Statement of Financial Activities for the year to 30th September 1996

	Note	Unrestricted funds	Restricted funds	Total	1995 Total
Incoming resources					
Gifts and donations	2	362,690	790,928	1,153,618	1,143,422
Investment income		47,023	-	47,023	42,097
Other income	3	<u>47,102</u>	<u>-</u>	<u>47,102</u>	<u>44,524</u>
Total incoming resources		<u>456,815</u>	<u>790,928</u>	<u>1,247,743</u>	<u>1,230,043</u>
Deduct: Resources expended					
Direct charitable expenditure	5	205,114	864,155	1,069,269	940,994
Publicity costs	6	123,476	-	123,476	111,923
Administrative expenses	6	<u>129,197</u>	<u>-</u>	<u>129,197</u>	<u>122,572</u>
Total resources expended		<u>457,787</u>	<u>864,155</u>	<u>1,321,942</u>	<u>1,175,489</u>
Net (Outgoing resources)/Incoming resources for the year		(972)	(73,227)	(74,199)	54,554
Other recognised gains and losses					
Unrealised gain on investment		-	217	217	779
Net movement in funds		(972)	(73,010)	(73,982)	55,333
Fund balances at 30th September 1995		<u>494,351</u>	<u>139,260</u>	<u>633,611</u>	<u>578,278</u>
Fund balances at 30th September 1996		<u>£493,379</u>	<u>66,250</u>	<u>559,629</u>	<u>633,611</u>

The attached Notes form an integral part of these Accounts and should be read in conjunction therewith.


WYCLIFFE BIBLE TRANSLATORS LIMITED
(Limited by guarantee and not having a share capital)

Balance Sheet at 30th September 1996

	Note		1995 (Restated)
<u>Fixed assets</u>			
Tangible assets	7	44,814	30,044
Investment	8	<u>5,996</u>	<u>5,779</u>
		50,810	35,823
<u>Current assets</u>			
Stock and work in progress		3,754	3,761
Debtors	9	99,578	25,596
Cash at banks and in hand		<u>1,043,473</u>	<u>1,087,075</u>
		1,146,805	1,116,432
<u>Deduct:</u>			
Creditors falling due within one year	10	<u>561,051</u>	<u>510,964</u>
<u>Net current assets</u>		<u>585,754</u>	<u>605,468</u>
<u>Total assets less current liabilities</u>		<u>636,564</u>	<u>641,291</u>
<u>Deduct:</u>			
Creditors falling due after one year	11	<u>76,935</u>	<u>7,680</u>
		<u>£559,629</u>	<u>633,611</u>
<u>Capital</u>			
General and designated funds	12a	493,379	494,351
Restricted and permanent endowment funds	12b	<u>66,250</u>	<u>139,260</u>
		<u>£559,629</u>	<u>633,611</u>

The Council of Management has taken advantage of special exemptions provided by Part I of Schedule 8 to the Companies Act 1985 applicable to small Companies in the preparation of these Accounts and has done so on the grounds that, in its opinion, the Company qualifies as a small Company.

Signed on behalf of the Council of Management

R.W.Welch  Members of the Council
of Management

B.Prebble 

Approved by the Council on
22nd March 1997

The attached Notes form an integral part of these Accounts and should be read in conjunction therewith.

Notes to the Accounts - 30th September 1996

1) Accounting policies

- a) Basis of accounting - The Accounts have been prepared under the historic cost convention as amended by the revaluation of the investment, and in accordance with the provisions of the Companies Act 1985, the Statement of Recommended Practice Accounting by Charities and the applicable accounting standards. The results to 30th September 1995 have been restated to include the gain on revaluation of the investment to that date.
- b) Recognition of income - Donations received are credited to the Accounts in the year of receipt but all other income is credited on the accruals basis. Income has been allocated between unrestricted and restricted funds as appropriate.
- c) Donated tangible assets - Donated tangible assets received are valued internally and credited to the Accounts in the year of receipt.
- d) Expenditure - Expenditure is charged to the Accounts on the accruals basis. Expenditure directly relating to charitable activities is shown in the Statement of Financial Activities as Direct Charitable Expenditure and is allocated between unrestricted and restricted funds as appropriate.
- e) Depreciation - Tangible fixed assets are depreciated on the straight line basis at rates ranging from 10% to 33% per annum so as to write off each asset over its effective working life.
- f) Investment - The investment is valued at its open market value at the Balance Sheet date, any increase or decrease in value being taken to or from funds.
- g) Stock and work in progress - Stock and work in progress is valued at the lower of cost and net realisable value.
- h) Designated Funds - Designated Funds are unrestricted funds which have been allocated for specific purposes by the Company. The use of these funds for their designated purposes remains at the discretion of the Council of Management.
- i) Area offices - The assets, liabilities, income and expenditure of all Area Offices operated by the Company are included in these Accounts.
- j) Foreign currencies - Foreign currencies have been converted to pounds sterling at rates ruling at each date of negotiation.
- k) Taxation - As a Registered Charity, the Company is not liable to United Kingdom corporation tax. The profits from any trading activities are reinvested in the Company.
- l) Cash flow statement - The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small Company.

(Notes to the Accounts continued on next page)

WYCLIFFE BIBLE TRANSLATORS LIMITED

2) Income

The income of the Company derives from gifts received to further the one principal activity of the Company and is analysed as follows:

		1995
Gifts for members' support & projects	2,424,726	2,282,004
Gifts for group projects	28,419	61,203
Assessment of other monetary gift income	47,681	50,160
Donations designated for supplementary support	151,820	157,136
Restricted fund income	55,530	64,207
Legacies	30,365	38,424
Sundry income	10,470	7,928
	<u>£2,749,011</u>	<u>2,661,062</u>
Proportion of above retained	122,657	117,160
Covenant and Gift Aid income	735,398	708,791
Assessment of other monetary gift income	47,681	50,160
Donations designated for supplementary support	151,820	157,136
Restricted fund income	55,530	64,207
Legacy income retained	30,062	38,040
Sundry income	10,470	7,928
	<u>£1,153,618</u>	<u>1,143,422</u>

The Company received funds for its members as shown above. An agreed percentage is deducted from such funds by the Company before distribution and it is this income percentage which is recognised in the Accounts. No interest is accrued to the restricted funds as they are disbursed as soon as practicable.

3) Other operating income

This includes the excess of income over expenditure of the Bookroom.

4) Interest received (net)

		1995
Interest received		
Bank interest	45,690	42,097
Loan interest	1,333	-
	<u>47,023</u>	<u>42,097</u>
Deduct: Loan interest paid	1,333	-
	<u>£45,690</u>	<u>42,097</u>

5) Direct charitable expenditure

	Unrestricted funds	Restricted funds	Total	1995 Total
Members' support and project costs	124,902	803,363	928,265	900,252
Distributions to retired members	-	3,090	3,090	4,360
Donations	73,011	57,239	130,250	34,124
Sundry expenditure	7,201	463	7,664	2,258
	<u>£205,114</u>	<u>864,155</u>	<u>1,069,269</u>	<u>940,994</u>

Unrestricted fund donations were as under:-

Evangelical Missionary Alliance	2,250
Summer Institute of Linguistics Inc.	40,750
Overseas National Bible Translation Organisations	5,000
Summer Institute of Linguistics Ltd.	24,750
Mary Towerton School	99
Pastures Methodist Church	50
Christian Research	62
AIM	50
	<u>£73,011</u>

(Notes to the Accounts continued on next page)

WYCLIFFE BIBLE TRANSLATORS LIMITED

6) Administrative and publicity expensesa) Administrative expenses

	Unrestricted funds	1995
Rent and utilities	30,494	25,831
Staff costs and personnel services	35,019	33,940
Postage, stationery and photocopying	17,099	18,850
Telephone and e-mail	6,108	6,746
Insurance	3,545	2,619
Council, financial services and courses	10,255	10,200
Computer and equipment maintenance	7,510	7,453
Sundry expenditure	4,425	5,188
Depreciation	21,819	18,723
Apportioned costs to publicity	(7,077)	(6,978)
	<u>£129,197</u>	<u>122,572</u>

b) Publicity expenses

Communications and area representatives	93,095	84,475
Rent and utilities	13,068	11,071
Staff costs	10,236	9,399
Apportioned overhead costs	7,077	6,978
	<u>£123,476</u>	<u>111,923</u>

7) Tangible assets

Furniture and equipment

At cost

At 30th September 1995	154,099
Additions in year	36,589
Disposals in year	(3,203)
At 30th September 1996	<u>£187,485</u>

Depreciation

At 30th September 1995	124,055
Charge for year	21,819
Eliminated on disposals	(3,203)
At 30th September 1996	<u>£142,671</u>

Net book value, 30th September 1996 £ 44,814

Net book value, 30th September 1995 £ 30,044

8) Investment

Mrs.F.E.Hall (deceased) settlement

Market value at 30th September 1995	5,779	5,000
Gain on revaluation at 30th September 1996	217	779
Market value at 30th September 1996	<u>£5,996</u>	<u>5,779</u>
Historical cost at 30th September 1996	<u>£5,000</u>	<u>5,000</u>

The investment is in Government stock quoted on the UK Stock Exchange. The income arising in the year from the investment of the fund of this Settlement has been included in these Accounts as gifts for members' support in accordance with the terms of the settlement.

WYCLIFFE BIBLE TRANSLATORS LIMITED

9) <u>Debtors</u>		
Due from members	3,701	4,204
Other debtors	18,942	13,712
Due to be received after one year	<u>76,935</u>	<u>7,680</u>
	<u>£99,578</u>	<u>25,596</u>
10) <u>Creditors falling due within one year</u>		1995
Loan (interest free and repayable on demand)	8,000	8,000
Current account with Summer Institute of Linguistics Limited	310,568	303,274
Held on behalf of members	20,847	3,427
Other creditors and deposited covenants	<u>221,636</u>	<u>196,263</u>
	<u>£561,051</u>	<u>510,964</u>

(Note:- Current account with Summer Institute of Linguistics Limited includes £262,000 (1995 - £273,000) on weekly deposit with National Westminster Bank plc)

11) <u>Creditors falling due after one year</u>		
Loan	64,000	-
Deposited covenants	<u>12,935</u>	<u>7,680</u>
	<u>£76,935</u>	<u>7,680</u>

The loan is repayable on 31st December 1998 and carries interest which will not exceed the rate charged by the Halifax Building Society.

12) <u>Movement in Funds</u>					
a) <u>Unrestricted Funds</u>					
	General	Tangible fixed assets	Legacy	Retirement and supplementary	Total
Income	274,933	-	30,062	151,820	456,815
Expenditure	(288,969)	-	(66,000)	(102,818)	(457,787)
(Deficit)/surplus on ordinary activities	(14,036)	-	(35,938)	49,002	(972)
Value of Funds at 30th September 1995	180,986	30,044	72,938	210,383	494,351
Funds available for use	166,950	30,044	37,000	259,385	493,379
Transfers	(18,036)	14,770	(7,734)	11,000	-
Value of Funds at 30th September 1996	<u>£148,914</u>	<u>44,814</u>	<u>29,266</u>	<u>270,385</u>	<u>493,379</u>

All of the above Funds except the General Fund are designated funds. These are represented by the tangible fixed assets, £44,814, and by net current assets. The purposes of these funds are to ensure that funds are available to purchase fixed assets (the Tangible Fixed Assets Fund), to hold back reserves for overseas and general use (Legacy Fund) and to provide for members supplementary support (Retirement and Supplementary Funds) in future years.

(Notes to the Accounts continued on next page)

WYCLIFFE BIBLE TRANSLATORS LIMITED

12) Movement in Funds (continued)b) Permanent Endowment and Restricted Funds

	Mrs.F.E.Hall (dec,d) settlement	Members support and projects	Vision 20 and other restricted funds	Retirement and supplementary	Total
Income	463	735,398	51,615	3,452	790,928
Expenditure	(463)	(735,398)	(87,689)	(40,605)	(864,155)
(Deficit)/surplus on ordinary activities	-	-	(36,074)	(37,153)	(73,227)
Value of Funds at 30th September 1995	5,779	-	77,001	56,480	139,260
Unrealised gain arising on revaluation	217	-	-	-	217
Transfer between funds	-	-	(37,515)	37,515	-
Value of Funds at 30th September 1996	<u>£ 5,996</u>	<u>-</u>	<u>3,412</u>	<u>56,842</u>	<u>66,250</u>

These funds are represented by the investment, £5,996, and the balance is held in cash. The Mrs. F.E. Hall (deceased) Settlement is a Permanent Endowment Fund the details of which are set out in Note 8. Members support, projects, Vision 20 and other restricted funds are in respect of special projects being operated under those names and the Retirement and Supplementary Funds are set up to provide for members' supplementary support in future years.

Funds were received in the prior year for the production of the 'Ngbaka Video' but were not accounted for as Restricted Funds, but these have been expended in full on this project this year. Last year's figures have not been adjusted as the amount was not material.

c) Reconciliation

	Unrestricted	Restricted (Restated)	Total (Restated)
Value of Funds at 30th September 1996	493,379	66,250	559,629
Deduct:-			
Value of Funds at 30th September 1995	(494,351)	(139,260)	(633,611)
Deficit on ordinary activities in the year	£(____972)	(73,010)	(73,982)

13) Share capital

The Company is limited by guarantee and not having a share capital. At the accounting reference date there were 252 (1995 - 249) members. Each member undertakes to contribute such amount, up to a maximum of £1 each, as may be required in the event of the winding-up of the Company.

14) Capital commitments

Capital expenditure, approved by the Council of Management since 30th September 1996, but not committed, amounted to £24,770 (1995 - £21,570).

(Notes to the Accounts continued on next page)

WYCLIFFE BIBLE TRANSLATORS LIMITED

15) Council of Management

No Council of Management member is paid by the Company for services on the Council of Management. Not all Council of Management members are assigned members of the Company. Those that are receive support donated to them by the Company plus, if appropriate, supplementary support from the Retirement or Supplementary Funds. The total sum involved for eight assigned members was £9,179. Three trustees* were reimbursed £557 for travelling expenses incurred on behalf of the Company.

16) Average number of employees

There were only 5 (1995 - 6) paid employees of the Company in the year. Apart from these employees the Company operates through its self-supported members or through voluntary labour.

17) Pension fund

The Company does not now operate a pension scheme for its members. The pension scheme ceased on 31st December 1994. Assets of the discontinued scheme are being distributed to the members in accordance with instructions from the Trustees of the Scheme based on actuarial advice received.

18) Directors

Reference in these Accounts to the Council of Management refers to persons who fulfil the role of Directors as referred to in the Companies Act 1985.

WYCLIFFE BIBLE TRANSLATORS LIMITED

COUNCIL OF MANAGEMENT RESPONSIBILITIES

IN RESPECT OF THE PREPARATION OF THE ACCOUNTS

Company law and other regulations require Trustees and Directors or those acting as Trustees and Directors (i.e. the Council of Management) to prepare Accounts for each financial year which give a true and fair view of the state of affairs of the Company and of the income and expenditure and incoming resources and application of resources for that period. In preparing these Accounts, the Council of Management is required to:

Select suitable accounting policies and then apply them consistently;

Make judgements and estimates that are reasonable and prudent;

Value assets and liabilities in accordance with the Statement of Recommended Practice Accounting by Charities and state whether or not the Accounts have been prepared in accordance with any applicable accounting standards and statements of recommended practice and to give particulars of any material departure from these standards and practices and the reasons for such departure; and

Prepare the Accounts on the going concern basis unless it is inappropriate to presume that the Company will continue operating.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable it to ensure that the Accounts comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the Company and thus for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Auditors to the Members of Wycliffe Bible Translators Limited

We have audited the Accounts on pages 4 to 12 which have been prepared under the historical cost convention, as amended by the revaluation of the investment, and the accounting policies set out on page 7.

Respective responsibilities of Council of Management and Auditors

As described on the previous page the Company's Council of Management is responsible for the preparation of the Accounts. It is our responsibility to form an independent opinion, based on our audit, on these Accounts and to report our opinion to you.

Basis of Opinion

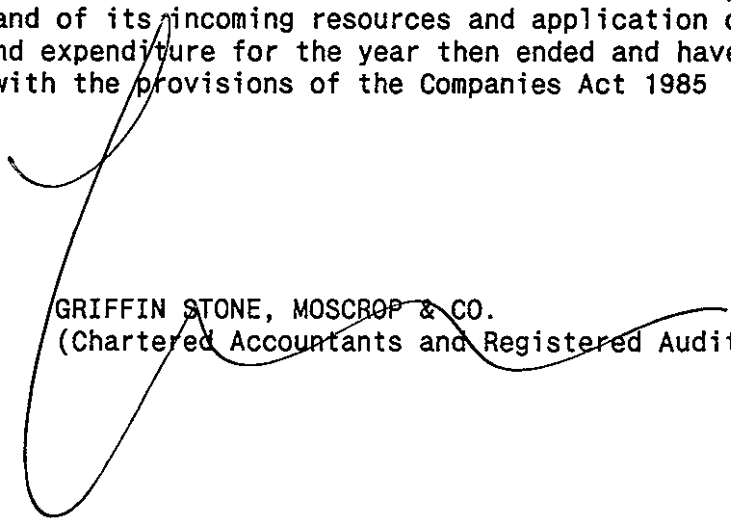
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Accounts. It also includes an assessment of the significant estimates and judgements by the Council of Management in the preparation of the Accounts, 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 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.

Opinion

In our opinion, the Accounts give a true and fair view of the state of the Company's affairs at 30th September 1996, 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 provisions of the Companies Act 1985 applicable to small Companies.

41, Welbeck Street,
London, W1M 8HD.



GRIFFIN STONE, MOSCROP & CO.
(Chartered Accountants and Registered Auditors)

24th March 1997