

THE HAMPSHIRE AUTISTIC SOCIETY
(A company limited by guarantee)

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED

31 MARCH 2005

Charity Number: 288141
Company Number: 1710300



THE HAMPSHIRE AUTISTIC SOCIETY

CONTENTS

	Page
Directors' Report	3 - 6
Auditors' Report	7
Statement of Financial Activities	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11 - 16
Advisers	17

THE HAMPSHIRE AUTISTIC SOCIETY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

INTRODUCTION

The financial statements attached form the Society's statutory accounts for the year ended 31st March 2005, which were approved by the directors on 19th July 2005. Copies of the statutory accounts will be submitted to the Charity Commission and to the Registrar of Companies after adoption by the members at the Annual General Meeting on 20th September 2005. The auditors' report on the statutory accounts is unqualified.

CONSTITUTIONAL ISSUES

The Hampshire Autistic Society is a company limited by guarantee registered in England under No. 1710300 and as a charity under No. 288141. It is governed by a memorandum and articles of association, incorporated 28 March 1983 as amended (latest amendment 9 February 1999). The head office address and registered office is:

1634, Parkway
Solent Business Park
Whiteley
Fareham
PO15 7AH

The company has no authorised or issued share capital.

The Society has one wholly owned subsidiary company - Hope Lodge Associates Ltd. The investment in this company is one ordinary £1 share. This company did not trade during the year ended 31st March 2005 and as a result the £1 share has not been shown as an investment.

The Board of Directors comprises the Board of Trustees. No member of the Board of Directors has any financial interest in the Society or its subsidiary company. All members of the Board of Directors are members of the Society.

DIRECTORS

The Directors who served the company during the year were as follows: -

Pauline Q Arrow (Chairman)
Graham Shields (Secretary)
Ross Dunworth (Treasurer) (resigned 21st September 2004)
Robert D Hannah
Margaret Roskillly
Dr Chris Hardie
Jean Hanson-Vaux
David Ng
Geoff Coyne
Mary Mitchell
Barbara Rendell

Paula Godwin was co-opted as Treasurer on 23rd November 2004.

PRINCIPAL ACTIVITIES

The principal activities of the Society continue to be:

- The provision of a school and boarding accommodation for the education and support of children and young adults within the Autistic Spectrum.
- The provision of a day care centre, residential homes and domiciliary support services for the care, education and support of adults within the Autistic Spectrum.
- The assistance to parents of autistic people and others engaged in their education, training and care through the activities of outreach services.

THE HAMPSHIRE AUTISTIC SOCIETY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

OBJECTIVES AND ORGANISATION

The object of the Society is the education, treatment and care of persons with autism or a related or similar condition in Portsmouth, Southampton, Hampshire and elsewhere.

In furtherance of this objective the Society provides a school for both day and boarding pupils in Southampton and day and residential centres in Gosport for the care and support of adults. The Society also provides assistance to parents of autistic people and others engaged in education, training and care of them through the activities of outreach services.

The Board of Directors is responsible for the direction and management of the Society and in discharging these responsibilities meets regularly throughout the year. It delegates day to day operational management to the Chief Executive Officer.

REVIEW OF ACTIVITIES DURING THE YEAR

The average number of autistic people in the Society's care during the year remained at 58 children between the ages of 4 and 19 years as day or weekly boarders within the Educational Service and 24 adults as full time residents in the Adult Service.

The past year has seen the Society commence work on the delivery of the strategic plan (approved July 2003) whilst bedding down the new management infrastructure and completing a review of the Society systems of work.

The Board of Trustees approved a four stage Business Case in September 2003 which will, on completion, see the residential educational services expand in number from 58 to 68 students and in the level of support provided. Three of the new residential establishments in the business case, (stages 1, 2 and 3) operate on a termly boarding capacity, which enables the Society to provide residential support at weekends and half terms according to the needs of individual students. The first three stages have been completed and this has seen the opening of Whitworth Crescent, a five-place termly boarding establishment for students under 16 and Bassett House and Fairhaven House, both of which are five-bedded residential boarding establishments for young adults aged 16-19. Both Bassett and Fairhaven provide residential support for students on a termly basis, as appropriate to the needs of individual students.

These new services have been developed to reflect the known need within the Society and to respond to the referral patterns received by the Society from external bodies. Whitworth Crescent has now passed the first year of provision milestone and we have seen all of the five students based there grow in stature and confidence. The more recent services of Bassett House, which opened in November 2004 and Fairhaven House, which opened in January 2005, are still undertaking the settling down period that all new services require. The demand for these new services is such that we envisage all three being full by Spring 2006.

It is clear that the Society has taken the correct steps to expand the residential capacity beyond weekly boarding and we now need to consider a further expansion to 52-week provision. This is currently under review.

The adult services have undergone a review period to evaluate the nature of need for services. This review encompasses day, residential, domiciliary support and supported living models. To ensure that this review captures the views of service users, parents, carers and commissioners, a number of questionnaires have been distributed to stakeholders and a local steering group established. The information collected will directly influence the development of an adult service strategy during 2005/6.

The Society's strategic plan identified the need to explore ways that it could enable students leaving our further educational services to move onto appropriate services thus creating a seamless path of Society service provision. This work has started as four young adults from Aspin House will be moving into the Society's first Supported Living service in the Autumn of 2005. This first step has seen the Society develop a joint working partnership with Hyde Housing Association, who will be the housing provider, and the Society will provide the specialist support. This model has been developed as a template for future Supported Living services. In order to provide the specialist support the Society has registered a new Domiciliary Care agency with the Commission of Social Care Inspection.

The report has referred to the Society's strategic plan as the direction for service delivery and expansion and it is important that the strategic plan maintains focus and currency. To ensure that this is the case we have undertaken a "refresh" of the strategic plan during the latter part of this year. The updated strategic plan will be circulated to all stakeholders during the first quarter of the new financial year and the objectives therein will be the driving focus for the Society's work over the next twelve months.

THE HAMPSHIRE AUTISTIC SOCIETY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

REVIEW OF FINANCIAL POSITION

The Society's surplus for the year was £89,769, which compares to £338,778 in the previous year. This figure includes gross cash received for restricted donations of £95,919, which compares to £102,659 in the previous year. Whilst the majority of the Society's income arises from fees charged to service purchasers, the directors recognise the importance of both specific and general donations in assisting the development of the Society's services. The Society is not reliant on any individual or class of donor for its normal ongoing activities.

Fee income has increased by 20% to £4,928,549 however, the impact of opening three new services during the year must be acknowledged. Establishing three new staff teams and managing the transition of the students into their new setting was highly challenging and the learning curve and associated delays in the opening of two of the three services, had a significant impact on the net income for the year. It is worth noting that the underlying cause of the need to launch two new post 16 services, was the exceptionally high number of year 11 students leaving the school in July 2004. The effect of this was more than just the challenge of setting up new post-16 services; a large number of vacancies was created which could not be readily filled and looks set to be a situation that will take time to resolve.

Donations increased by just 2.6% to £170,636 (3.3% of total income). This has to be seen as a disappointing result given the projects that were in hand during the year compared with those of 2003/04. It reflects the inherent uncertainty of Trust giving, not the hard work of the fundraising team and our volunteers.

As anticipated, the Society fully utilised its available cash deposits to support the purchase and refurbishment of the three properties acquired to establish the termly boarding services. The completion of this work was financed as necessary by a bank overdraft facility secured against Anglesey Lodge. The overdraft approach provides the flexibility required to compliment the seasonal nature of the Society's cashflow.

The balance sheet shows that the reserves of the charity at the end of the year were £2,569,547. These funds reflect the net book value of Society's tangible assets less the net current liabilities. It is important to highlight this change in the Society's balance sheet over the last two years – we are no longer cash rich, those cash assets (and now some borrowings) have been converted into property (Whitworth, Bassett and Fairhaven). The reserves are split; £731,021 of restricted funds (£682,117 for tangible fixed assets) and £1,838,526 of unrestricted funds (£2,620,016 for tangible fixed assets).

Prior to commencement of each business case project, the Board reviews the Society's financial position and assesses the likely impact of that project. The Directors consider that the Society is in a sound financial position to fulfill its plans for the current year.

RISK

A new risk management process has been launched by the Society, which will provide a systematic means of identifying and addressing areas of risk that the Society is exposed to. The process is based upon the approach recommended by the Charity Commission and involves trustees, senior management and senior staff. With this new methodology now being implemented, the Trustees have reviewed the major risks to which the Society is exposed, are satisfied that the Society has no major risks that have not been mitigated.

INVESTMENT POLICY

The Trustees review and determine the strategy, policy and management of the investments held by the Society. The Society currently holds any investments as cash balances, the central operating account, which has the overdraft facility, links automatically to a special interest bearing account whenever we are in credit with the bank. The average rate of interest earned on positive balances during the year was 4%.

RESERVES POLICY

The Board of Trustees, through detailed consideration of, and recommendation by, its Treasurer, has considered the adequacy of reserves held by the Society as at 31 March 2005 in the light of the Charity Commission guidance on charities' reserves.

The Society needs reserves to allow the Board of Trustees to meet their responsibilities, protect its current activities, enable it to progress its long-term aims and to ensure it continues to operate as an ongoing concern. In principle, fees charged for services provided should cover the cost of those services and the associated overheads. Until recently, fees have not always covered operating costs. In the future, the directors have determined that fees will be charged to cover all operating and core costs.

THE HAMPSHIRE AUTISTIC SOCIETY

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2005

The Board of Trustees has considered the needs, risks and challenges faced by the Society in the short and medium term and has formulated its reserves policy to meet those in the context of its financial forecasts. The level of reserves on the balance sheet are considered satisfactory to meet designated purposes and have been thoroughly reviewed during the year in line with the Society's policy to analyse and assess the funds held, on an annual basis.

CHANGES IN FIXED ASSETS

The movements in fixed assets during the year are set out in note 7 to the financial statements.

The Trustees are aware that the market value of the Society's older properties is significantly greater than the net book value shown in the accounts. During the year, Anglesey Lodge was valued at £1.1million for bank overdraft security purposes.

RELATIONSHIP WITH THE NATIONAL AUTISTIC SOCIETY

The Society is affiliated to the National Autistic Society, which entitles it to make use of the National's legal and other advisory services. It also uses publications and other forms of communication facilitated by the National to develop its expertise and services.

GOVERNANCE AND INTERNAL CONTROL

The Society operates as a company limited by guarantee, under the terms of its memorandum and articles of association. The Board members (who are Trustees of the Society as well as directors of the company for the purposes of the Companies Act 1985) are listed on page three of this report and were in office throughout the year except where shown. The Trustees are elected with no timescale although one third are put up for re-election at each AGM. The Board meets a minimum of 4 times a year, including meetings at which the annual budget and strategic plans are considered and approved and performance is reviewed.

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 the company and of the excess or deficit of income over expenditure of the company for that year.

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.

AUDITORS

The Southampton office of HLB AV Audit plc, that previously carried out the company's audit, joined BDO Stoy Hayward LLP on 1st June 2005. Accordingly, HLB AV Audit plc resigned as auditors and the directors appointed BDO Stoy Hayward as its successor. A resolution to reappoint BDO Stoy Hayward LLP as auditors will be proposed at the Annual General Meeting.

Signed on behalf of the directors



Date..... 19.7.05

THE HAMPSHIRE AUTISTIC SOCIETY

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE HAMPSHIRE AUTISTIC SOCIETY

We have audited the financial statements of The Hampshire Autistic Society for the year ended 31 March 2005 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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 the Companies Act 1985. We also report to you if, in our opinion, the Directors' 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 directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only the Directors' 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 any other information.

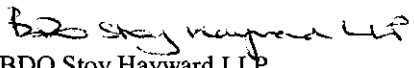
BASIS OF OPINION

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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society'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 of the Society's state of affairs at 31 March 2005 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 provisions of the Companies Act 1985.


BDO Stoy Hayward LLP
Chartered Accountants and Registered Auditors
SOUTHAMPTON

11th August 2005

THE HAMPSHIRE AUTISTIC SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2005

	Note	<u>UNRESTRICTED FUNDS</u>	<u>RESTRICTED FUNDS</u>	<u>TOTAL FUNDS 2005</u>	<u>TOTAL FUNDS 2004</u>
		£	£	£	£
INCOMING RESOURCES					
Donations		74,717	95,919	170,636	166,273
Fee Income		4,928,549	-	4,928,549	4,105,545
Other income		74,250	-	74,250	76,436
Interest receivable	3	10,848	-	10,848	32,156
		<u>5,088,364</u>	<u>95,919</u>	<u>5,184,283</u>	<u>4,380,410</u>
RESOURCES EXPENDED					
Cost of generating funds	2,4	(106,783)	-	(106,783)	(88,194)
		<u>4,981,581</u>	<u>95,919</u>	<u>5,077,500</u>	<u>4,292,216</u>
NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE APPLICATION					
CHARITABLE EXPENDITURE					
Cost of activities in furtherance of the charity's objects	2,4	4,687,298	44,599	4,731,897	3,696,586
Support Costs	2,4	211,441	-	211,441	210,039
Management and administration of the charity	2,4	44,393	-	44,393	46,813
		<u>4,943,132</u>	<u>44,599</u>	<u>4,987,731</u>	<u>3,953,438</u>
Total Charitable Expenditure					
		<u>4,943,132</u>	<u>44,599</u>	<u>4,987,731</u>	<u>3,953,438</u>
TOTAL RESOURCES EXPENDED	4	<u>5,049,915</u>	<u>44,599</u>	<u>5,094,514</u>	<u>4,041,632</u>
NET MOVEMENT IN RESOURCES	5	<u>38,449</u>	<u>51,320</u>	<u>89,769</u>	<u>338,778</u>
FUND BALANCES - 1 APRIL 2004		<u>1,800,077</u>	<u>679,701</u>	<u>2,479,778</u>	<u>2,141,000</u>
FUND BALANCES - 31 MARCH 2005		<u>1,838,526</u>	<u>731,021</u>	<u>2,569,547</u>	<u>2,479,778</u>
CHANGES IN RESOURCES AVAILABLE FOR USE					
Net movement in resources for the year		38,449	51,320	89,769	338,778
Net resources applied as tangible fixed assets for direct charitable purposes during the year		(1,034,052)	(142,497)	(1,176,549)	(281,951)
Net movement in resources available for future years		<u>(995,603)</u>	<u>(91,177)</u>	<u>(1,086,780)</u>	<u>56,827</u>

All of the charity's operations are classed as continuing.

There are no gains or losses other than those reflected above in the results for the financial year.

THE HAMPSHIRE AUTISTIC SOCIETY

BALANCE SHEET AS AT 31 MARCH 2005

	<u>Note</u>	<u>2005</u> £	<u>2004</u> £
FIXED ASSETS			
Tangible assets	7	<u>3,302,133</u>	<u>2,125,584</u>
CURRENT ASSETS			
Debtors and prepayments	8	1,285,714	1,149,124
Cash on deposit	9	5,000	681,000
Cash at bank and in hand		<u>3,619</u>	<u>62,581</u>
		1,294,333	1,892,705
CURRENT LIABILITIES			
Bank Overdraft	10	(224,863)	-
Creditors - amounts falling due within one year	11	<u>(1,802,056)</u>	<u>(1,538,511)</u>
		(2,026,919)	(1,538,511)
NET CURRENT (LIABILITIES) / ASSETS		<u>(732,586)</u>	<u>354,194</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,569,547</u>	<u>2,479,778</u>
FUNDS			
Restricted funds	17	731,021	679,701
Unrestricted funds		<u>1,838,526</u>	<u>1,800,077</u>
	18	<u>2,569,547</u>	<u>2,479,778</u>

Approved by the board of Directors on 19-7-05

and signed on its behalf by

Pauline L. Aron (Director)

THE HAMPSHIRE AUTISTIC SOCIETY

CASHFLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2005

	<u>Note</u>	<u>2005</u> <u>£</u>	<u>2004</u> <u>£</u>
NET CASH INFLOW FROM OPERATING ACTIVITIES	15	346,190	381,632
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest received		10,848	32,156
Interest paid		(5,136)	-
NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE		<u>5,712</u>	<u>32,156</u>
CAPITAL EXPENDITURE			
Purchase of tangible fixed assets		<u>(1,311,727)</u>	<u>(388,189)</u>
NET CASH OUTFLOW FROM RETURNS ON CAPITAL EXPENDITURE		<u>(1,311,727)</u>	<u>(388,189)</u>
		<u>(959,825)</u>	<u>25,599</u>
MANAGEMENT OF LIQUID RESOURCES			
Decrease/(increase) in short term deposits		676,000	(40,068)
INCREASE/(DECREASE) IN CASH IN THE YEAR	16	<u>(283,825)</u>	<u>(14,469)</u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET CASH FUNDS			
Increase/(decrease) in cash in the year	16	(283,825)	(14,469)
Cash used to increase/(decrease) liquid resources		(676,000)	40,068
Cash outflow from decrease in finance lease		-	-
Movement in net cash funds in the year		<u>(959,826)</u>	<u>25,599</u>
NET CASH FUNDS AT 1 APRIL 2004	16	<u>743,581</u>	<u>717,982</u>
NET CASH FUNDS AT 31 MARCH 2005	16	<u>(216,244)</u>	<u>743,581</u>

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

1 COMPANY STATUS

The company is limited by guarantee and does not have a share capital.

The liability of each member is limited to a contribution (not exceeding £1) to the company assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member and the costs, charges and expense of winding up.

If on winding up or dissolution of the charity there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid or distributed among the members of the charity, but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the charity.

The Financial Statements are prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" published in October 2000 and applicable accounting standards. The particular accounting policies adopted by the directors are described below.

2 ACCOUNTING POLICIES

Basis of accounting The financial statements are prepared under the historical cost convention. The directors have taken advantage of paragraph 3(3) of Schedule 4 to the Companies Act 1985 and adapted the Companies Act formats to reflect the specific nature of the Society's activities.

Consolidation The Society has one wholly owned subsidiary company - Hope Lodge Associates Ltd. The investment in this company is one ordinary £1 share. This company did not trade during the year ended 31st March 2005 and as a result the £1 share has not been shown as an investment. The Statement of Financial Activities and Balance Sheet present information about the charity as an individual undertaking and not as a group, but consolidated financial statements would be no different to those presented.

Tangible fixed assets are stated at cost less depreciation.

Depreciation The rates of depreciation applied to fixed assets are:

Land and Buildings	2.5% on cost
Computer equipment	25% on cost
Other equipment	15% on reducing balance
Motor vehicles	25% on reducing balance

Fees receivable Where fees are set at an annual rate and then billed to the relevant authorities in stages throughout the year, income has been brought into the Income and Expenditure Account on the basis of a strict time apportionment over twelve months, rather than by reference to the units' term times.

Donations are accounted for in the Income and Expenditure Account in the year of receipt. Donations are analysed between restricted donations, which may only be applied for a specific purpose, and unrestricted donations, which may be applied for any suited purpose. Expenditure relating to restricted donations is charged in the Income and Expenditure Account in the year in which it is incurred.

Donations in kind Assets donated are included in the accounts where, in the opinion of the directors, the market value can be ascertained with reasonable accuracy.

Leases Assets acquired under finance leases are capitalised in the balance sheet and are depreciated over the expected useful lives. The capital element of future payments is treated as a liability and the interest element is charged to the Income and Expenditure Account. Rentals payable under operating leases are charged to the Income and Expenditure Account on a straight-line basis over the lease term.

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

Contributions to pension schemes. The Charity offers staff the opportunity to participate in a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Teachers Pension Scheme. The Charity participates in the TPS, which is an unfunded defined benefit pension scheme where contributions payable are credited to the exchequer and a notional set of investments maintained. The pension cost is assessed every five years by the Government Actuary.

Cost of generating funds are those costs which are directly related to the raising of voluntary donations and grants. In order to comply with Charity Commission requirements, the cost of generating restricted donations is borne by the unrestricted funds.

Cost of activities in furtherance of the charity's objects comprises all expenditure incurred by Adult and Educational Services in the provision of their services including the management and administration costs directly related to such provision.

Support costs are the costs of services supplied centrally which are identified as supporting and developing the services provided by the Adult and Education Services.

Management and administration costs of the charity represent only those costs incurred to ensure compliance with constitutional and statutory requirements and the associated professional fees.

	<u>2005</u> £	<u>2004</u> £
3 INTEREST RECEIVABLE / PAYABLE		
Interest Receivable on short term deposits	10,848	32,156
Interest Payable on bank overdraft	5,136	-

	<u>STAFF</u> <u>COSTS</u> £	<u>DEPRECIATION</u> <u>AND LOSS ON</u> <u>DISPOSAL</u> £	<u>OTHER</u> <u>COSTS</u> £	<u>TOTAL</u> <u>2005</u> £	<u>TOTAL</u> <u>2004</u> £
4 TOTAL RESOURCES EXPENDED					
Cost of generating funds	47,208	590	58,985	106,783	88,194
Cost of activities in furtherance of the charity's objects	3,719,253	131,328	881,316	4,731,897	3,696,586
Support costs	184,896	3,052	23,493	211,441	210,039
Cost of management and administration of the charity	28,555	208	15,630	44,393	46,813
	<u>3,979,912</u>	<u>135,178</u>	<u>979,424</u>	<u>5,094,514</u>	<u>4,041,632</u>

The cost of generating funds includes approximately £53,301 (2004: £39,698) in respect of raising restricted funds.

Other costs as above include:

Student welfare	251,811	191,277
Premises	187,042	154,911
Repairs, renewals and maintenance	125,770	88,943

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

5 NET MOVEMENT IN RESOURCES

	<u>2005</u>	<u>2004</u>
	£	£
Net incoming resources for the year are stated after charging:		
Staff costs	3,979,912	3,165,945
Depreciation	134,723	104,720
Auditors remuneration	5,731	5,675
Loss on disposal of assets	455	1,518
Operating leases - land and buildings	<u>44,613</u>	<u>45,640</u>

6 EMPLOYEES

	<u>2005</u>	<u>2004</u>
	£	£
The average weekly number of persons employed, analysed by function was:		
Direct charitable	211	180
Fundraising and publicity	4	3
Management and administration	<u>14</u>	<u>12</u>
	<u>229</u>	<u>195</u>

	<u>2005</u>	<u>2004</u>
	£	£
Staff Costs:		
Wages and salaries	3,206,811	2,630,665
Social security costs	264,413	221,442
Other pension costs	<u>64,845</u>	<u>49,222</u>
	<u>3,536,069</u>	<u>2,901,329</u>
Agency staff	443,843	264,616
	<u>3,979,912</u>	<u>3,165,945</u>

The average number of employees of the Society whose gross pay and benefits, excluding employer pensions contributions, during the year fell within the following bands:

Banding	<u>2005</u>	<u>2004</u>
	Number of employees	Number of employees
£ nil - £50,000	228	194
£50,000 - £60,000	0	1
£60,000 - £70,000	<u>1</u>	<u>0</u>
	<u>229</u>	<u>195</u>

Pension contributions paid on behalf of the one employee earning above £60,000 amounted to £3,135.

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

7	TANGIBLE FIXED ASSETS	LAND & BUILDINGS	EQUIPMENT	MOTOR VEHICLES	TOTAL
	COST	£	£	£	£
	At 1 April 2004	2,429,557	415,158	194,914	3,039,629
	Additions	1,144,184	167,543	-	1,311,727
	Disposals	-	(2,702)	-	(2,702)
	At 31 March 2005	<u>3,573,741</u>	<u>579,999</u>	<u>194,914</u>	<u>4,348,654</u>
	DEPRECIATION				
	At 1 April 2004	489,270	287,741	137,034	914,045
	Provided in the year	76,101	44,152	14,470	134,723
	Disposal	-	(2,247)	-	(2,247)
	At 31 March 2005	<u>565,371</u>	<u>329,646</u>	<u>151,504</u>	<u>1,046,521</u>
	NET BOOK VALUE				
	At 31 March 2005	<u>3,008,370</u>	<u>250,353</u>	<u>43,410</u>	<u>3,302,133</u>
	At 31 March 2004	<u>1,940,287</u>	<u>127,417</u>	<u>57,880</u>	<u>2,125,584</u>
8	DEBTORS AND PREPAYMENTS			2005	2004
				£	£
	Due within one year:				
	Fees			1,246,454	1,108,051
	Other debtors			3,524	2,500
	Prepayments and accrued income			<u>25,036</u>	<u>27,873</u>
				1,275,014	1,138,424
	Due after one year:				
	Other debtors			<u>10,700</u>	<u>10,700</u>
				<u>1,285,714</u>	<u>1,149,124</u>
9	CASH ON DEPOSIT			2005	2004
				£	£
	The COIF Charities Deposit Fund			<u>5,000</u>	<u>681,000</u>
10	BANK OVERDRAFT			2005	2004
				£	£
	Bank Overdraft			<u>224,863</u>	<u>-</u>
	The bank overdraft is the amount currently drawn down on a facility of £660,000 secured on the Anglesey Lodge freehold to provide additional working capital as the need arises.				
11	CREDITORS – DUE WITHIN ONE YEAR			2005	2004
				£	£
	Trade Creditors			147,205	106,638
	Other taxes and social security			79,106	62,112
	Other creditors			14,366	12,021
	Accruals			52,986	24,542
	Deferred income			<u>1,508,393</u>	<u>1,333,198</u>
				1,802,056	1,538,511

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

12 LEASE COMMITMENTS

Annual commitments under non-cancellable operating leases are as follows:-

	LAND & BUILDINGS	
	2005	2004
	£	£
Operating leases which expire within one year	-	-
Between two and five years	44,613	45,640
In over five years	-	-
	<u>44,613</u>	<u>45,640</u>

	OTHER	
	2005	2004
	£	£
Operating leases which expire within one year	-	-
Between two and five years	9,440	-
In over five years	-	-
	<u>9,440</u>	<u>-</u>

13 CAPITAL COMMITMENTS

At 31st March 2005, there were no capital commitments.

14 TAXATION

The charity's activities are exempt from taxation under Section 505 of the Income and Corporation Taxes Act 1988, and accordingly no provision has been made for corporation tax.

15 RECONCILIATION OF CHANGES IN RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2005	2004
	£	£
Changes in resources	89,769	338,778
Interest receivable	(10,848)	(32,156)
Interest paid	5,136	-
Depreciation	134,723	104,720
Loss on disposal of tangible fixed assets	455	1,518
(Increase)/decrease in debtors	(136,590)	(14,633)
Increase/(decrease) in creditors	<u>263,545</u>	<u>(16,595)</u>
Net cash inflow from operating activities	<u>346,190</u>	<u>381,632</u>

16 ANALYSIS OF CHANGES IN NET CASH FUNDS

	AT 1 APRIL 2004	CASHFLOW	AT 31 MARCH 2005
	£	£	£
Cash at bank	62,581	(58,962)	3,619
Bank overdraft	-	(224,863)	(224,863)
	<u>62,581</u>	<u>(283,825)</u>	<u>(221,244)</u>
Cash on deposit	681,000	(676,000)	5,000
	<u>743,581</u>	<u>(959,825)</u>	<u>(216,244)</u>

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

17	RESTRICTED FUNDS	<u>BALANCE</u> <u>1 APRIL</u> <u>2004</u> £	<u>MOVEMENT</u> <u>INCOMING</u> £	<u>UTILISATION</u> <u>TRANSFERS</u> £	<u>RESOURCES</u> <u>OUTGOING</u> £	<u>BALANCE</u> <u>31 MARCH</u> <u>2005</u> £
	Adult Services					
	Unapplied Operating Funds	8,506	4,941	(585)	(4,021)	8,841
	Fixed assets	434,001	-	585	(13,955)	420,631
	Education Services					
	Unapplied Operating Funds	129,586	82,903	(172,274)	(1,463)	38,752
	From The Percy Bilton Trust	-	5,541	-	(5,541)	-
	Fixed assets	102,751	-	172,274	(15,743)	259,282
	Management administration					
	Unapplied Operating Funds	1,988	2,534	-	(3,211)	1,311
	Fixed assets	2,869	-	-	(665)	2,204
		<u>679,701</u>	<u>95,919</u>	<u>-</u>	<u>(44,599)</u>	<u>731,021</u>

18	ANALYSIS OF NET ASSETS BETWEEN FUNDS	<u>TANGIBLE</u> <u>FIXED</u> <u>ASSETS</u> £	<u>NET</u> <u>CURRENT</u> <u>ASSETS LESS</u> <u>LONG TERM</u> <u>LIABILITIES</u> £	<u>TOTAL</u> £	<u>2004</u> £
	Restricted funds	682,117	48,904	731,021	679,701
	Unrestricted funds	<u>2,620,016</u>	<u>(781,490)</u>	<u>1,838,526</u>	<u>1,800,077</u>
		<u>3,302,133</u>	<u>(732,586)</u>	<u>2,569,547</u>	<u>2,479,778</u>

19 RELATED PARTY DISCLOSURES

Expenses were paid to the directors for travel and subsistence of £961 (2004: £1,641). The Society's programme of insurances includes indemnity cover for Trustees, the premium cost of this was £2,415 (2004: £2,294).

The company has a wholly owned subsidiary Hope Lodge Associates Limited. This company was dormant throughout the year. The company is also a Director of Autism Alliance UK Limited.

20 PENSION COMMITMENTS

TPS

The Charity participates in the TPS, which is an unfunded defined benefit pension scheme where contributions payable are credited to the exchequer and a notional set of investments maintained. The pension cost is assessed every five years by the Government Actuary.

The contributions payable by the Charity during the accounting period were equal to 13.5% of total pensionable salaries. The pension charges recorded by the Charity were equal to the contributions payable.

The TPS is a multi-employer scheme where the assets and liabilities applicable to each employer is not identified. The Charity has therefore accounted for the pension cost on a defined contribution basis.

Defined Contribution Scheme

The company operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs is the contribution payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

THE HAMPSHIRE AUTISTIC SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2005

ADVISERS

Bankers: National Westminster Bank Plc
1 Romsey Road
Southampton
SO16 9QQ

Solicitors: Lester Aldridge
Alleyn House
23 Carlton Crescent
Southampton
Hampshire
SO15 2EU

Auditors: BDO Stoy Hayward LLP
Charter Court
Third Avenue
Southampton
SO15 0AP