

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**

**FINANCIAL STATEMENTS**

**31 JANUARY 2004**

**Registered number : 1347568**

**Registered charity number : 275241**



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COMPANIES HOUSE 30/04/04

**ELLIOTT BUNKER**

**CHARTERED ACCOUNTANTS**

**Bristol**

**CHERRY ORDCARDS (CAMPHILL) COMMUNITY LIMITED**

**FINANCIAL STATEMENTS**

**For the year ended 31 January 2004**

**CONTENTS**

	Page
Company information	1
Report of the Council of Management	2 - 4
Auditors' report	5 - 6
Statement of Financial Activities (including Income and Expenditure Account)	7
Balance Sheet	8
Notes	9 - 14
The following page does not form part of the statutory accounts	
Detailed Income and Expenditure Account	Appendix 1

CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

COMPANY INFORMATION

31 JANUARY 2004

INCORPORATED	England
NUMBER	1347568
COUNCIL MEMBERS	M Bucknall A Morris (Chairman) K Grimshaw T Burns S Cooper
SECRETARY	S Sands
REGISTERED OFFICE	Canford Lane Westbury on Trym Bristol BS9 3PF
BANKERS	National Westminster Bank Plc PO Box No. 238 32 Corn Street Bristol BS99 7UG
AUDITORS	Elliott Bunker Chartered Accountants 30 Queen Square Bristol BS1 4ND

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## REPORT OF THE COUNCIL OF MANAGEMENT

31 JANUARY 2004

### Principal Activity and Organisation

The Council of Management present their annual report and audited accounts for the year ended 31<sup>st</sup> January 2004.

### Company Status

Cherry Orchards (Camphill) Community Limited is incorporated as a company limited by guarantee, not having a share capital and is registered under the Charities Act.

### Principal Activity and Organisation

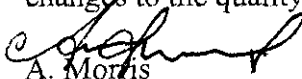
The principal activity of the company is the provision of a therapeutic environment for people with special developmental needs, which can include life crisis, mental health problems and/or learning difficulties. Cherry Orchards, through its therapeutic work, offers adults seeking to make steps from situations of dependency and impairment a chance to achieve a higher degree of personal independence, self responsibility, and improved health. Most residents struggle with mental health problems and come to Cherry Orchards from hospital or similar situation.

During the year, the company continued to employ three paid staff to support the eight full time volunteers. Therapists offer Drama, Art and Horticultural therapy in addition to the community based group activities. The Council of Management met 5 times and had two directors retiring with one new director being appointed. The Council works together with the appointed Managers to oversee and supervise the financial affairs of the company and the compliance with the regulations and standards of the Care Standards Act 2000. Cherry Orchards has been inspected twice during the year by the National Care Standards Commission and on both occasions received reports, which commend highly its policies and practices.

A substantial amount of work has been done to improve the environment and buildings with a new courtyard and resident's recreational area. Important repair and renewal work has been done on drains and chimneys and rooms have been decorated in both houses. The organic smallholding continues to thrive. This year saw the beginning of a vegetable stall at Bristol farmers Market where residents and co-workers sell Cherry Orchards produce to the general public.

There are ongoing requests for placements although overall resident numbers were below average this year due to delay in the allocation of funding for prospective residents. Our fee was raised to £695, which enabled the company to continue to provide a high quality of service and continue to improve facilities.

The community seeks to continue to offer a service to those in need, which, through its commitment to the individual process of recovery, has enabled residents to make positive changes to the quality of their lives.



A. Morris

Chair

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**  
**REPORT OF THE COUNCIL OF MANAGEMENT CONTINUED**  
**31 JANUARY 2004**

**Council Members and Responsibilities**

The Council Members who served during the year are listed on Page 1.

Company law requires the member of council 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 surplus or deficit of the company for that period. In preparing those financial statements the members are required to:

- \* Select suitable accounting policies and apply them consistently
- \* Make judgements and estimates that are reasonable and prudent.
- \* State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- \* Prepare the financial statements on the ongoing concern basis unless it is inappropriate to presume that the company will continue in business.

The council members 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.

**Results**

The results this year show a deficit of £18,277 : (2003 surplus £65,350)

**Risk management**

The council of management currently reviews the major risks to which the charity is exposed and systems have been established to mitigate such risks.

**Reserves policy**

The council of management maintain a policy of ensuring that adequate reserves are in place to fund the day to day running of the charity.

**Auditors**

Elliott Bunker, Chartered Accountants are auditors to the company.

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**

**REPORT OF THE COUNCIL OF MANAGEMENT CONTINUED**

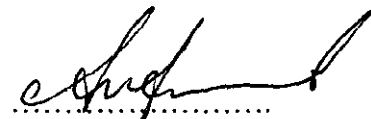
**31 JANUARY 2004**

**Small company exemptions**

Advantage has been taken in the preparation of this report for the special exemptions applicable to small companies provided by Part II of the Companies Act 1985.

Approved

This report was approved by the Council of Management on 28 APRIL 2004.

A handwritten signature in black ink, appearing to read 'A J Morris', is written over a dotted line.

A J Morris  
Chairman

# **CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**

## **AUDITORS' REPORT**

### **Independent Auditors' report to the members of Cherry Orchards (Camphill) Community Limited**

We have audited the financial statements of Cherry Orchards (Camphill) Community Ltd for the year ended 31 January 2004 which comprises the Statement of Financial Activities, the Balance Sheet and the related notes. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

This report is made solely to the Charity'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 the report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As described in the Statement of Directors' Responsibilities the council members, who are also the directors of Cherry Orchard (Camphill) Community Limited for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is 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 Companies Act 1985. We also report to you if, in our opinion, the Council Members 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 members remuneration and transactions with the company is not disclosed.

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

### **Basis of opinion**

We conducted our audit in accordance with the 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

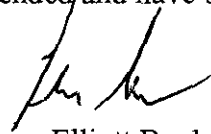
## AUDITORS' REPORT

### Cont

We planned and performed our audit so as to obtain all information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluate 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 charitable company's state of affairs as at 31 January 2004, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Elliott Bunker  
Registered Auditors  
Chartered Accountants  
Bristol

Date: 28 APRIL 2004

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31 JANUARY 2004**

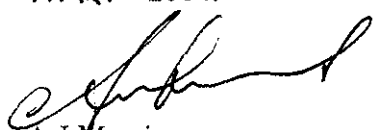
	Notes	Unrestricted Funds	Designated Funds	Restricted Funds	2004 Total	2003 Total
<b>Incoming Resources</b>						
Donations		5,921	-	-	5,921	7,318
<b>Activities to further the charity' objectives:</b>						
Fee income		253,503	-	-	253,503	333,364
Seminar income		-	-	4,634	4,634	8,433
<b>Activities to generate funds:</b>						
Investment income and interest		320	-	-	320	468
Other income resources		960	-	-	960	-
<b>Total income resources</b>	2	<u>260,704</u>	<u>-</u>	<u>4,634</u>	<u>265,338</u>	<u>349,583</u>
<b>Charitable Expenditure</b>						
Direct charitable & support costs		252,434	-	9,787	262,221	262,488
Management & administration		21,069	-	325	21,394	21,745
<b>Total Resources Expended</b>	3	<u>273,504</u>	<u>-</u>	<u>10,112</u>	<u>283,615</u>	<u>284,233</u>
<b>Net Movement in Funds</b>	4	(12,799)	-	(5,478)	(18,277)	65,350
<b>Total funds at 1 February 2003</b>		342,404	16,372	1,546	360,322	294,972
<b>Transfer to Restricted funds</b>		(3,932)	-	3,932	-	-
<b>Transfer to Designated Funds</b>	-	(2,420)	2,420	-	-	-
<b>TOTAL FUNDS AT 31 JANUARY 2004</b>	12	<u><u>323,253</u></u>	<u><u>18,792</u></u>	<u><u>-</u></u>	<u><u>342,045</u></u>	<u><u>360,322</u></u>

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**  
**BALANCE SHEET**  
as at 31 January 2004

	Note	2004	2003
<b>Fixed assets</b>			
Tangible assets	6	474,358	475,125
Investments	7	51	51
		<u>474,409</u>	<u>475,176</u>
<b>Current assets</b>			
Debtors	8	20,450	30,608
Cash at bank and in hand		19,593	24,211
		<u>40,043</u>	<u>54,819</u>
<b>Creditors</b> amounts falling due within one year	9	(116,661)	(64,620)
<b>Net current assets</b>		<u>(76,618)</u>	<u>(9,801)</u>
<b>Total assets less current liabilities</b>		<u>397,791</u>	<u>465,375</u>
<b>Creditors:</b> amounts falling due after more than one year	10	(55,746)	(105,053)
		<u>342,045</u>	<u>360,322</u>
<b>Represented by:</b>			
Unrestricted funds:			
Designated funds		18,792	16,372
General funds		326,173	342,404
		<u>342,045</u>	<u>358,776</u>
Restricted funds		-	1,546
<b>Total funds</b>	12	<u>342,045</u>	<u>360,322</u>

The council members have taken advantage in the preparation of these financial statements of special exemptions provided by Part I of schedule 8 to the Companies Act 1985 on the basis that the company qualifies as a small company.

The financial statements on pages 5 to 14 are approved by the council members on 28 APRIL 2004.

  
A J Morris  
Chairman

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 January 2004

### 1. Accounting policies

#### a) Basis of accounting

The financial statements have been prepared under the historical cost accounting rules and in accordance with SORP accounting by Charities.

The company has taken advantage of the exemption from preparing a cashflow statement conferred by Financial Reporting Standard No. 1 on the grounds that it qualifies as a small company under the Companies Act 1985.

b) Voluntary income received by way of donations and gifts and is included in the Statement of Financial Activities when receivable.

c) Income resources from investments is included when receivable.

d) Resources expended are recognised in the period in which they are incurred. Resources expended included attributable VAT which cannot be reclaimed.

#### e) Depreciation

Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Freehold land	-
Freehold buildings	4% straight line basis
Motor vehicles	25% straight line basis

#### f) Capital expenditure

Capital expenditure, except that on motor vehicles and new buildings is written off as it is incurred.

(g) Unrestricted funds are donations, fees and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

h) Designated funds are restricted funds earmarked by the Management Committee for a particular purpose.

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

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 January 2004

### 2. Income

Income represents the amount received from fees, seminars and donations and is allocated over the period to which it relates.

In the opinion of the trustees, none of the income of the company is attributable to geographical markets outside the UK. (2003 Nil)

### 3. Total Resources Expended

	Charitable Expenditure & Support Costs	Management & Administration	2004 Total	2003 Total
Food	18,149	-	18,149	24,051
Household expenses	12,971	-	12,971	16,140
Wages & NIC	29,267	-	29,267	28,294
Medical costs	13,995	-	13,995	14,828
Co-workers	25,119	-	25,119	19,671
Cultural & education	23,259	-	23,259	22,332
Motor & travel	13,443	-	13,443	13,968
Rates & water rates	2,967	990	3,957	3,998
Insurance	5,619	-	5,619	3,964
Telephone	3,542	3,542	7,084	4,925
Heat & light	4,735	1,578	6,313	7,714
Stationery & office	7,871	2,623	10,495	7,621
Garden & estate	10,253	-	10,253	19,672
Seminar	9,003	-	9,002	7,019
Repairs & alterations	41,329	-	41,329	36,106
Depreciation	40,699	-	40,699	39,104
Bank charges & interest	-	1,829	1,829	1,612
Loan & hire purchase interest	-	7,257	7,257	9,764
Audit fees	-	3,075	3,075	3,000
Legal & professional	-	500	500	449
	<u>262,221</u>	<u>21,394</u>	<u>283,615</u>	<u>284,233</u>

Discussions are taking place between the Camphill Community movement and the Charity Commission on the powers and objects of communities as set out in their governing documents. This may affect the way the charity operates in future years. In accordance with SORP, the accounts of the charity disclose certain payments and benefits to trustees/co-workers and others which the trustees believe they have the power to make under the current terms of their governing document. This will be reviewed when the outcome of the central discussions are known.

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 January 2004

<b>4. Operating surplus</b>	<b>2004</b>	<b>2003</b>
Operating surplus is stated after charging		
Auditors' remuneration	3,075	3,000
	<u>          </u>	<u>          </u>
Depreciation of tangible fixed assets		
(Note 6) owned assets	40,699	39,104
	<u>          </u>	<u>          </u>
	<b>2004</b>	<b>2003</b>
Finance/lease & hire purchase contracts	2,633	2,236
Interest payable	4,624	7,528
	<u>          </u>	<u>          </u>
	<u>7,257</u>	<u>9,764</u>

- 5. Taxation**  
No liability for corporation tax arises on the results for the year.

**6. Tangible fixed assets**

	<b>Motor Vehicles</b>	<b>Land and Buildings</b>	<b>Total</b>
<b>Cost</b>			
1 February 2003	31,340	817,720	849,060
Additions	-	39,932	39,932
Disposals	-	-	-
31 January 2004	<u>31,340</u>	<u>857,652</u>	<u>888,992</u>
<b>Depreciation</b>			
1 February 2003	12,775	361,160	373,935
Charge for the year	7,835	32,864	40,699
Disposals	-	-	-
31 January 2004	<u>20,610</u>	<u>394,024</u>	<u>414,634</u>
<b>Net book amount</b>			
31 January 2004	<u>10,730</u>	<u>463,628</u>	<u>474,358</u>
1 February 2003	<u>18,565</u>	<u>456,560</u>	<u>475,125</u>

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 January 2004

<b>7.</b>	<b>Fixed asset investments</b>		<b>Investments other than loans</b>
	<b>Cost</b>		
	1 February 2003 and at 31 January 2004		51
			<hr/>
	<b>Net book amount</b>		
	31 January 2004		51
			<hr/>
	1 February 2003		51
			<hr/>
	The investment comprises 1 non voting share certificate in Triodos Bank NV.		
<b>8.</b>	<b>Debtors</b>	<b>2004</b>	<b>2003</b>
	<b>Amounts falling due within one year</b>		
	Trade debtors	20,450	30,608
		<hr/>	<hr/>
		20,450	30,608
		<hr/>	<hr/>
<b>9.</b>	<b>Creditors: amounts falling due within one year</b>	<b>2004</b>	<b>2003</b>
	Bank overdrafts	62,544	13,020
	Other loans	37,000	34,800
	Hire purchase	10,931	6,545
	Accruals and deferred income	6,186	10,255
		<hr/>	<hr/>
		116,661	64,620
		<hr/>	<hr/>

# CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED

## NOTES ON FINANCIAL STATEMENTS

31 January 2004

<b>10. Creditors:</b> amounts falling due after more than one year	<b>2004</b>	<b>2003</b>
<b>Other liabilities</b>		
Bank loans	55,746	94,122
Hire purchase	-	10,931
	<u>55,746</u>	<u>105,053</u>
<b>Maturity of debt included above</b>		
In one year or less, or on demand	110,475	54,365
In more than one year but not more than two years	38,000	46,931
In more than two years but not more than five years	17,746	58,121
In more than five years	-	-
	<u>166,221</u>	<u>159,417</u>
<b>11. Reconciliation of movements in funds</b>	<b>2004</b>	<b>2003</b>
<b>Surplus (deficit) for the financial year</b> representing a <b>Net addition to funds</b>	(18,277)	65,350
Opening funds	360,322	294,972
Closing funds	<u>342,045</u>	<u>360,322</u>

**CHERRY ORCHARDS (CAMPHILL) COMMUNITY LIMITED**

**NOTES ON FINANCIAL STATEMENTS**

**31 January 2004**

<b>12. Total Funds</b>	<b>2004</b>
Unrestricted funds	323,253
Restricted funds	-
Designated funds	18,792
31 January 2004	<u>342,045</u>

**Designated Funds**

Designated funds comprise the following:

**Care Fund**

The Care Fund is to provide for future extraordinary Co-workers needs.

Transfer from unrestricted funds.

16,372

2,420

18,792