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THE ELIZABETH FOUNDATION (A COMPANY LIMITED BY GUARANTEE)

Report and Group Accounts

31 August 2000

ERNST & YOUNG

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COMPANIES HOUSE 19/01/01

Registered No. 1960980

SECRETARY
Mr B Mitchell

AUDITORS
Ernst & Young
Wessex House
19 Threefield Lane
Southampton
SO14 3QB

BANKERS
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38 London Road
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Portsmouth
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Large & Gibson
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Drayton
Portsmouth
PO6 1PA

REGISTERED OFFICE
400 Capability Green
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LU1 3LU

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COUNCIL OF MANAGEMENT REPORT

The council members present their report and group accounts for the year ended 31 March 2000.

The Foundation will also produce a separate Trustees' Annual Report giving the information required under the Charities Act 1993 and the Statement of Recommended Practice of accounting for charities. This report will be available from The Elizabeth Foundation, Southwick Hill Road, Cosham, Portsmouth, Hampshire P06 3LL.

RESULTS

The group surplus for the year amounts to £16,589 and has been added to reserves; this includes £17,260 paid out of restricted reserve (i.e. the funds are not currently available to be freely used), £10,566 set against designated reserves, and a surplus on unrestricted Income and Expenditure Account of £44,415.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Elizabeth Foundation is registered as a charity under the Charities Act 1960. The principal activities of the group consist of the promotion and advancement of the education and physical and social welfare of hearing impaired children and adults.

The Foundation has been planning to expand its activities and service provision in the UK and early 2001 will see the opening of a second centre in Bradford, Yorkshire. The Foundation is also actively looking to develop a third centre which will be in Hertfordshire.

COUNCIL MEMBERS

The council members during the year were as follows:

Mr J Walter	(Chairman)
Mr D K Metherell	
Mr B Mitchell	
Mr L Higgins	(Resigned 13 April 1999)
Mr P Ardern	
Mr R I M Wootton	
Mr C Satchwell	(Appointed 12 April 1999)

AUDITORS

A resolution to re-appoint Ernst & Young as auditors will be put to the members at the Annual General Meeting.

By order of the Board

B Mitchell
Secretary

10/1/01

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STATEMENT OF COUNCIL MEMBERS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Charity Law requires the council members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of its group and of the surplus or deficit of the group for that period. In preparing those accounts, the council members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to assume 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 charitable company, and group and to enable them to ensure that the accounts comply with applicable law and generally accepted accounting practice. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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REPORT OF THE AUDITORS

to the members of The Elizabeth Foundation

We have audited the accounts on pages 5 to 20 which have been prepared under the historical cost convention as modified by the revaluation of investments and on the basis of the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 3, the company's directors (who also act as trustees for the charitable activities of The Elizabeth Foundation) are responsible for the preparation of the accounts in accordance with applicable United Kingdom law and accounting standards. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board, and by our profession's ethical guidance.

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 made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group'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 affairs of the charitable company and of its group as at 31 March 2000 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 and the Charities Act 1993.

Ernst & Young

Ernst & Young
Registered Auditor
Southampton

17 JAN 2001

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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2000

		Group					Charity Company				
	Note	Income and expenditure account £	Designated funds £	Restricted funds £	Total 2000 £	Total 1999 £	Income and expenditure account £	Designated fund £	Restricted funds £	Total 2000 £	Total 1999 £
INCOMING RESOURCES											
Donations and gifts		69,584	-	-	69,584	103,055	69,584	-	-	69,584	103,055
Legacies		35,092	-	-	35,092	11,042	35,092	-	-	35,092	11,042
Fund raising activities		36,953	-	-	36,953	33,505	36,953	-	-	36,953	33,505
Grant: National Lottery Charities Board		-	-	20,139	20,139	26,135	-	-	20,139	20,139	26,135
Other grants receivable		76,026	-	10,000	86,026	65,211	76,026	-	10,000	86,026	65,211
Less: deferred income		(7,500)	-	(10,000)	(17,500)	(7,500)	(7,500)	-	(10,000)	(17,500)	(7,500)
Investment income		14,545	-	-	14,545	9,375	14,545	-	-	14,545	9,375
Audiology services		52,923	-	-	52,923	47,988	52,923	-	-	52,923	47,988
Bank interest		3,745	-	-	3,745	3,869	3,745	-	-	3,745	3,869
Other income		30	-	-	30	6,150	30	-	-	30	6,150
Net income/(expenditure) of trading subsidiary	4	133	-	-	133	910	-	-	-	-	-
Total incoming resources		281,531	-	20,139	301,670	299,740	281,398	-	20,139	301,537	298,830
RESOURCES EXPENDED											
Fund raising and publicity	2	74,864	-	-	74,864	41,585	73,560	-	-	73,560	41,585
Direct charitable expenditure	2	161,494	10,566	35,891	207,951	215,969	157,030	10,566	35,891	203,487	215,969
Management and administration	2	73,782	-	504	74,286	68,733	79,550	-	504	80,054	68,733
Transfer between reserves		(1,004)	-	1,004	-	-	(1,004)	-	1,004	-	-
Total resources expended		309,136	10,566	37,399	357,101	326,287	309,136	10,566	37,399	357,101	326,287

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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 March 2000

	Group					Charity Company				
	Income and expenditure account	*Designated fund*	*Restricted funds*	*Total 2000*	*Total 1999*	*Income and expenditure account*	*Designated fund*	*Restricted funds*	*Total 2000*	*Total 1999*
	£	£	£	£	£	£	£	£	£	£
NET (OUTGOING)/ INCOMING RESOURCES FOR THE YEAR	(27,605)	(10,566)	(17,260)	(55,431)	(26,547)	(27,738)	(10,566)	(17,260)	(55,564)	(27,457)
OTHER RECOGNISED GAINS AND LOSSES										
Gains/(losses) on investments										
Realised	(4,400)	-	-	(4,400)	(2,201)	(4,400)	-	-	(4,400)	(2,201)
Unrealised	76,420	-	-	-	76,420	22,222	76,420	-	76,420	22,222
NET MOVEMENT IN FUNDS FOR THE YEAR	44,415	(10,566)	(17,260)	16,589	(6,526)	44,282	(10,566)	(17,260)	16,456	(7,436)
Balance brought forward	254,476	445,913	693,552	1,393,941	1,400,467	252,253	445,913	693,552	1,391,718	1,399,154
Balance at 31 March 2000	298,891	435,347	676,292	1,410,530	1,393,941	296,535	435,347	676,292	1,408,174	1,391,718

BALANCE SHEETS
at 31 March 2000

	Notes	Group 2000 £	Group 1999 £	Charity Company 2000 £	Charity Company 1999 £
FIXED ASSETS					
Tangible assets	5	847,185	861,703	845,711	859,927
Investments	14	527,884	456,718	527,886	456,720
		1,375,069	1,318,421	1,373,597	1,316,647
CURRENT ASSETS					
Stocks	6	5,433	5,687	4,513	3,847
Debtors	7	27,528	15,099	26,983	16,420
Cash at bank and in hand	8	48,449	79,149	44,835	75,653
		81,410	99,935	76,331	95,920
CREDITORS:					
amounts falling due within one year	9	45,949	24,415	41,754	20,849
NET CURRENT ASSETS		35,461	75,520	34,577	75,071
TOTAL ASSETS LESS CURRENT LIABILITIES		1,410,530	1,393,941	1,408,174	1,391,718
RESERVES					
Restricted funds:					
National Lottery Charities Board reserve	12	216,478	228,448	216,478	228,448
Legacy reserve	12	442,500	442,500	442,500	442,500
Grants reserve	12	11,710	17,000	11,710	17,000
Capital reserve	12	5,604	5,604	5,604	5,604
Unrestricted Funds:					
Designated fund: Portsmouth Resource Centres	12	435,347	445,913	435,347	445,913
Income and expenditure account	12	298,891	254,476	296,535	252,253
		1,410,530	1,393,941	1,408,174	1,391,718

J Walter - **Chairman**

D K Metherell - **Treasurer**

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GROUP STATEMENT OF CASH FLOWS
for the year ended 31 March 2000

	Notes	2000 £	1999 £
NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES	3	(653)	9,137
INVESTING ACTIVITIES			
Payments to acquire investments		(155,319)	(209,572)
Payments to acquire tangible fixed assets		(30,901)	(22,657)
Proceeds from sale of investments		156,173	201,917
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(30,047)	(30,312)
NET CASH OUTFLOW BEFORE FINANCING		(30,700)	(21,175)
DECREASE IN CASH AND CASH EQUIVALENTS	8	(30,700)	(21,175)

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1. ACCOUNTING POLICIES

Basis of preparation
The accounts are prepared under the historical cost convention modified to include the revaluation of investment properties, and with reference to the Statement of Recommended Practice (SORP) 1995 for Accounting for Charities.

Basis of consolidation
The group accounts consolidate the accounts of The Elizabeth Foundation and its subsidiary EF Enterprise (Portsmouth) Ltd, for the year ending 31 March. The net income from trading activities of EF Enterprise (Portsmouth) Ltd is shown in note 4 of the accounts and included in the Group Statement of Financial Activities and its cash flows included in the Group Statement of Cash Flows.

Cash flow statement
Although the group qualifies for the exemptions provided under Financial Report Standard No. 1 as a small company and group and need not present a cash flow statement, the council members have decided to include a statement in the accounts.

Depreciation
Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold property	-	over 100 years
Long leasehold buildings	-	over 50 years
Short leasehold shop	-	over term of the lease
School equipment	-	over 5 years
Medical equipment	-	over 3 to 5 years
Office equipment	-	over 4 to 5 years
Computer equipment	-	over 4 to 5 years
Motor vehicles	-	25% on written down value
Fixtures and fittings (shop)	-	over 5 years

Where depreciation is charged against assets representing restricted and designated funds, this depreciation is charged against that fund as it arises.

Grants and donations
The charitable company derives a proportion of its income from fund raising activities and voluntary donations which are fully controlled only when entered into the accounting records. The council members have provided assurances that all the company's financial transactions have been appropriately reflected in the accounting records.

Stocks
Stocks are valued at the lower of cost and net realisable value.

Pensions
The company makes payments to individual employees' private pension schemes up to a maximum of 5% of pensionable salary.

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2. ANALYSIS OF RESOURCES EXPENDED

	Income and expenditure account	*Designated Funds*	*Restricted Funds*	*2000 Total*	*1999 Total*
	£	£	£	£	£
FUND RAISING AND PUBLICITY					
Collections (include donations and legacies)	17,677	-	-	17,677	19,055
Events	38,457	-	-	38,457	15,787
Publications	5,662	-	-	5,662	2,125
Grant applications	9,480	-	-	9,480	3,572
Public relations	3,588	-	-	3,588	1,046
	74,864	-	-	74,864	41,585
DIRECT CHARITABLE EXPENDITURE					
Provision of Education/Support:					
Nursery	141,336	860	31,180	173,376	162,897
Correspondence course	7,081	-	-	7,081	16,470
Family Centre counselling	4,122	2,378	3,542	10,042	16,873
Audiology services	8,955	7,328	1,169	17,452	19,729
	161,494	10,566	35,891	207,951	215,969
MANAGEMENT AND ADMINISTRATION					
Salaries and office costs	51,088	-	504	51,592	46,196
Legal and professional fees	14,885	-	-	14,885	15,353
Travelling costs	2,061	-	-	2,061	1,898
Bank interest and charges	5,748	-	-	5,748	5,286
	73,782	-	504	74,286	68,733

Note: Costs of Fund Raising and Publicity, generate sources of income including Donations and Gifts, Legacies, Fund Raising Activities, and Grants.

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2. ANALYSIS OF RESOURCE EXPENDED (continued)

ANALYSIS OF RESOURCES EXPENDED

	Staff costs	*Depreciation*	*Other*	*2000 Total*	*1999 Total*
	£	£	£	£	£
Fund raising and publicity	40,972	-	33,892	74,864	41,585
Direct charitable	139,284	34,138	34,529	207,951	215,969
Management and administration	22,061	11,281	40,944	74,286	68,733
	202,317	45,419	109,365	357,101	326,287

	2000	*1999*
	£	£
Staff costs:		
Wages and salaries	179,261	163,292
Social security costs	16,584	14,397
Pension contributions	6,472	6,368
	202,317	184,057

The average weekly number of employees during the year was 12 (1999: 11)

No employee earned £40,000 per annum or more. The average number of employees analysed by function was:

	2000	*1999*
	No.	*No.*
Direct charitable services	10	9
Fund raising and publicity	1	1
Management and administration	1	1
	12	11

RELATED PARTIES

Included within staff costs above are salaries totalling £35,622 paid to Mrs S Metherell and Mrs A Walter who are both wives of council members.

	2000	*1999*
	£	£
Other costs:		
Premises	26,897	31,573
Consumables	5,513	4,586
Vehicles	2,028	1,328
Other	74,927	61,660
	109,365	99,147

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3. NET MOVEMENT IN FUNDS

(a) This is stated after charging:

	2000	*1999*
	£	*£*
Audit fee	4,000	3,500
Council Members remuneration	-	-
Depreciation of owned fixed assets	45,419	43,396

(b) Reconciliation of changes in resources to net cash inflow from operating activities:

	2000	*1999*
	£	*£*
Changes in resources before revaluations	(55,431)	(26,547)
Depreciation	45,419	43,396
Increase in debtors	(12,429)	(3,379)
Increase/(decrease) in creditors	21,534	(596)
Decrease/(increase) in stock	254	(3,737)
Net cash inflow from operating activities	(653)	9,137

4. NET INCOME FROM TRADING ACTIVITIES OF SUBSIDIARIES

The charity has one trading subsidiary which is incorporated in the UK. EF Enterprise (Portsmouth) Limited operates charity shops and sales, and carries out mailing administration. A summary of its trading results is shown below, and audited accounts are filed with the Registrar of Companies.

	E F Enterprise (Portsmouth) Limited	
	2000	*1999*
	£	*£*
Turnover	14,094	14,350
Cost of sales	7,539	6,412
Gross Profit	6,555	7,938
Administration	6,348	6,713
Profit on ordinary activities before taxation	207	1,225
Interest receivable	24	-
Taxation on profit on ordinary activities	98	315
Retained in subsidiary	133	910

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5. TANGIBLE FIXED ASSETS

	Freehold property Bradford	*Leasehold property Portsmouth Resource Centres*	*Motor vehicles*	*School and Medical equipment*	*Fixtures, fittings and office equipment*	*Company Total*	*Shop and fittings*	*Group Total*
	£	£	£	£	£	£	£	£
Cost:								
At 1 April 1999	53,678	855,167	17,000	101,503	55,674	1,083,022	4,454	1,087,476
Additions	-	-	-	3,408	27,496	30,904	-	30,904
Disposals	-	-	-	(414)	(9,983)	(10,397)	-	(10,397)
At 31 March 2000	53,678	855,167	17,000	104,497	73,187	1,103,529	4,454	1,107,983
Depreciation:								
At 1 April 1999	582	101,955	9,293	71,531	39,737	223,098	2,678	225,776
Provided during the year	536	17,108	1,927	18,173	7,373	45,117	302	45,419
Relating to disposals	-	-	-	(414)	(9,983)	(10,397)	-	(10,397)
At 31 March 2000	1,118	119,063	11,220	89,290	37,127	257,818	2,980	260,798
Net book value:								
At 31 March 2000	52,560	736,104	5,780	15,207	36,060	845,711	1,474	847,185
At 1 April 1999	53,096	753,214	7,707	29,972	15,938	859,927	1,776	861,703

The value of long leasehold buildings (Portsmouth Resource Centres) has been estimated for insurance purposes by the council members at £1,000,000 (1999: £1,000,000). This figure, in the opinion of the council members, closely reflects the commercial value.

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5. TANGIBLE FIXED ASSETS (continued)

The net book value at 31 March 2000 represents fixed assets used for:

	Motor vehicles £	*School and medical equipment* £	*Fixtures, fittings and office equipment* £	*Family Centre* £	*Early Detection and Music Centre* £	*Freehold property Bradford* £	*Shop and fittings* £	*Total* £
Direct charitable purposes:								
Nursery	5,780	15,207	-	-	-	-	-	20,987
Family Centre	-	-	-	309,245	-	-	-	309,245
Early Detection Centre	-	-	-	-	426,859	-	-	426,859
	5,780	15,207	-	309,245	426,859	-	-	757,091
Other purposes:								
Management, administration and fund raising of the Charity	-	-	9,991	-	-	52,560	-	62,551
Charity shops and sales	-	-	26,069	-	-	-	1,474	27,543
	-	-	36,060	-	-	52,560	1,474	90,094
Total	5,780	15,207	36,060	309,245	426,859	52,560	1,474	847,185

6. STOCKS

	Group		*Company*	
	2000 £	1999 £	2000 £	1999 £
Goods for resale	920	1,840	-	-
Stationery and office consumables	4,513	3,847	4,513	3,847
	5,433	5,687	4,513	3,847

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7. DEBTORS

	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
Trade debtors	237	50	237	50
Due from subsidiary undertaking (note 14)	-	-	(38)	9,131
Prepayments and accrued income	16,144	7,384	15,637	6,959
Other debtors	10,897	7,415	10,897	30
ACT recoverable on dividend	250	250	250	250
	27,528	15,099	26,983	16,420

8. CASH AT BANK

	2000 £	Group 1999 £
Interest bearing accounts	26,752	67,433
Cash in hand and in transit	100	100
Cash with investors	17,983	8,120
Current accounts	3,614	3,496
	48,449	79,149
Decrease in cash	(30,700)	(21,175)
Cash at 1 April 1999	79,149	100,324
	48,449	79,149

9. CREDITORS amounts falling due within one year

	Group 2000 £	Group 1999 £	Company 2000 £	Company 1999 £
Trade and other creditors	12,560	3,336	12,560	3,336
Accruals and deferred income	33,288	20,767	29,194	17,513
Taxation and social security	101	312	-	-
	45,949	24,415	41,754	20,849

10. LIMITATION OF LIABILITY BY GUARANTEE OF CHARITABLE COMPANY

The liability of each member of the charitable company is limited to £1.

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11. TAXATION

The Foundation (charitable company) is a registered charitable body and, as such, is not liable to taxation in respect of its charitable activities.

Taxation in the subsidiary company is dealt with in note 4.

12. RECONCILIATION OF MOVEMENTS ON RESERVES

Company

	Restricted funds				*Unrestricted funds*		
	National Lottery Charities Board reserve	*Legacy reserve*	*Grants reserve*	*Capital reserve*	*Portsmouth Resource Centres reserve*	*Income and expenditure account*	*Total*
	£	£	£	£	£	£	£
At 1 April 1998	-	442,500	-	5,604	467,047	141,461	1,056,612
Movement in resources:							
Incoming	257,282	-	-	-	-	316,351	573,633
Outgoing	(22,398)	-	-	-	(10,567)	(267,578)	(300,543)
Investment gains	-	-	-	-	-	69,452	69,452
At 1 April 1998	234,884	442,500	-	5,604	456,480	259,686	1,399,154
Movement in resources:							
Incoming	26,135	-	17,000	-	-	255,695	298,830
Outgoing	(32,571)	-	-	-	(10,567)	(283,149)	(326,287)
Investment gains	-	-	-	-	-	20,021	20,021
At 1 April 1999	228,448	442,500	17,000	5,604	445,913	252,253	1,391,718
Movement in resources:							
Incoming	20,139	-	-	-	-	281,398	301,537
Outgoing	(32,109)	-	(4,286)	-	(10,566)	(310,140)	(357,101)
Investment gains	-	-	-	-	-	72,020	72,020
Transfer	-	-	(1,004)	-	-	1,004	-
At 31 March 2000	216,478	442,500	11,710	5,604	435,347	296,535	1,408,174

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12. RECONCILIATION OF MOVEMENTS ON RESERVES (continued)

Group

			Restricted funds		*Unrestricted funds*		
	National Lottery Charities Board reserve	*Legacy reserve*	*Grants reserve*	*Capital reserve*	*Portsmouth Resource Centres reserve*	*Income and expenditure account*	*Total*
	£	£	£	£	£	£	£
At 1 April 1998	-	442,500	-	5,604	467,047	144,041	1,059,192
Movement in resources:							
Incoming	257,282	-	-	-	-	315,084	572,366
Outgoing	(22,398)	-	-	-	(10,567)	(267,578)	(300,543)
Investment gains	-	-	-	-	-	69,452	69,452
At 1 April 1998	234,884	442,500	-	5,604	456,480	260,999	1,400,467
Movement in resources:							
Incoming	26,135	-	17,000	-	-	256,605	299,740
Outgoing	(32,571)	-	-	-	(10,567)	(283,149)	(326,287)
Investment gains	-	-	-	-	-	20,021	20,021
At 1 April 1999	228,448	442,500	17,000	5,604	445,913	254,476	1,393,941
Movement in resources:							
Incoming	20,139	-	-	-	-	281,531	301,670
Outgoing	(32,109)	-	(4,286)	-	(10,566)	(310,140)	(357,101)
Investment gains	-	-	-	-	-	72,020	72,020
Transfer	-	-	(1,004)	-	-	1,004	-
At 31 March 2000	216,478	442,500	11,710	5,604	435,347	298,891	1,410,530

NATIONAL LOTTERY CHARITIES BOARD RESERVE

The charity company applied for and was awarded a project grant from the National Lottery Charities Board. The grant received is subject to restrictions, and accordingly is treated as a Restricted fund. The related assets are subject to ongoing restrictions; for a period of 80 years, the Foundation may not dispose of these assets without the prior written permission of the National Lottery Charities Board (grantor). £230,000 of the reserve balance was expended on depreciable fixed asset additions in the year ended 31 March 1998. The balance on the reserve is for revenue purposes to fund an additional teacher, together with project management costs.

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12. RECONCILIATION OF MOVEMENTS ON RESERVES (continued)

LEGACY RESERVE

The charitable company was bequeathed a legacy following a death on 21 August 1991. As a result, £442,500 was received by the Elizabeth Foundation. Along with other registered charities which benefited from the legacy, the Foundation has been required to provide the Executors with an indemnity (limited to the amount distributed under the Will) against any future claims against the Estate. A limitation period of at least 13 years from date of death applies. Because of this indemnity, the Foundation is restricted in its ability to use the legacy receipts, and accordingly the sum received is treated as a Restricted Fund. However, investment income and gains are not subject to this restriction and are taken to the income and expenditure account.

GRANTS RESERVE

From time to time, the Foundation receives grants for specific purposes. This reserve was utilised on the purchase of diagnostic equipment to be used for clinical research purposes.

CAPITAL RESERVE

The capital reserve arose on the transfer of net assets from the Trustees of the former Elizabeth Foundation.

PORTSMOUTH RESOURCE CENTRES RESERVE

This reserve shows the receipts of a past appeal to raise money for the construction of the Foundation's school facilities. The money has now been fully spent, and the building is included within fixed assets. Depreciation charged on these assets is set against the fund each year.

This reserve also includes the receipts less administration costs of a past appeal to finance construction of the Early Detection Centre. The money has now been fully spent and the building is included in fixed assets. Depreciation charged on these assets is set against the fund each year.

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	*Investments*	*Net current assets*	*2000 Total*	*1999 Total*
	£	£	£	£	£
Restricted:					
National Lottery Charities					
Board reserve	215,865	-	613	216,478	228,448
Legacy reserve	-	442,500	-	442,500	442,500
Grants reserve	11,710	-	-	11,710	17,000
Capital reserve	-	-	5,604	5,604	5,604
Unrestricted:					
Portsmouth Resource Centres	435,347	-	-	435,347	445,913
Income and Expenditure account	184,263	85,384	29,244	298,891	254,476
	847,185	527,884	35,461	1,410,530	1,393,941
	(Note 5)	(Note 14)	(page 7)		

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14. FIXED ASSET INVESTMENTS

Company

Subsidiary - E F Enterprise (Portsmouth) Limited

The company owns a 100% holding in E.F. Enterprise (Portsmouth) Limited, a company registered in England. It is shown at cost in the balance sheet, as follows:

	£
Cost at 1 April 1999 and 31 March 2000	2

Held by The Elizabeth Foundation	50%
Held by director D K Metherell as nominee for The Elizabeth Foundation	50%
	100%

The company operates charity shops to raise money for the Foundation and profits may be paid to the Foundation under the terms of a variable covenant (see also note 2). For the year ended 31 March 2000 the company made a profit of £133 and its aggregate capital and reserves at that date amounted to £2,358.

Group and Company

Other investments	£
Total investments, including other investments:	
Other:	
Opening valuation	456,718
Additions at cost	155,319
Disposals at opening value (proceeds £156,173), loss £4,400)	(160,573)
Net unrealised gains on revaluation	76,420
Total market value at 31 March 2000 (group)	527,884
Cost at 1 April 1999 and 31 March 2000 (subsidiary)	2
Total cost or market value at 31 March 2000 (company)	527,886

Listed Investments	254,006
British Government stocks	147,824
UK Unit Trusts	126,054
	527,884
Investment in unquoted subsidiary company	2
	527,886

Historical cost at 31 March 2000	367,835

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15. CAPITAL COMMITMENTS

	2000	*1999*
	£	*£*
At the balance sheet date the Charity had entered into contracts for future capital expenditure amounting to:	1,994	-

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