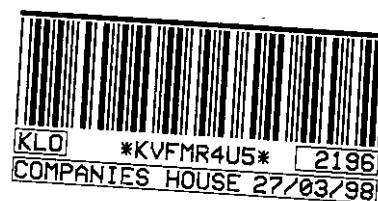


GOVERNORS' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MAY 1997

NEVILLE RUSSELL
Chartered Accountants
24 Bevis Marks
LONDON EC3A 7NR



THE PROFOUND AND MULTIPLE IMPAIRMENT SERVICE LIMITED

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COMPANY INFORMATION AND ADVISERS

GOVERNORS:

Professor J Hogg BA PhD
Mr D Adams FCA MSI
Mr C Whiteside FCMA FCCA
Mr N Morar
Ms J Willson CQSW

SECRETARY:

Mr G Power

REGISTERED OFFICE:

Harvester House
37 Peter Street
Manchester M2 5GB

REGISTERED COMPANY NUMBER:

2717020

REGISTERED CHARITY NUMBER:

1011895

AUDITORS:

Neville Russell
24 Bevis Marks
LONDON EC3A 7NR

BANKERS:

Barclays Bank PLC
Prettygate Branch
PO Box 1
9 High Street
COLCHESTER
CO1 1DD

GOVERNORS' REPORT

For the year ended 31 May 1997

The governors submit their report and accounts for the year ended 31 May 1997.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

Company law requires the governors 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 profit or loss of the company for that period. In preparing those financial statements, the governors are required to

- select suitable accounting policies and then 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The governors 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.

PRINCIPAL ACTIVITY AND REVIEW OF OPERATIONS

PAMIS was registered as a charity on 15 June 1992 and incorporated as a company limited by guarantee and not having a share capital on 21 May 1992. It is governed by its memorandum and articles of association.

Details of charity and company registration numbers, auditors, bankers and registered office are shown on page 1 of the financial statements.

PAMIS has been formed with the following objectives under its memorandum of association:

- to promote the relief of people with profound mental handicap with or without additional physical and sensory impairments within the United Kingdom, particularly by providing training, information and advice to their parents and carers.
- to advance education concerning the care of such people, and in particular to provide training, information and advice to those in both the statutory and voluntary sectors who are responsible for providing services for them whether within or outside the United Kingdom.

During the past year PAMIS has continued to put on workshops for parents and carers of sons and daughters with profound disabilities. Topics covered were Stress Management, Making and Enjoying Music, Epilepsy and Dental Care and Diet. In addition, Special Interest Groups of carers and professionals have continued to campaign to improve services in selected Scottish regions. PAMIS has collaborated with a number of European organisations with respect to training and service development. Support during this period has come from the National Lottery Charities Board, Greater Glasgow Health Board, City of Dundee Social Work Department and a number of charitable foundations.

The activities have remained unchanged since the previous year. The deficit for the year at £10,812 (1996: £456) has been set against reserves.

GOVERNORS' REPORT

For the year ended 31 May 1997 (continued)

GOVERNORS

The governors, who are directors and trustees of the company and charity respectively, all of whom served throughout the year unless otherwise specified, are as follows:

Professor James Hogg, BA PhD (Chairman)
Mr Derek Adams, FCA MSI
Mr Colin Whiteside, FCMA FCCA
Ms Judy Sebba, BA Med (resigned 9 December 1997)
Mr Dafydd Wigley, MP (resigned 27 February 1997)
Ms Jean Willson, CQSW
Mr N Morar (appointed 9 December 1997)

Governors are appointed to office by the members of the company.

The governors are responsible for the operations of the company and the allocation of funds towards achieving the objectives of the company.

FINANCIAL STATEMENTS

The financial statements comply with the relevant, statutory and accounting disclosure requirements.

GENERAL MEETING

The company has elected, in pursuance of Section 252 of the Companies Act 1985, not to lay accounts before the members in general meeting. Members, however, may give notice in writing to the company at its registered office, to require that the accounts are laid before the company in general meeting.

By Order of the Board



Professor James Hogg

27 March 1998

AUDITORS' REPORT TO THE GOVERNORS OF

THE PROFOUND AND MULTIPLE IMPAIRMENT SERVICE LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared following the accounting policies set out on page 8.

Respective responsibilities of governors and auditors

As described on page 2, the governors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

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 governors 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 state of the company's affairs as at 31 May 1997 and of its deficit and net movement in funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



CHARTERED ACCOUNTANTS
and Registered Auditors

London

27 March 1998

INCOME AND EXPENDITURE ACCOUNT
For the year ended 31 May 1997

	Notes	1997 £	1996 £
INCOME	2	106,299	97,160
Operating expenses	3	<u>118,409</u>	<u>(99,184)</u>
OPERATING DEFICIT	4	(12,110)	(2,024)
Bank interest received		<u>1,298</u>	<u>1,568</u>
NET DEFICIT FOR THE PERIOD	10	<u>£(10,812)</u>	<u>£(456)</u>

The company's income and expenses all relate to continuing activities.

There were no other gains and losses in the year other than the deficit shown above.

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 May 1997

	Notes	Unrestricted funds 1997 £	Unrestricted funds 1996 £
INCOMING RESOURCES			
Grants and donations	2	106,299	97,160
Bank interest receivable		<u>1,298</u>	<u>1,568</u>
TOTAL INCOMING RESOURCES		<u>107,597</u>	<u>98,728</u>
RESOURCES EXPENDED			
Direct charitable expenditure	3	105,797	86,773
Other expenditure	3	<u>12,612</u>	<u>12,411</u>
TOTAL RESOURCES EXPENDED		<u>118,409</u>	<u>99,184</u>
NET MOVEMENT IN FUNDS	10	(10,812)	(456)
Funds brought forward from 1 June 1996		<u>24,689</u>	<u>25,145</u>
Funds carried forward at 31 May 1997		<u><u>£13,877</u></u>	<u><u>£24,689</u></u>

BALANCE SHEET as at 31 May 1997

	Notes	1997 £	1996 £
FIXED ASSETS			
Tangible assets	6	<u>2,143</u>	<u>1,498</u>
CURRENT ASSETS			
Debtors and prepayments	7	5,487	490
Cash at bank and in hand		27,727	45,836
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	8	<u>(21,480)</u>	<u>(23,135)</u>
NET CURRENT ASSETS		<u>11,734</u>	<u>23,191</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>£13,877</u>	<u>£24,689</u>
CAPITAL AND RESERVES			
Unrestricted general fund	9 & 10	<u>£13,877</u>	<u>£24,689</u>

Approved by the governors and signed on their behalf by:



Professor James Hogg
Chairman

The financial statements were approved by the governors on 27 March 1998

The notes on pages 8 to 11 form part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 1997

1. ACCOUNTING POLICIES

Basis of accounting

The accounts have been prepared under the historical cost convention in accordance with applicable accounting standards, and on a going concern basis and comply with the requirements of the Statement of Recommended Practice (SORP) Accounting by Charities.

Income

All income is accounted for on an accruals basis in the period to which it relates.

Expenditure

Expenditure is accounted for on an accruals basis in the period in which it is incurred.

Depreciation

Depreciation is calculated to write off the cost of fixed assets over their remaining useful life on a straight line basis.

Constitution

The Profound and Multiple Impairment Society Limited ("PAMIS") is a company limited by guarantee subject to the provisions of the Companies Act 1985. The directors are known as governors. It is also a charity registered with the Charity commissioners and as such its present activities are exempt from tax on its income.

2. INCOME

	1997 £	1996 £
Grants and donations received		
- Scottish Office grant	65,829	75,360
- Carnegie Trust donation	-	5,500
- Mencap City Foundation donation	-	1,000
- St Katherine's Fund donation	-	2,000
- Harrow & District Caledonian Society donation	-	800
- Combined Charities Trust donation	-	12,500
- Miller Hendry Trust Donation	2,000	-
- Lottery Grant	38,440	-
Sale of books	30	-
	<hr/>	<hr/>
	£106,299	£97,160
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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 1997 (continued)

3. EXPENDITURE

	1997 £	1996 £
Direct charitable expenditure:		
Project director/secretarial costs	75,705	51,084
Workshop costs	20,516	23,210
Hotel and travelling	8,571	10,170
VAT	1,005	2,309
	<u>£105,797</u>	<u>£86,773</u>
Other expenditure:		
Administrative costs	7,520	7,245
Postage and stationery	3,500	4,136
Audit fee	602	450
Office equipment	-	-
Depreciation of fixed assets	990	580
	<u>£12,612</u>	<u>£12,411</u>
TOTAL	<u>£118,409</u>	<u>£99,184</u>

4. OPERATING DEFICIT

The operating deficit for the period is stated after charging:

	1997 £	1996 £
Auditors' remuneration - audit fee	602	450
Depreciation of fixed assets	990	580
	<u> </u>	<u> </u>

5. GOVERNORS AND OTHER EMPLOYEES

The governors received no remuneration during the period. Appropriate travel expenses have been reimbursed to all governors, amounting to £3,329. The Company has 1 employee.

Staff costs for the year ended 31 May 1997 totalled £5,000 (1996: £6,000).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 1997 (continued)

6. TANGIBLE FIXED ASSETS

	Computer equipment £
COST	
At 1 June 1996	2,322
Additions	<u>1,635</u>
At 31 May 1997	<u>3,957</u>
ACCUMULATED DEPRECIATION	
At 1 June 1996	(824)
Charge for the year	<u>(990)</u>
At 31 May 1997	<u>1,814</u>
NET BOOK VALUE	
At 31 May 1997	<u>£2,143</u>
At 31 May 1996	<u>£1,498</u>
Depreciation rate	25%

7. DEBTORS AND PREPAYMENTS

	1997 £	1996 £
Prepayments	<u>£5,487</u>	<u>£490</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1997 £	1996 £
Bank overdraft	2,968	7,722
Other creditors	5,512	10,289
Accruals	<u>13,000</u>	<u>5,124</u>
	<u>£21,480</u>	<u>£23,135</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 May 1997 (continued)

9. CAPITAL

The Company does not have paid up share capital being a company limited by guarantee. The amount guaranteed by each member (who are the governors) in the event of winding up is not more than £5.

10. RECONCILIATION OF MOVEMENTS IN MEMBERS' FUNDS

	1997 £	1996 £
Deficit for the financial year	(10,812)	(456)
Net reduction to members' funds	(10,812)	(456)
Opening members' funds	24,689	25,145
Closing members' funds	<u>£13,877</u>	<u>£24,689</u>