

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

Company No: 890369

CONSOLIDATED FINANCIAL STATEMENTS

for the period from
1 JANUARY 2002 TO 30 JUNE 2003



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COHEN ARNOLD & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
LONDON NW11 0PU

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

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FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)
FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003
LEGAL AND ADMINISTRATIVE DETAILS

Name: Frankgiving Limited

Status: Incorporated Registered Charity Number: 252370
Company No: 890369
Inland Revenue Claims Number: XN23189

Registered Address: New Burlington House
1075 Finchley Road
London NW11 0PU

Charity Trustees: Mr Leslie Frankel
Mrs Zisi Frankel
Mrs Eva Frankel

Secretary: Mrs Zisi Frankel
Mrs Eva Frankel

Auditors: Messrs Cohen Arnold & Co.
New Burlington House
1075 Finchley Road
London NW11 0PU

Bankers: Barclays Bank Plc

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES

The trustees present their annual report and the audited financial statements for the period ended 30 June 2003.

LEGAL AND ADMINISTRATIVE INFORMATION

Legal and Administrative Information of the charity is shown on Page 1 of the financial statements and forms part of this report.

CHARITY OBJECTS

The charity is established to promote and assist charitable activities and institutions both in the United Kingdom and abroad. It has concentrated its activities in promoting charitable activities of institutions professing and teaching the principles of traditional Judaism, advancing religion in accordance with the Jewish faith and giving philanthropic aid to the Jewish needy.

ORGANISATION STRUCTURE

The organisation is run by the trustees each of whom holds office for life or until ceasing to hold office by virtue of Article 49 of the Memorandum and Articles of Association.

None of the trustees have any beneficial interest in the charity.

The charity's subsidiary undertakings, Spiritville Investments Limited and Heysarbor Investments Limited, are engaged in property investment and property trading respectively and the trustees consider their results for the period ended 30 June 2003 to be satisfactory.

REVIEW

During the year the company has continued its philanthropic activities and has maintained its support of religious, educational and other charitable institutions both in Great Britain and abroad.

The demands on the company's funds were more than those experienced last year with charitable donations for the year totalling £458,474 as against £108,781. The donations were met from current income and accumulated reserves.

RESERVE POLICY

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level, which the trustees think appropriate after considering the future commitments of the charity and the likely administrative costs of the charity for the next year.

RISK MANAGEMENT

The trustees have assessed the major risks to which the charity is exposed, in particular those related to the operations and finance of the charity, and are satisfied that systems are in place to mitigate those risks.

INVESTMENT POWERS

Under the memorandum and articles of association, the charity has the power to make any investment, which the trustees see fit. The trustees regularly view the charity's position and needs in respect of the investment policy.

FIXED ASSETS

The movements in fixed assets are fully reflected in notes 8 and 9 to the financial statements.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
(Cont'd)

LAND AND BUILDINGS

The group's investment properties are included in the financial statements at valuation.

The trustees are of the opinion that the open market value of this property is at least equal to the amounts stated in the financial statements.

TRUSTEES RESPONSIBILITIES

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

- i) select suitable accounting policies and apply them consistently
- ii) make judgements and estimates that are reasonable and prudent
- iii) follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements
- iv) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for maintaining 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.

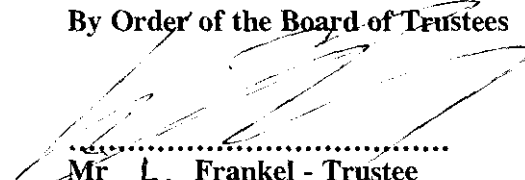
CLOSE COMPANY

The charity is a close company as defined by the Income and Corporation Taxes Act 1988.

AUDITORS

The company's auditors, Messrs Cohen Arnold & Co., are willing to continue in office and a resolution re-appointing them in accordance with Section 385 of the Companies Act 1985 and authorising the board to fix their remuneration will be proposed at the Annual General Meeting.

By Order of the Board of Trustees



.....
Mr L. Frankel - Trustee

Date: 28 April 2004

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

We have audited the financial statements on pages 5 to 18, which have been prepared under the historical cost convention and the accounting policies set out on page 9 and 10.

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purposes. To the fullest extent permitted by the law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on pages 2 and 3, the trustees (who are also the directors of Frankgiving Limited for the purposes of company law) are responsible for the preparation of the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees remuneration and transactions with the charitable company is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the trustees' report, and consider whether it is consistent with the audited financial statements. 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 any other information.

BASIS OF AUDIT OPINION

We have conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence and to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the charitable company's and the group's affairs as at 30 June 2003 and of its incoming resources and application of resources for the period then ended and have been properly prepared in accordance with the Companies Act 1985 and charity legislation.

New Burlington House
1075 Finchley Road
London NW11 0PU

COHEN ARNOLD & CO
Chartered Accountants and
Registered Auditors

Date: 29 April 2004

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

	Notes	30 June 2003 <u>Unrestricted Funds</u> £	Year to 31 December 2001 <u>Unrestricted Funds</u> £
Incoming Resources			
Donations		25,300	5,180
<i>Activities for generating funds:</i>			
Commercial trading operations	3	2,292,799	1,720,912
Investment Income	4	387,026	332,681
		<hr/>	<hr/>
Total Incoming Resources		2,705,125	2,058,773
Resources Expended			
<i>Cost of generating funds:</i>			
Investment Management Costs		15,675	26,516
Commercial trading operations	3	597,338	613,489
Interest Payable and Similar Charges	5	403,730	421,756
<i>Charitable expenditure:</i>			
Charitable Donations		458,474	108,781
Administration of Charity	6	6,425	6,397
		<hr/>	<hr/>
Total Resources Expended		(1,481,642)	(1,176,939)
		<hr/>	<hr/>
Net Incoming Resources		1,223,483	881,834
Surplus on Revaluation of Investment Properties	8	18,550	3,214,541
		<hr/>	<hr/>
Net Movement in Funds		1,242,033	4,096,375
Total Unrestricted Funds Brought Forward		8,167,252	4,070,877
		<hr/>	<hr/>
Total Funds Carried Forward		£9,409,285	£8,167,252
		<hr/> <hr/>	<hr/> <hr/>

None of the charity's activities was initiated or discontinued during the financial period, nor in the previous year.

The charity has no other recognised gains or losses other than those reflected in the above Statement of Financial Activities for the financial period or the previous year.

The notes on pages 9 to 18 form part of these Financial Statements.

FRANKGIVING LIMITED AND SUBSIDIARY UNDERTAKING

CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

		<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	Notes	£	£
Gross Income of Continuing Operations		412,326	337,861
Non-Charitable Trading Activities: Net Income	3	2,292,799	1,720,912
Total Income of Continuing Operations		2,705,125	2,058,773
Total Expenditure of Continuing Operations		(1,481,642)	(1,176,939)
Net Income for the Period		£1,223,483	£881,834

CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

		<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	Notes	£	£
Net Income for the Period		1,223,483	881,834
Surplus on Revaluation of Tangible Fixed Assets	8	18,550	3,214,541
Total Recognised Gains Relating to the Period		£1,242,033	£4,096,375

CONSOLIDATED NOTE OF HISTORICAL COST PROFITS AND LOSSES
FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

		<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	Notes	£	£
Net Income for the Period		1,223,483	881,834
Realisation of Tangible Fixed Assets			
Revaluation Gains of Previous Years	14	105,383	-
		£1,328,866	£881,834
Historical Cost Profit for the Period		£1,328,866	£881,834

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 5 which, together with the notes to the accounts on pages 9 to 18, provides full information on the movements during the period on all funds of the group. All Income is attributable to Unrestricted Funds.

None of the Company's activities was initiated or discontinued during the financial period nor in the previous year.

The notes on pages 9 to 18 form part of these Financial Statements.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2003

			<u>30 June 2003</u>	<u>31 December 2001</u>
FIXED ASSETS	Notes	£	£	£
Tangible Assets	8		6,244,000	6,359,450
CURRENT ASSETS				
Stock	10	1,596,900		1,860,444
Debtors	11	4,677,863		5,916,707
Cash at Bank		3,090,158		862,408
		<hr/>		<hr/>
		9,364,921		8,639,559
CREDITORS: Amounts falling due within one year	12	(367,857)		(542,347)
		<hr/>		<hr/>
NET CURRENT ASSETS			8,997,064	8,097,212
			<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES			15,241,064	14,456,662
CREDITORS : Amounts falling due after more than one year	13		(5,831,779)	(6,289,410)
			<hr/>	<hr/>
NET ASSETS			£9,409,285	£8,167,252
			<hr/>	<hr/>
UNRESTRICTED FUNDS	14		9,409,285	8,167,252
			<hr/>	<hr/>
TOTAL FUNDS			£9,409,285	£8,167,252
			<hr/>	<hr/>

The Financial Statements were approved by the Board of Trustees on 28 April 2004 and signed on its behalf by

.....
MR L FRANKEL
GOVERNOR

The notes on pages 9 to 18 form part of these Financial Statements.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 30 JUNE 2003

	Notes	<u>30 June 2003</u>		<u>31 December 2001</u>	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	8		100,000		81,450
Investments	9		6,878,000		7,048,000
			<hr/>		<hr/>
			6,978,000		7,129,450
CURRENT ASSETS					
Debtors	11	2,568,045		1,362,799	
Cash at Bank and on Deposit		1,862,908		639,327	
		<hr/>		<hr/>	
		4,430,953		2,002,126	
CREDITORS: Amounts falling due within one year	12	(6,092)		(214,182)	
		<hr/>		<hr/>	
NET CURRENT ASSETS			4,424,861		1,787,944
			<hr/>		<hr/>
NET ASSETS			£11,402,861		£8,917,394
			<hr/> <hr/>		<hr/> <hr/>
UNRESTRICTED FUNDS					
Revaluation Funds	14	6,971,620		7,123,040	
General Funds	14	4,431,241		1,794,354	
		<hr/>		<hr/>	
		£11,402,861		£8,917,394	
		<hr/> <hr/>		<hr/> <hr/>	

The Financial Statements were approved by the Council on 28 April 2004 and signed on its behalf by


.....
MR L FRANKEL
GOVERNOR

The notes on pages 9 to 18 form part of these Financial Statements.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

1. ACCOUNTING POLICIES

The following accounting policies have been used consistently in the preparation of the Company's Financial Statements.

1.1 BASIS OF ACCOUNTING

The Financial Statements have been prepared under the Historical Cost Convention and in accordance with applicable Accounting Standards and Statement of Recommended Practice (SORP 2000) for Charities, except as described below.

1.2 VOLUNTARY INCOME

Donations represent voluntary amounts receivable during the period.

1.3 EXPENDITURE

All expenditure is classified under the Charity's principal categories of charitable and other expenditure and by the type of expense.

1.4 FUND ACCOUNTING

General unrestricted funds comprise the accumulated surplus or deficit on income and expenditure account. They are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds are funds subject to specific restricted conditions imposed by donors. There are no restricted funds as at the Balance Sheet date.

Designated funds are funds, which have been set aside at the discretion of the Trustees for specific purposes. There are no designated funds as at the Balance Sheet date.

1.5 PROPERTIES HELD FOR INVESTMENT

Investment Properties are included in the Balance Sheet at open market value in accordance with Statement of Recommended Practice (SORP 2000) and SSAP 19. The unrealised gains and losses are shown in the Statements of Financial Activities.

1.6 ACQUISITIONS AND DISPOSALS OF PROPERTIES

Acquisitions and Disposals of properties are considered to take place at the date of legal completion and are included in the Financial Statements accordingly.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

1. ACCOUNTING POLICIES (Continued)

1.7 INVESTMENT IN SUBSIDIARY UNDERTAKINGS

Share holdings acquired in Subsidiary Undertakings are shown at market value as valued by the trustees.

1.8 GROUP FINANCIAL STATEMENTS

These Financial Statements consolidate the results of the charity and its wholly-owned subsidiaries, Spiritville Investments Limited and Heysarbor Investments Limited. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 304 of SORP 2000.

1.9 TAXATION

The Charity is not liable to direct taxation (Income Tax) on its income as it falls within the various exemptions available to registered charities.

The Charity is not registered for value added tax (VAT) and is therefore unable to reclaim any input tax it suffers on its purchases. Expenditure in the Accounts is therefore shown inclusive of VAT where appropriate.

1.10 CHARITABLE DONATIONS

The charitable donations have been detailed in a separate publication – Frankgiving Limited: Schedule of Charitable Donations.

1.11 STOCK

Stock is comprised of freehold and leasehold properties, held for trading and is included in the financial statements at the lower of cost and estimated net realisable value.

1.12 CASH FLOW STATEMENT

The group is exempt from the requirement to prepare a consolidated cash flow statement (in accordance with Financial Reporting Standard No. 1) on the basis of it being a 'small group' as defined by Section 247, Companies Act 1985.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

2. FORMAT OF FINANCIAL STATEMENTS

The Financial Statements are presented in accordance with the format prescribed by Schedule 4 Companies Act 1985 with suitable adaptation thereof which the Trustees consider to be appropriate to comply with Charities legislation.

3. COMMERCIAL TRADING OPERATIONS

The wholly-owned subsidiaries, Spiritville Investments Limited, a property investment company and Heysarbor Investments Limited, a property trading company are incorporated in England and Wales. All activities have been consolidated on a line by line basis in the SOFA.

	<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	£	£
<i>Activities for generating funds:</i>		
Net sale proceeds of property	1,119,442	672,235
Rents and charges receivable	1,173,357	1,048,677
	<hr/>	<hr/>
	£2,292,799	£1,720,912
	<hr/>	<hr/>

	<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	£	£
<i>Cost of generating funds:</i>		
Cost of property sold	397,544	403,429
Property outgoings	169,220	170,977
Administrative expenses	25,059	26,947
Taxation	5,515	12,136
	<hr/>	<hr/>
	£597,338	£613,489
	<hr/>	<hr/>

Details of subsidiaries' assets, liabilities and funds are disclosed in note 9.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

3. COMMERCIAL TRADING OPERATIONS (Cont.)

Summary Profit and Loss Account

	<u>Spiritville</u> <u>Investments</u> <u>Limited</u> £	<u>Heysarbor</u> <u>Investments</u> <u>Limited</u> £
Net sale proceeds	128,463	990,979
Cost of properties sold	(28,617)	(263,544)
Surplus on sale of properties	<u>99,846</u>	<u>727,435</u>
Gross rental income	677,622	495,735
Property outgoings	(110,327)	(58,893)
Net Rental Income	<u>567,295</u>	<u>436,842</u>
Administrative expenses	(10,162)	(14,897)
Donations paid	(426,125)	(1,120,000)
Operating profit	<u>230,854</u>	<u>29,380</u>
Interest receivable	169,171	132,543
Interest payable and similar charges	(295,379)	(138,351)
Profit for the financial year before tax	<u>104,646</u>	<u>23,572</u>
Taxation	(1,538)	(3,977)
Retained Profit for the financial year	<u><u>£103,108</u></u>	<u><u>£19,595</u></u>

4. INVESTMENT INCOME

	<u>30 June 2003</u> £	<u>Year to</u> <u>31 December</u> <u>2001</u> £
Rent and Charges Receivable	22,013	42,608
Bank Interest Received	61,890	18,185
Loan Interest Receivable	300,838	271,888
Tax Repayment Interest	1,798	-
Other Interest	487	-
	<u>£387,026</u>	<u>£332,681</u>

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

5. INTEREST PAYABLE AND SIMILAR CHARGES

	<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	£	£
Bank loans and overdraft	388,790	420,667
Interest on overdue tax	14,940	1,089
	<hr/>	<hr/>
	£403,730	£421,756
	<hr/> <hr/>	<hr/> <hr/>

6. ADMINISTRATION OF CHARITY

	<u>30 June 2003</u>	<u>Year to 31 December 2001</u>
	£	£
Auditors' Remuneration	5,405	6,110
Bank Charges	516	174
General Expenses	504	113
	<hr/>	<hr/>
	£6,425	£6,397
	<hr/> <hr/>	<hr/> <hr/>

7. NET MOVEMENT OF FUNDS

The Net Movement of Funds of the charity company for the period was £2,485,467 (2001: £1,676,437) and has been dealt with in the Statement of Financial Activities of the charity company.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

8. TANGIBLE FIXED ASSETS

GROUP

<u>Cost or Valuation</u>	<u>Freehold Property £</u>
At 1 January 2002	6,359,450
Disposals	(134,000)
Revaluation	18,550
	<hr/>
At 30 June 2003	£6,244,000
	<hr/>
<u>Net Book Value</u>	
At 30 June 2003	£6,244,000
	<hr/>
At 30 December 2001	£6,244,000
	<hr/>

The historical cost of the investment property at 30 June 2003 is £3,051,120 (2001: £3,079,737). The directors have valued the properties as at 30 June 2003 in the amount of £6,244,000 on the basis of open market value.

CHARITY

	<u>£</u>
At 1 January 2002	81,450
Revaluation	18,550
	<hr/>
At 30 June 2003	£100,000
	<hr/>

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

9. INVESTMENTS HELD AS FIXED ASSETS

CHARITY

	Investment in Subsidiary Undertaking £
Market Value at 1 January 2002	7,048,000
Amount written off	(30)
Revaluation deficit	(169,970)*
	<hr/>
Market Value at 30 June 2003	£6,878,000
	<hr/>
Historical Cost at 30 June 2003	£102
	<hr/>

*Revalued by Mr L Frankel a trustee and director of the subsidiary undertaking.

Subsidiary

The Company holds the whole of the issued share capital in Spiritville Investments Limited and Heysarbor Investments Limited, companies incorporated in Great Britain and registered in England.

The market value at 30 June 2003 of the Investment in Subsidiary Undertaking is based on the underlying value of assets less liabilities of the Subsidiary Undertaking. The valuation of the Subsidiary has been made by the Governors (Trustees) of this Company, based upon the latest Financial Statements of Spiritville Investments Limited and Heysarbor Investments Limited for the year ended 30 June 2003.

The aggregate amounts of assets, liabilities and funds of the Subsidiary Company are as follows:

	Fixed Assets £	Current Assets £	Current Liabilities £	Long Term Liabilities £	Net Assets £	Aggregate Capital and Reserves £
Spiritville Investments Limited	3,044,842	3,769,047	(1,395,019)	(4,097,529)	1,321,341	1,321,341
Heysarbor Investments Limited	-	4,237,090	(2,038,915)	(1,734,250)	463,925	463,925

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

10. STOCK

	<u>30 June 2003</u>		<u>31 December</u>	
	<u>Group</u>	<u>Charity</u>	<u>2001</u>	
	<u>£</u>	<u>£</u>	<u>Group</u>	<u>Charity</u>
			<u>£</u>	<u>£</u>
Stock	£1,596,900	£ -	£1,860,444	£ -

Stock comprises of properties held for trading purposes and are stated at lower of cost and net realisable value.

11. DEBTORS

	<u>30 June 2003</u>		<u>31 December</u>	
	<u>Group</u>	<u>Charity</u>	<u>2001</u>	
	<u>£</u>	<u>£</u>	<u>Group</u>	<u>Charity</u>
			<u>£</u>	<u>£</u>
Trade Debtors	70,585	-	44,962	-
Amounts due from				
Subsidiary Undertaking	-	370,806	-	576,785
Loan Debtors	4,102,868	278,500	4,374,425	225,000
Taxation Recoverable	61	-	2,160	-
Other Debtors and Prepayments	504,349	1,918,739	1,495,160	561,014
	<u>£4,677,863</u>	<u>£2,568,045</u>	<u>£5,916,707</u>	<u>£1,362,799</u>

Loan Debtors are represented by amounts due from companies, certain directors of which are also directors of companies within this group. The amounts due bear interest at rates geared to Bankers Base Rate and are effectively repayable on demand.

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>30 June 2003</u>		<u>31 December 2001</u>	
	Group	Charity	Group	Charity
	£	£	£	£
Bank Loans and Overdraft	144,091	-	132,378	-
Amount due to Subsidiary Undertaking	-	-	-	8,043
Loan Creditors	234	-	198,378	198,378
Corporation Tax	61,500	-	86,500	-
Other Taxes	-	-	12,745	-
Other Creditors	162,032	6,092	112,346	7,761
	<hr/>	<hr/>	<hr/>	<hr/>
	£367,857	£6,092	£542,347	£214,182
	<hr/>	<hr/>	<hr/>	<hr/>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	<u>30 June 2003</u>		<u>31 December 2001</u>	
	Group	Charity	Group	Charity
	£	£	£	£
Bank loans and overdrafts	£5,831,779	£ -	£6,289,410	£ -
	<hr/>	<hr/>	<hr/>	<hr/>

The bank loans and overdrafts are secured on certain of the group's trading and investment properties shown in Notes 8 and 10.

14. UNRESTRICTED FUNDS

GROUP

	General Funds	Revaluation Funds	Non-Charitable Funds	Total
	£	£	£	£
Balance at 1 January 2002	1,794,354	3,279,713	3,093,185	8,167,252
Movement in funds for the year	2,636,887	18,550	(1,413,404)	1,242,033
Transfer to Non-Charitable Funds of Revaluation Surplus on Tangible Fixed Assets now realised	-	(105,383)	105,383	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 30 June 2003	£4,431,241	£3,192,880	£1,785,164	£9,409,285
	<hr/>	<hr/>	<hr/>	<hr/>

FRANKGIVING LIMITED
(LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2002 TO 30 JUNE 2003

14. UNRESTRICTED FUNDS (Cont.)

CHARITY

	Revaluation Funds £	General Funds £	Total £
Balance at 1 January 2002	7,123,040	1,794,354	8,917,394
Movement in funds for the year	(151,420)	2,636,887	2,485,467
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2003	£6,971,620	£4,431,241	£11,402,861
	<hr/>	<hr/>	<hr/>

15. RELATED PARTY TRANSACTIONS

Gift Aid donations received comprise of amounts due from connected parties and companies under common control of the governors of this company as follows:

£

Hillment Properties Limited	15,000
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Loan Interest Receivable includes amounts received from connected parties and companies under common control of the governors of this company as follows:

£

Keythorpe Properties Limited	52,000
Bitochon Limited	125,848
Lesbridge Estates Limited	17,600
Maida Vale Investments Limited	4,800
Callalot Investment Co. Limited	227,000

Details of transactions with other related parties are disclosed in note 11.