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1975246

**MYRRH LIMITED**  
**ANNUAL REPORT AND ACCOUNTS**  
**31 JULY 2003**



**MYRRH LIMITED**

<b>COMPANY NO</b>	1975246 (England & Wales)
<b>REGISTERED CHARITY NO</b>	293464
<b>DIRECTORS</b>	Sr Una Mc Creesh (Chair) Major Gerard McGough Bernard Borland Dr Micheal Dulake Pauline Farrell Desiree Howells Lloyd Booker Eugene Byrne
<b>COMPANY SECRETARY</b>	Sr Una Mc Creesh
<b>REGISTERED OFFICE</b>	52 Ossory Road London SE1 5AN
<b>AUDITORS</b>	Christopher & Co Chartered Accountants 51a Anson Road Tufnell Park London N7 0AR
<b>BANKERS</b>	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB

**MYRRH LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 July 2003**

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## **MYRRH LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 31 July 2003**

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The Directors present their report and the audited financial statements of the company for the year ended 31 July 2003.

#### **Status and Activities**

The Company is a private company, limited by guarantee and without any share capital. It is also a registered charity. The company's principal objects continue to be to:

- provide training and help, especially to those who find it hard to find suitable training elsewhere;
- improve trainees chances of finding suitable employment locally by providing good quality, inclusive learning experiences and access to recognised qualifications;
- Promote all or any activities for the benefit of the community now or hereafter by law to be charitable.

#### **Financial Review**

Net income for the year was £88,523 (2002: £457,121). This decrease was mainly due to an increase in spending on improving student's learning, and includes increased expenditure on teaching staff costs, teaching expenses, materials, equipment and to repairs and maintenance to buildings/ premises.

At the balance sheet date the debt due to the Learning and Skills Council (LSC) in respect of a shortfall of funding targets in the years ended 31 July 1995 to 1996 amounted to £275,376. Repayments are being made in accordance with a recovery plan agreed with the LSC and it is expected that this balance will be reduced to approximately £225,372 by 31 July 2004. In view of the continuing progress of events, the directors are of the opinion that the company will be able to repay the remaining debt over the coming years and that it continues to be viable. The Learning & Skills Council have confirmed their support by continuing to fund the company for the year ended 31 July 2005.

(continued)

## **MYRRH LIMITED**

### **DIRECTORS' REPORT for the year ended 31 July 2003 (continued)**

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#### **Directors**

The directors currently in office and throughout the year, except as stated, were as follows:

Sr Una McCreesh  
Major Gerard McGough  
Bernard Borland  
Dr Michael Dulake  
Pauline Farrell  
Desiree Howells  
Christopher Richards (resigned 27 May 2003)  
Lloyd Booker  
Eugene Byrne

#### **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's affairs at the end of its financial year and of its income and expenditure for the year. In preparing those financial statements, the directors are required to:

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

The directors are responsible for maintaining proper accounting records, which disclose with reasonable accuracy the company's financial position at any time and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

(continued)

**MYRRH LIMITED**

**DIRECTORS' REPORT**  
**for the year ended 31 July 2003 (continued)**

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**Fixed Assets**

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

**Auditors**

A resolution to reappoint Christopher & Co, will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

The above report, has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the board.



Major Gerard McGough  
Director

Approved by the Board: 6 February 2004

## **MYRRH LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MYRRH LIMITED**

We have audited the financial statements of Myrrh Limited for the year ended 31 July 2003 on pages 7 to 13. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), 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 auditors' 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**

As described on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with the 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 the Companies Act 1985. We also report to you, if in our opinion, the report of the Directors 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 the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of Audit Opinion**

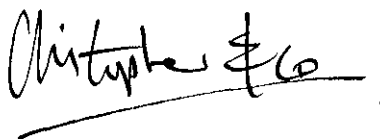
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements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

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the 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 company's state of affairs as at 31 July 2003 and of its incoming resources and application of resources, including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Christopher & Co  
Chartered Accountants and  
Registered Auditors



51a Anson Road  
Tufnell Park  
London N7 OAR

6 February 2004

**MYRRH LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**Incorporating the Income and Expenditure Account**  
**For the year ended 31 July 2003**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2003 Total</b>	<b>2002 Total</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>					
Grant Income	2	129,158	1,197,585	1,326,743	1,376,814
Interest Receivable		-	24,247	24,247	18,519
Other Income		-	19,468	19,468	32,668
<b>Total Income</b>		<b>129,158</b>	<b>1,241,300</b>	<b>1,370,458</b>	<b>1,428,001</b>
<b>RESOURCES EXPENDED</b>					
Direct Charitable Expenditure	3	129,158	882,210	1,011,368	741,087
Fundraising and Publicity	4	-	14,394	14,394	13,703
Management and Administration	5	-	256,173	256,173	216,090
<b>Total Expenditure</b>	<b>6</b>	<b>129,158</b>	<b>1,152,777</b>	<b>1,281,935</b>	<b>970,880</b>
<b>NET INCOME FOR THE YEAR</b>		-	<b>88,523</b>	<b>88,523</b>	<b>457,121</b>
<b>Unrestricted Funds brought forward</b>		-	727,562	727,562	270,441
<b>UNRESTRICTED FUNDS at 31 July 2003</b>	<b>10</b>	<b>-</b>	<b>£816,085</b>	<b>£816,085</b>	<b>£ 727,562</b>

All the company's activities in the above two financial years were derived from continuing operations. The company has no recognised gains or losses other than the income or expenditure for the above two financial years.

The financial statements are comprised of pages 7 to 13.



**MYRRH LIMITED****BALANCE SHEET**

At 31 July 2003

	Note	2003 £	2002 £
<b>FIXED ASSETS</b>			
Tangible Assets	7	<u>300,647</u>	<u>252,462</u>
<b>CURRENT ASSETS</b>			
Debtors	8	14,496	107,461
Cash at bank and in hand		<u>841,065</u>	<u>770,928</u>
		<u>855,561</u>	<u>878,389</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>(340,123)</u>	<u>(403,289)</u>
<b>Net Current Liabilities</b>		<u>515,438</u>	<u>475,100</u>
<b>Total Assets less Current Liabilities</b>		<u><u>816,085</u></u>	<u><u>727,562</u></u>
<b>CAPITAL</b>			
Total Funds	10	<u><u>£816,085</u></u>	<u><u>£ 727,562</u></u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the  
Board of Directors



Major Gerard McGough  
Director

Approved by the board on: 6 February 2004

The financial statements are comprised of pages 7 to 13

## **MYRRH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 July 2003**

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#### **1 ACCOUNTING POLICIES**

##### **a) Basis of accounting**

These financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice Accounting by Charities (SORP 2000) issued in October 2000 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

##### **b) Recognition of income**

The annual allocation from the LSC, which is intended to meet recurrent costs, is credited to the statement of financial activities in accordance with funding achieved in the year. Any retrospective adjustments made by the LSC are reflected as soon as the company is made aware of them. Restricted funds represent funds received which are to be used for a specific purpose. Unrestricted funds can be used to carry out any of the company's objects.

Income from contracts, and other services rendered is included to the extent of the completion of the contract or service concerned.

##### **c) Expenditure**

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information.

Charitable expenditure comprises direct expenditure attributable to the provision of Education and includes an allocation of overheads consistent with use of the resources.

##### **d) Equipment**

Equipment costing less than £200 per individual item is written off to the income and expenditure account in the year of acquisition, unless part of a major refit. All other equipment is capitalised at cost.

Depreciation is provided at the following annual rates to write off each asset over its estimated useful life.

Leasehold buildings	- 2% straight line on cost
Plant and equipment	-20% straight line on cost
Motor vehicles	-20% straight line on cost

(continued)

**MYRRH LIMITED****NOTES TO FINANCIAL STATEMENTS  
for the year ended 31 July 2003 ( continued)****1 ACCOUNTING POLICIES (continued)****e) Taxation**

As an exempt charity the company benefits by being exempt from corporation tax on income it receives from tuition fees, interest and rents.

The company is exempted from levying VAT on most of the services it provides to students and is not registered for VAT. For this reason the company is unable to recover input VAT it suffers on goods and services purchased.

**2 GRANT INCOME**

	2003 £	2002 £
Current Year's Income	1,326,743	1,376,814
	<u>£1,326,743</u>	<u>£1,376,814</u>

**3 DIRECT CHARITABLE EXPENDITURE – Education Services**

Direct Charitable Expenditure	Restricted Funds £	Unrestricted Funds £	Total 2003 £	Total 2002 £
Teaching Staff Costs	-	571,883	571,883	447,456
Teaching Expenses	129,158	31,769	160,927	117,663
General Education Expenditure	-	32,580	32,580	22,807
<b>Support Costs</b>				
Premises & Equipment Costs	-	168,548	168,548	102,043
Support Staff Costs	-	71,207	71,207	45,904
Support Service Expenses	-	6,223	6,223	5,214
	<u>£129,158</u>	<u>£882,210</u>	<u>£1,011,368</u>	<u>£741,087</u>

**4 FUNDRAISING AND PUBLICITY**

	Restricted Funds £	Unrestricted Funds £	Total 2003 £	Total 2002 £
Advertising	-	14,394	14,394	13,703
	<u>-</u>	<u>14,394</u>	<u>14,394</u>	<u>13,703</u>

**MYRRH LIMITED**

**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 July 2003 (continued)**

**5 MANAGEMENT AND ADMINISTRATION**

Management and Administration	Restricted Funds £	Unrestricted Funds £	Total 2003 £	Total 2002 £
Salaries and office costs	-	196,073	196,073	158,008
Legal and Professional Fees	-	53,050	53,050	51,620
Audit Fees	-	7,050	7,050	6,462
	<u>-</u>	<u>£256,173</u>	<u>£256,173</u>	<u>£216,090</u>

**6 TOTAL RESOURCES EXPENDED**

	Staff Costs £	Depreciation £	Other Costs £	Total £
Education Services	643,090	44,172	324,106	1,011,368
Fundraising and Publicity	-	-	14,394	14,394
Management and Administration	131,663	-	124,510	256,173
	<u>£ 774,753</u>	<u>£ 44,172</u>	<u>£ 463,010</u>	<u>£1,281,935</u>

**Staff Costs**

	2003 £	2002 £
Wages and Salaries	679,238	532,576
Social Security Costs	53,165	38,706
Pension Costs	42,350	28,745
	<u>£774,753</u>	<u>£600,027</u>

**Other Costs**

	2003 £	2002 £
Premises	168,547	102,043
Miscellaneous	294,463	242,567
	<u>£ 463,010</u>	<u>£ 344,610</u>

No employee earned £40,000 per annum or more

	2003 Number	2002 Number
The average number of employees analysed by function, was:		
Education Services	30	22
Management and Administration	5	5
	<u>35</u>	<u>27</u>

**MYRRH LIMITED**

**NOTES TO FINANCIAL STATEMENTS**  
for the year ended 31 July 2003 (continued)

**7 TANGIBLE FIXED ASSETS**

	Property	Plant and Equipment	Motor Vehicles	Total
COST	£	£	£	£
At beginning of year	212,000	218,672	3,284	433,956
Additions in year	-	92,676	-	92,676
Disposals	-	(399)	-	(399)
At 31 July 2003	212,000	310,949	3,284	526,233
<b>DEPRECIATION</b>				
At beginning of year	22,200	157,980	1,314	181,494
Charge for year	3,240	40,275	657	44,172
Disposals	-	(80)	-	(80)
At 31 July 2003	25,440	198,175	1,971	225,586
<b>NET BOOK VALUE</b>				
At 31 July 2003	£186,560	£112,774	£1,313	£300,647
At 31 July 2002	£ 189,800	60,692	£1,970	£ 252,462

**8 DEBTORS: Amounts Falling Due Within One Year**

	2003 £	2002 £
Prepayments and Accrued Income	14,496	107,461
	<u>£ 14,496</u>	<u>£ 107,461</u>

**9 CREDITORS: Amounts Falling Within One Year**

	2003 £	2002 £
Trade Creditors	19,334	37,239
Payments Received on Account	275,376	325,380
Other Taxation and Social Security	22,255	12,104
Accruals	23,158	28,566
	<u>£ 340,123</u>	<u>£ 403,289</u>

**MYRRH LIMITED****NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 July 2003 (continued)**

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**10 UNRESTRICTED FUNDS**

	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
At beginning of year	727,562	270,441
Net income for the year	88,523	457,121
At 31 July 2003	<u><b>£ 816,085</b></u>	<u><b>£ 727,562</b></u>

**11 COMMITMENTS AND CONTINGENT LIABILITIES**

There were no capital commitments or contingent liabilities at the balance sheet date. The company occupies one of its premises under a lease from Lambeth Council at a rent of £30,100 per annum, this lease is currently under negotiation for renewal at an expected rent of £35,000 per annum for a period of 10 years.

**THESE NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**