

Anthony & Co

Chartered Accountants & Registered Auditors

Disability Lincs Limited

(A company limited by guarantee)

Report and Financial Statements

for the period 24 January 2001 to 31 March 2002

Company Number: 04147356

Charity Number: 1088110



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Disability Lincs Limited

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Disability Lincs Limited

Legal and Administrative Information

Constitution

Disability Lincs Limited is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Company number 04147356. Charity number 1088110.

Directors and trustees

The directors of the charitable company ("the charity") are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the articles of association one trustee shall be appointed by each of the two Area Committees.

The trustees serving during the period and since the period end were as follows:

Joyce Burrows	24.01.01 -
Jane Maclachlan	24.01.01 -
Mary McMurray-Herbert	24.01.01 -
Mike Plumb	24.01.01 - 21.07.01
John Saywell	24.01.01 -
David Smith	18.01.02 -
Joyce Walton	24.01.01 -
Frederick Wood	24.01.01 -

Company Secretary and Administrative Officer

Val Wright	24.01.01 -
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Council of Management

Mary McMurray-Herbert	Chairperson	24.01.01 -
Joyce Walton	Vice-Chairperson	24.01.01 -
Frederick Wood	Treasurer	24.01.01 -
Jane Maclachlan	Northern Area Representative	24.01.01 -
Joyce Burrows	Southern Area Representative	24.01.01 -
Carole Garnett		24.01.01 -
Dee Goodman		21.07.01 - 24.01.02
Mike Plumb		24.01.01 - 21.07.01
John Saywell		24.01.01 -
David Smith		21.07.01 -

Registered office

Ancaster Day Centre, Boundary Street, Lincoln LN5 8NJ

Reporting accountant

Anthony & Co. (Lincoln) Limited, 8 Vicarage Lane, Scothern, Lincoln LN2 2UB

Bankers

National Westminster Bank PLC, Smiths Bank Branch, 225 High Street, Lincoln LN2 1AZ

Disability Lincs Limited

Report of the trustees for the period ended 31 March 2002

The trustees are pleased to present their report together with the financial statements of the charity for the period 24 January 2001 to 31 March 2002.

The legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

Objects of the charity

The objects of the charity are the relief of people with physical disabilities, including people with visual or auditory impairment, in the county of Lincolnshire, and in furtherance of this purpose, but not otherwise the Charity may:

- (1) procure and provide information about the needs of physically disabled persons and bring to the notice of any authorities concerned as appropriate any individual general needs;
- (2) co-operate with statutory authorities and other organisations concerned with the interests and welfare of physically disabled persons;
- (3) collect and provide information about services or benefits available to physically disabled persons from any source;
- (4) give support, aid and encouragement to local charitable branches of the Charity and such further charitable branches as may be established in the future.
- (5) create a fund by means of subscriptions, donations, legacies, grants or in other way for use in furthering the objects of the Charity;
- (6) co-operate with the appropriate authorities in making and maintaining a register of physically disabled persons in Lincolnshire;
- (7) provide workshops or such other work or employment as may be suitable for physically disabled persons and sell or assist in selling the produce or their labour;
- (8) distribute money or other assets in accordance with the Objects.

Organisation

A board of trustees of up to nine members, who meet quarterly, administer the Charity.

Investment powers

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit.

Related parties

The company has a very close relationship with Lincolnshire County Council Social Services Directorate who provide the company's accommodation and with whom there are three service level agreements.

Accounting Reference Period

The accounting reference period is not twelve months in length as the financial statements are required to cover the period from the date of incorporation (24 January 2001) to the year end (31 March) agreed by the trustees.

Disability Lincs Limited

Report of the trustees for the period ended 31 March 2002 (continued)

Review of the activities and future developments

The charity is now in its twenty-ninth year. We became a company limited guarantee in 2001.

The end of the year saw a marginal decrease in our reserves due to the increased day to day expenditure incurred in maintaining our level of service to our client base.

Despite spiralling costs the income received from Lincolnshire County Council Social Services Directorate remained static which has necessitated our having to use some of our reserve funds.

At the beginning of 2001 we were approached by Lincolnshire County Council Social Services Directorate with a view to our taking over the running of Derek Miller Court Outreach Project. This was subsequently agreed and it will continue until June 2003. Its continuance will depend upon the success of the project and future funding becoming available.

In June 2001 the company put in a bid for community funding . This was to establish information surgeries in the coastal and rural areas of the county where there was previously no service available, and also to improve and extend existing surgeries. Our bid was successful and an Outreach Project Co-ordinator, Sean Bowler, was duly appointed on 4 March 2002.

Finally in March 2002, we submitted an application to the Percy Bilton Charity for a grant to enable us to refurbish and redecorate our holiday chalet in Mablethorpe, which was successful. The work has been completed and the chalet is fully occupied for the season.

The number of enquiries to the office continues to increase, the bulk of which are benefit related. These involve assisting clients, their families and carers, with applications and appeals. The office provides advice and information on all other matters.

Our staff deserve credit and praise for the skillful and enthusiastic manner in which they deal with our clients. They ensure we are able to provide a successful service to a growing, broad range of customers, and cope with a heavy workload.

Reserves policy and risk management

In 2000 the Council of Management carried out a detailed review of the charities activities, and it was decided to pursue a change to become a company limited by guarantee. As a result extensive negotiations were conducted with Lincolnshire County Council's chief solicitor who assisted in drafting a revised Constitution. The resultant Memorandum and Articles of Association were approved and came into force at last years Annual General Meeting. The trustees monitor the charity's progress at their quarterly meetings and undertake a comprehensive review annually. As part of this process the trustees consider:

- a) the risks the charity may face,
- b) the systems and procedures needed to mitigate any risks identified
- c) the implementation of any procedures identified to minimise the impact on the charity.

The level of free reserves (ie those funds not tied up in fixed assets, and designated and restricted funds) is shown in the financial statements. These include invested funds in the Skipton Building Society, which are sufficient to maintain our level of service for a further twelve months should the company not receive external funding in the future.

A Fundraising Committee has been set up with a view to increasing the free reserves to a practical level. This committee meets quarterly and is currently in its early stages.

Disability Lincs Limited

Report of the trustees for the period ended 31 March 2002 (continued)

Trustees' responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial period and of its surplus or deficit for the financial period. In doing so the trustees are required to:

- . select suitable accounting policies and apply them consistently;
- . make judgements and estimates that are reasonable and prudent;
- . prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in business.

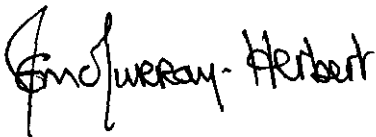
The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Reporting accountant

A resolution will be proposed at the Annual General Meeting that Anthony & Co. (Lincoln) Limited be re-appointed as reporting accountant for the ensuing year.

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

By order of the trustees



M E McMurray-Herbert

22 July 2002

Disability Lincs Limited

Accountants' Report to the members on the unaudited financial statements of Disability Lincs Limited

We report on the financial statements for the period 24 January 2001 to 31 March 2002 set out on pages 5 to 14.

Respective responsibilities of trustees and reporting accountant

As described on page 3, the trustees are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of preparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act and; and
 - (ii) the company satisfied the conditions for exemption from an audit of the financial statements for the year, specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

J M Anthony FCA
Anthony & Co. (Lincoln) Limited
Reporting Accountants and Chartered Accountants
8 Vicarage Lane
Scothern
Lincoln
LN2 2UB

22 July 2002

Disability Lincs Limited

Statement of Financial Activities (including Income and Expenditure Account)

for the period 24 January 2001 to 31 March 2002

	<u>Notes</u>	<u>Unrestricted Funds £</u>	<u>Restricted Funds £</u>	<u>Total Funds £</u>
Incoming resources				
Net assets transferred from Disability Lincs	3	20,705	22,385	43,090
Grants receivable	4	8,814	34,450	43,264
Donations		1,269	305	1,574
Activities to generate funds	5	1,831	4,513	6,344
Interest receivable	6	1,912	307	2,219
Other income	7	2,052	3,258	5,310
Total incoming resources		36,583	65,218	101,801
Resources expended				
Less cost of generating funds:				
Activities to generate funds		591	331	922
Net incoming resources available for charitable application		35,992	64,887	100,879
Charitable expenditure				
Direct charitable expenditure	8	354	16,828	17,182
Managing and administering the charity	9	21,503	5,417	26,920
Total resources expended		21,857	22,245	44,102
Net incoming resources before transfers		14,135	42,642	56,777
Transfers between funds		2,000	-2,000	-
Movement in total funds for the period - Net income for the period		16,135	40,642	56,777
Total funds brought forward		-	-	-
Total funds carried forward		16,135	40,642	56,777

The statement of financial activities includes all gains and losses recognised in the period.

All incoming resources and resources expended derive from continuing activities.

Disability Lincs Limited

Balance Sheet as at 31 March 2002

	<u>Notes</u>	<u>£</u>	<u>£</u>
Fixed Assets			
Tangible assets	13		1,917
Current Assets			
Debtors	14	2,204	
Cash at bank and in hand		<u>58,451</u>	
			60,655
Current Liabilities			
Creditors: amounts falling due within one year	15	<u>5,795</u>	
Net Current Assets			<u>54,860</u>
Net Assets			<u><u>56,777</u></u>
Unrestricted Funds			
General			12,777
Designated			<u>3,358</u>
			16,135
Restricted Funds			<u>40,642</u>
			<u><u>56,777</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 March 2002.

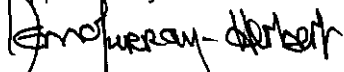
The members have not required the company to obtain an audit of its financial statements for the period ended 31 March 2002 in accordance with Section 249B(2) of the Companies Act 1985.

The trustees acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial period and of its incoming resources and application of resources, including its income and expenditure, for each financial period in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 2000).

Approved by the trustees on 22 July 2002 and signed on their behalf by



M E McMurray-Herbert, Chairperson

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985. The principal accounting policies adopted in the preparation of the financial statements are as follows:

Incoming resources

Donations and grants

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except as follows:

- . When donors specify that donations and grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- . When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

When donors specify that donations and grants, including capital grants, are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds receivable.

Intangible income

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised when there is no financial cost borne by a third party.

Interest receivable

Interest is included when receivable by the charity.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any Value Added Tax which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Tangible fixed assets

Individual fixed assets costing £100 or more are capitalised at cost.

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives as follows:

Chalet equipment	25% per annum
Office equipment	20% per annum
Craft equipment	20% per annum
Information service equipment	25% per annum

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

1. Accounting policies (continued)

Fund accounting

Funds held by the charity are either:

- . *Unrestricted general funds* - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- . *Designated funds* - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- . *Restricted funds* these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of a winding up is limited to £10.

3. Net Assets Transferred from Disability Lincs

The charity, Disability Lincs (Registered Charity Number 505602) ceased on 24 January 2001 when all of its assets, liabilities and operations were transferred to Disability Lincs Limited.

4. Grants receivable

	£
Lincolnshire County Council	28,430
Lottery Funding Community Fund	12,900
Lincolnshire County Council - New Deal	984
Lincoln City Council	500
South Holland Volunteer Resource Centre Limited	200
East Lindsey District Council	150
South Kesteven District Council	100
	<u>43,264</u>

5. Activities to generate funds

	£
Bonus ball competition	3,680
Other	<u>2,664</u>
	<u>6,344</u>

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

6. Interest receivable

	£
Building society interest	1,880
Bank interest	<u>339</u>
	<u>2,219</u>

7. Other income

	£
Revenue from Chalet	3,258
Annual club contributions	1,696
Sale of keys and emblems	<u>356</u>
	<u>5,310</u>

8. Direct charitable expenditure

	£
Salaries	7,316
Holidays	5,070
Chalet expenses	3,410
Craft materials and insurance	667
Rent	365
Sundry assistance	<u>354</u>
	<u>17,182</u>

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

9. Managing and administering the charity

	<u>£</u>
Salaries	17,597
Telephone	65
Printing, postage, stationery and advertising	4,055
Insurance	363
Depreciation	757
Reporting accountant's remuneration	
Payroll administration services	254
Accountancy services	1748
Reporting on financial statements	<u>500</u> 2,502
Legal and professional	15
Travelling and subsistence	1,257
Subscriptions and registrations	126
Bank charges	16
Miscellaneous expenses	<u>167</u>
	<u>26,920</u>

10. Staff costs and trustees' remuneration

	<u>£</u>
Wages and salaries	24,433
Social security costs	<u>328</u>
	<u>24,761</u>

There are no employees with emoluments above £50,000.

The trustees were not paid or reimbursed for expenses during the period.

11. Staff numbers

The average number of full-time equivalent employees (including casual and part-time staff) during the year were made up as follows:

	<u>Number</u>
Administration	2
Craft Teacher	<u>1</u>
	<u>3</u>

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

12. Movement in total funds for the period

£

This is stated after charging:

Depreciation	757
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13. Tangible fixed assets

	Craft Equipment £	Information Service Equipment £	Chalet Equipment £	Total £
Cost				
At 24 January 2001	-	-	-	-
Additions	580	1,554	540	2,674
Disposals	-	-	-	-
At 31 March 2002	580	1,554	540	2,674
Depreciation				
At 24 January 2001	-	-	-	-
Provided for the period	137	460	160	757
On disposals	-	-	-	-
At 31 March 2002	137	460	160	757
Net Book Value				
At 31 March 2002	443	1,094	380	1,917
At 24 January 2001	-	-	-	-

14. Debtors

£

Trade debtors	615
Prepayments	433
Accrued income	1,156
	2,204

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

15. Creditors: amounts falling due within one year

	£
Trade creditors	2,644
Other taxation and social security	1,169
Accruals	<u>1,982</u>
	<u>5,795</u>

16. Unrestricted funds of the charity

	General Fund £	Designated Fund £	Total £
Balance at 24 January 2001	-	-	-
Movement in funds for the period	12,777	3,358	16,135
Balance as at 31 March 2002	<u>12,777</u>	<u>3,358</u>	<u>16,135</u>

17. Restricted funds of the charity

	At 24 January £	Incoming Resources £	Outgoing Resources £	At 31 March £
Outreach fund	-	12,900	3,099	9,801
Derek Miller Court fund	-	9,863	1,914	7,949
Craft group activity fund	-	13,022	5,782	7,240
Holiday fund	-	13,975	7,086	6,889
Information services fund	-	7,761	3,125	4,636
Chalet fund	-	7,697	3,570	4,127
	-	<u>65,218</u>	<u>24,576</u>	<u>40,642</u>

The Outreach Fund is a Community Fund award granted to enable us to set up information surgeries around Lincolnshire, co-ordinated by a full-time officer and run by volunteers.

The Derek Miller Court Fund is via a two year service level agreement with Lincolnshire County Council Social Services Directorate to provide an outreach venue for ex Ancaster Day Centre users and to employ a Social Activities Organiser to co-ordinate the same.

The Craft Group Activity Fund is via a service level agreement with Lincolnshire County Council Social Services Directorate to provide craft classes at Welton, Wragby, Market Rasen and Bardney for people with physical disabilities and employ four craft teachers to run the same.

The Holiday Fund is via a service level agreement with Lincolnshire County Council Social Services Directorate to provide holiday grants for people with physical disabilities living in Lincolnshire.

Disability Lincs Limited

Notes forming part of the financial statements for the period ended 31 March 2002

17. Restricted funds of the charity (continued)

The Information Services Fund is to pay for the production, printing and posting of a quarterly information bulletin, and to pay information service volunteers expenses prior to the establishment of an outreach project.

The Chalet Fund is to pay for general running costs of an accessible holiday chalet at Mablethorpe, for use by people with physical disabilities.

18. Analysis of net assets between funds

	<u>General Fund £</u>	<u>Designated Fund £</u>	<u>Restricted Fund £</u>	<u>Total £</u>
Tangible fixed assets	-	-	1,917	1,917
Cash at bank and in hand	13,767	3,358	41,326	58,451
Net current liabilities	-990	-	-2,601	-3,591
	12,777	3,358	40,642	56,777

19. Operating lease commitments

The company has no operating lease commitments.

20. Related parties

The company has a very close relationship with Lincolnshire County Council Social Services Directorate who provide the company's accommodation and with whom there are three service level agreements.