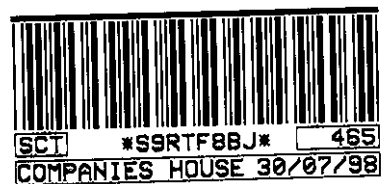


Yorkhill Family House Limited

Report and Accounts

31 March 1998

Company Registration Number SC 155050
Charity Number SCO 23199



Yorkhill Family House Limited

DIRECTORS

Lady M A Calderwood (Chairman)
J W Anderson
C J Aronson
C J Black
G E J Garner
A S Gibson
K M Goel
G McCorkindale
G M McCudden
D McVicar
W Sinclair
J A G Slater
B Townsend

SECRETARY

J W Anderson

AUDITORS

Ernst & Young
George House
50 George Square
Glasgow
G2 1RR

BANKERS

The Royal Bank of Scotland plc
10 Gordon Street
Glasgow
G1 3PL

SOLICITORS

McGrigor Donald
Pacific House
70 Wellington Street
Glasgow
G2 6SB

REGISTERED OFFICE

Ronald McDonald House
61 Esmond Street
Glasgow
G3 8SL

COMPANY REGISTRATION NUMBER

SC 155050

CHARITY NUMBER

SCO 23199

Yorkhill Family House Limited

DIRECTORS' REPORT

The directors present their report and accounts for the year ended 31 March 1998.

PRINCIPAL ACTIVITY AND REVIEW OF OPERATIONS

The company operates a "Ronald McDonald House" for use by the families and carers of patients at the Royal Hospital for Sick Children, Yorkhill, Glasgow.

The company is limited by guarantee and therefore has no share capital.

DIRECTORS

The following served during the year:

G M McCudden
J A G Slater
C J Black
A S Gibson
Lady M A Calderwood
G E J Garner
D McVicar
J W Anderson
K M Goel
W Sinclair
C J Aronson
B Townsend
G McCorkindale (appointed 19 June 1997)

C J Black and A S Gibson retire by rotation and, being eligible, offer themselves for re-election.

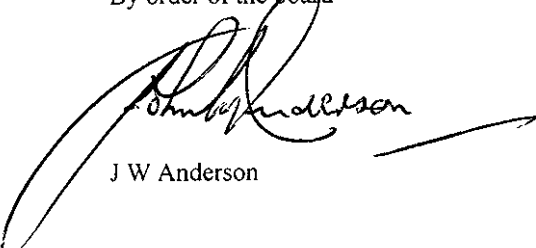
AUDITORS

Ernst & Young have expressed their willingness to continue in office and a resolution proposing their re-appointment will be submitted at the annual general meeting.

SMALL COMPANY EXEMPTIONS

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 board



J W Anderson

Secretary

3 June 1998

STATEMENT OF DIRECTORS' RESPONSIBILITIES
IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial period which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts, 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 accounts 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 accounts comply with the Companies Act. 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.

REPORT OF THE AUDITORS

to the members of Yorkhill Family House Limited

We have audited the accounts on pages 5 to 9, which have been prepared under the historical cost convention in accordance with the Financial Reporting Standard for Smaller Entities and on the basis of the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 3 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

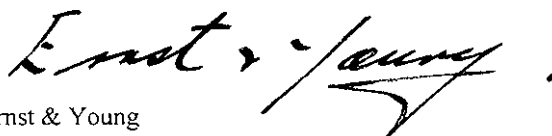
Basis of opinion

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 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 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 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 company as at 31 March 1998 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.


Ernst & Young

Chartered Accountants
Registered Auditor
Glasgow

3 June 1998

Yorkhill Family House Limited

REVENUE ACCOUNT AND STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 1998

	Note	1998 £	1997 £
INCOME			
Donations	3	220,970	224,567
Fund raising		123,464	34,150
Grants from National Lotteries Charity Board	4	45,000	45,000
Investment income		<u>19,404</u>	<u>4,166</u>
		408,838	307,883
EXPENDITURE			
<u>Direct charitable costs</u>			
Insurance		470	1,508
Cleaning and household		4,570	4,056
Security		-	2,792
Heat, light and water		10,621	11,443
Depreciation		128,873	125,224
Repairs and renewals		12,005	2,735
Provision for future repairs		<u>15,000</u>	<u>15,000</u>
		171,539	162,758
<u>Fund raising and public relations</u>			
Staff costs		19,250	17,600
Other costs		<u>13,183</u>	<u>10,960</u>
		32,433	28,560
<u>Administrative expenses</u>			
Staff costs		52,463	42,574
Insurance		52	168
Stationery and postage		2,762	1,241
Telephone		3,607	3,660
Cleaning and household		241	213
Heat, light and water		560	602
Recruitment and training		-	20
Travelling and subsistence		1,275	709
Legal and professional		1,524	1,464
Miscellaneous		<u>863</u>	<u>397</u>
		63,347	51,048
TOTAL EXPENDITURE		252,319	242,366
NET INCOME FOR THE YEAR		141,519	65,517
General fund balance at 1 April		<u>1,810,657</u>	<u>1,745,140</u>
GENERAL FUND BALANCE AT 31 MARCH	11	<u>1,952,176</u>	<u>1,810,657</u>

Yorkhill Family House Limited

BALANCE SHEET

at 31 March 1998

	Note	1998 £	1997 £
FIXED ASSETS			
Tangible assets	6	1,521,384	1,639,314
Investment in subsidiary undertaking	7	1	1
		<u>1,521,385</u>	<u>1,639,315</u>
CURRENT ASSETS			
Debtors	8	3,133	-
Cash at bank	9	460,759	188,229
Cash in hand		42	109
		<u>463,934</u>	<u>188,338</u>
CREDITORS - amounts falling due within one year	10	(3,143)	(1,996)
NET CURRENT ASSETS		<u>460,791</u>	<u>186,342</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,982,176	1,825,657
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred repair expenditure		(30,000)	(15,000)
		<u>1,952,176</u>	<u>1,810,657</u>
GENERAL FUND	11	<u>1,952,176</u>	<u>1,810,657</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities.

M. A. Calderwood

Lady M A Calderwood

Director

D. McVicar

D McVicar

Director

3 June 1998

NOTES TO THE ACCOUNTS

at 31 March 1998

1 THE COMPANY

The company is limited by guarantee and was formed to provide accommodation for the families and carers of patients at the Royal Hospital for Sick Children, Yorkhill, Glasgow.

2 ACCOUNTING POLICIES

Basis of preparation

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards. The incomes and expenditures are set out in the format prescribed by the Statement of Recommended Practice No2 rather than the format prescribed by the Companies Act 1985 as it is the directors' opinion that this best reflects the position of the company.

Non-consolidation

Group accounts are not prepared by virtue of the exemptions conferred by Section 248 of the Companies Act 1985.

Investment income

Investment income consists entirely of gross bank deposit interest which is included in the revenue account on an accruals basis.

Depreciation

Depreciation is provided on a straight line basis as follows:

Buildings	- over 25 years
Fixtures and fittings	- over 3 years
Office equipment	- over 5 years

3 DONATIONS

Donations are from companies, private individuals, associations and other charitable organisations.

Cash donations, gifts and legacies are included in the revenue account on a cash received basis. Gifts in kind have not been included in the accounts as their value is unknown.

4 GRANTS

Grants represent amounts received from the National Lotteries Charity Board.

Yorkhill Family House Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

5 DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration during the year in respect of their services to the company.

The company had an average of seven administrative and operational staff members during the year (1997 - five).

6 TANGIBLE FIXED ASSETS

	<i>Long leasehold building £</i>	<i>Equipment fixtures and fittings £</i>	<i>Total £</i>
Cost:			
At 1 April 1997	1,579,689	190,076	1,769,765
Additions in year	-	10,943	10,943
	<hr/>	<hr/>	<hr/>
At 31 March 1998	1,579,689	201,019	1,780,708
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1 April 1997	66,438	64,013	130,451
Provided in year	63,188	65,685	128,873
	<hr/>	<hr/>	<hr/>
At 31 March 1998	129,626	129,698	259,324
	<hr/>	<hr/>	<hr/>
Net book value:			
At 31 March 1998	1,450,063	71,321	1,521,384
	<hr/>	<hr/>	<hr/>
Net book value			
At 1 April 1997	1,513,251	126,063	1,639,314
	<hr/>	<hr/>	<hr/>

7 INVESTMENT IN SUBSIDIARY UNDERTAKING

Cost:	
At 1 April 1997 and 31 March 1998	1
	<hr/>

Name:	YFH (Trading) Limited
Activity:	Retail of goods associated with Ronald McDonald House
Ordinary shares of £1 each:	£1
Proportion of shares held:	100%
Aggregate capital and reserves at	
31 March 1998	£4,581
(Loss) for year	£(4,703)

Yorkhill Family House Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

8 DEBTORS

	1998 £	1997 £
Prepayments and accrued income	2,143	-
Other debtors	990	-
	<u>3,133</u>	<u>-</u>

9 CASH AT BANK

The company has arrangements in place with its bankers whereby all cleared funds in excess of £1,000 are transferred to an interest bearing account.

10 CREDITORS - amounts falling due within one year

	1998 £	1997 £
Bank overdraft	990	-
Accrued fund raising costs	750	1,274
Accrued expenses	802	121
Amount due to subsidiary undertaking	601	601
	<u>3,143</u>	<u>1,996</u>

11 GENERAL FUND

The company is limited by guarantee. Accordingly, no share capital is presented. The general fund at 31 March 1998 represents the accumulated net income in the period from the date of incorporation to 31 March 1998 and is unrestricted.

12 RELATED PARTIES

During the year a payment of £8,939 was received from the subsidiary company (1997 - £8,939 paid to subsidiary company).