

MAGGS DAY CENTRE LIMITED
COMPANY NUMBER 2278501

DIRECTORS REPORT AND FINANCIAL STATEMENTS

31 MARCH 2000



MAGGS DAY CENTRE LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

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MAGGS DAY CENTRE LIMITED

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COMPANY INFORMATION

DIRECTORS AND TRUSTEES:

Cllr R C Peachey
Mr D Beacham (resigned 14.9.99)
Mrs JM Beacham (appointed 14.9.99)
Mrs K R M Clapton
Mrs A Dupernex
Lt. Colonel P J Green (died 21.9.99)
Mr PY Griffith (appointed 14.9.99)
Mr A M Higgins
Mrs M L Hamilton-Glover
Mr J G Stanbury

COMPANY NUMBER: 2278501

CHARITY NUMBER: 700852

COMPANY SECRETARY: J G Stanbury

REGISTERED OFFICE: St Albans
Deansway
Worcester
WR1 2JD

BANKERS: Royal Bank of Scotland
5 – 9 St Nicholas Street
Worcester
WR1 1UR

AUDITORS: BDWM
26/28 Sansome Walk
Worcester WR1 1LY

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2000

The Directors present their report and the audited Financial Statements for the year ended 31 March 2000.

CONSTITUTION OF THE CHARITY, ITS PRINCIPAL ACTIVITY AND ORGANISATION

The Charity is constituted as a company limited by guarantee and is therefore governed by a memorandum and articles of association.

The principal activity of the charity continues to be to provide an open access day centre for the homeless and to promote the relief of suffering and in particular those suffering from loneliness or poverty.

The Charity is organised so that the trustees meet regularly to manage its affairs. The day to day management of the Charity is delegated to the day centre staff.

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS THIS YEAR

The Trustees consider that the Centre has again met its objectives of providing shelter, food, and companionship and counselling for those disadvantaged people who need it. With the help of Lottery funding the post of Housing Resettlement Worker has continued for another year. The current post holder is Maggie Clarke and she took up office in October 1999 on the departure of Jon Elger. This area of work has proved to be crucial to the well being of our clients and the trustees have brought that post into the mainstream of the Centre's staffing.

A new Project Leader has been appointed since last year's report and Richard Groves has taken on this important role with great success and with enthusiasm since October 1999. Under Richard's direction the Centre has been better managed and calmer than for many years previously.

Altering the office/toilet space in the Centre to provide an interview room has enabled the Centre to receive support from a number of outside agencies who visit regularly to serve our clients. The Community Health Trust send a nurse, the CAB an Outreach Worker, Turning Point a worker all on a weekly basis and visits have started from Alcoholics Anonymous. These regular visits are seen as an important development of our support work for users.

The Trustees are intending to install a new central heating system in the Centre before next winter as the current system of heating is expensive running as it does on electricity and the equipment all needs replacing.

The Trustees continue to meet on a bi-monthly basis and receive reports from the Project Leader and from the Resettlement Worker. Advice and reports are also received from support agencies. A Consultative Forum was set up with a number of outside agencies attending the first meeting. The intention of the Forum is to enable those support agencies who might, in the past, have become members of the Board of Directors to advise MAGGS on the work. The Forum will meet twice a year. The Trustees have reviewed, agreed and implemented new Health & Safety and Equal Opportunities policies during the year in this report.

The Trustees are delighted to have recruited a new Company Secretary during the year with John Stanbury filling that role. The Trustees are sad to report that their Treasurer Philip Green died suddenly during the year. Rob Peachey has taken on the role of Hon Treasurer until such time as a new recruit can be found. Although the trustees reported last year that recruiting volunteers would be important for the 1999/2000 year this never happened due to pressures of other work and has now become urgent as there are very few volunteers arriving at our doors.

FINANCIAL RESULTS

The Statement of Financial Activities shows an overall deficit of £279, comprising a surplus on restricted funds of £4,590 (see note 8) and a deficit on the unrestricted funds of £4,869. This result follows a crisis at the start of the Financial Year when all Joint Health/Social Services funding came to an end. A rescue package was constructed with the help of Health, Social Services, the Eveson Trust and Consolidated Charities and support from many small charities and individual donors. As always the Charity staggers from financial crisis to financial crisis with no firm long term funding visible.

Reserves stand at £41,964.

DIRECTORS' AND TRUSTEES' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2000

FUNDS AVAILABLE

The accounts show that the Charity is running at a loss and is only able to continue because of the large bequest of the late Mrs Margaret Howse. The Church Urban Fund has promised £5,000 for each of the next three years to support the work of the Centre. The City Council has increased its grant for 2000/01 by £10,000 per annum to £15,000.

TANGIBLE FIXED ASSETS

The Tangible Fixed Assets held by the Charity are shown in Note 5 to the Financial Statements.

DIRECTORS

The directors of the company who are also trustees of the Charity and who served throughout the year were: -

Councillor R C Peachey	
Mr D Beacham	(Resigned 14.9.99)
Mrs J M Beacham	(Appointed 14.9.99)
Mrs K R M Clapton	
Mrs A Dupernex	
Lt. Colonel P J Green	(Died 21.9.99)
Mr P Y Griffith	(Appointed 14.9.99)
Mr A M Higgins	
Miss M L Hamilton-Glover	
Mr J G Stanbury	

None of the directors had a beneficial interest in any contract or arrangement to which the company was a party during the financial year.

STATEMENT OF 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 affairs of the company and of the profit and loss of the company for that period. In preparing those financial statements, the directors 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

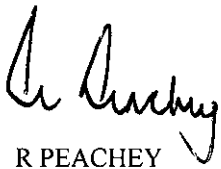
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

DIRECTORS' AND TRUSTEES' REPORT CONTINUED FOR THE YEAR ENDED 31 MARCH 2000

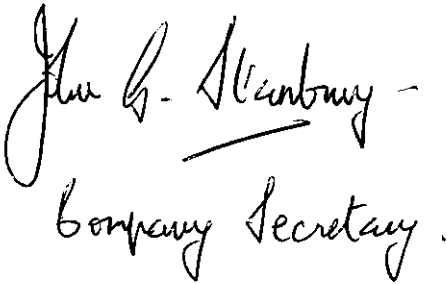
AUDITORS

BDWM have agreed to offer themselves for re-appointment as auditors of the company.

This report was approved by the Board on 17 May 2000 and signed on its behalf.



R PEACHEY
CHAIRMAN



Company Secretary.

REPORT OF THE AUDITORS TO THE MEMBERS OF
MAGGS DAY CENTRE LIMITED

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We have audited the Financial Statements set out on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3 the company's directors 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 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 state of affairs of the company as at 31 March 2000 and of the deficit for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

BDWM

BDWM
Registered Auditors
Chartered Accountants

WORCESTER

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE
YEAR ENDED 31 MARCH 2000****SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	Note	Restricted Funds £	Unrestricted Funds £	Total 2000 £	Total 1999 £
Incoming Resources					
Donations and Grants	2(a)	20,022	70,161	90,183	81,631
Investment Income	3	-	1,614	1,614	3,810
Other Income	2(b)	-	3,386	3,386	1,162
		<u>20,022</u>	<u>75,161</u>	<u>95,183</u>	<u>86,603</u>
Resources Expended					
Direct Charitable Expenditure					
Salaries and Wages	4(a)	-	60,309	60,309	64,945
Centre Running Costs	4(b)	-	19,721	19,721	19,368
Housing Resettlement Officer		15,432	-	15,432	18,140
		<u>15,432</u>	<u>80,030</u>	<u>95,462</u>	<u>102,453</u>
Net Incoming Resources for the Year					
		4,590	(4,869)	(279)	(15,850)
Total Funds Brought Forward		<u>2,290</u>	<u>39,953</u>	<u>42,243</u>	<u>58,093</u>
Total Funds Carried Forward		<u>6,880</u>	<u>35,084</u>	<u>41,964</u>	<u>42,243</u>

There were no other recognised gains or losses for the year or 1999 other than those shown in the Statement of Financial Activities.

The notes on pages 8 to 13 form part of these financial statements.

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	Note	2000	1999
		£	£
Fixed Assets			
Tangible Assets	5	987	1,316
Current Assets			
CAF Cash Account		35,313	35,179
Bank Account – Current		5,222	8,814
Cash in Hand		662	232
Debtors	6	826	3,332
		<u>42,023</u>	<u>47,557</u>
Creditors: Amounts falling due within one year	7	1,046	6,630
		<u></u>	<u></u>
Net Current Assets		40,977	40,927
Net Assets		<u>41,964</u>	<u>42,243</u>
Capital			
Restricted Funds	8	6,880	2,290
Unrestricted Funds		35,084	39,953
		<u></u>	<u></u>
	9	41,964	42,243

DIRECTOR & TRUSTEE

DIRECTOR & TRUSTEE

The notes on pages 8 to 13 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2000

1. ACCOUNTING POLICIES

a) Basis of preparation of accounts

The financial statements have been prepared under the historical cost convention and include the results of the company's operations as indicated in the Director's Report, all of which are continuing.

The financial statements have been prepared in compliance with the statement of Recommended Practice on Charity Accounts.

The company has taken advantage of the exemption from preparing a cash flow statement as conferred by Financial Reporting Standard No. 1 (Revised 1996).

b) Income

Income represents grants and donations receivable for the period to which the income relates.

c) Taxation

The company is a registered charity and no taxation liabilities arise. Since value added tax is not recoverable this tax is included in the relevant costs in the Statement of Financial Activities.

d) Tangible Fixed Assets

Provision is made for depreciation in order to write off the cost of fixed assets over their expected useful lives. The following rate has been used:-

Equipment – 20% Straight Line.

e) Pensions

The company operates a defined contribution pension scheme for senior employees and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2000 CONTINUED****2a. INCOME FROM GRANTS AND DONATIONS**

Grants and Donations received during the year were:

	2000	1999
	£	£
National Lottery Charities Board (note 8)	20,022	18,140
Worcester & District NHS Trust & Social Services	15,000	44,816
Worcester Consolidated Municipal Trust	10,000	-
Worcester City Council	10,000	-
Eveson Trust	5,000	-
Probation Service	2,415	2,520
Lasletts Charities	2,000	-
Worcester County Council	15,000	-
Six Masters Charity	1,000	-
Shewringe's & Gouldings Charity	1,000	-
Other	8,746	7,228
Legacy	-	8,927
	<hr/>	<hr/>
	90,183	81,631

2b. Included in other income are the charity's proportion of receipts from sales of Big Issue magazine.

3. INVESTMENT INCOME

Investment income comprises interest receivable on cash deposits.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2000 CONTINUED****4. DIRECT CHARITABLE EXPENDITURE****a) Staff Costs**

The average number of staff employed by the charity during the year was:

	2000	1999
	£	£
Direct Charitable Work	6	7

The costs incurred in respect of these employees were:

Wages and Salaries	55,665	59,234
Social Security Costs	3,632	4,536
Pension Costs	1,012	1,175
	60,309	64,945

None of the directors received any remuneration in the year, nor were any expenses reimbursed to them (1999 - Nil).

b) Centre Running Costs

	2000	1999
	£	£
Food	2,701	3,708
Running Expenses	1,522	1,517
Newspapers	738	667
Repairs and Equipment	7,035	1,928
Telephone	868	990
Heat and Light	1,747	1,946
Cleaning and Refuse	1,839	1,358
Insurance	1,917	1,861
Staff Training and Expenses	438	1,533
Sundries	-	324
Depreciation	329	391
Audit Fee	587	529
Legal Fees	-	2,616
	19,721	19,368

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2000 CONTINUED****5. FIXED ASSETS**

	Equipment £
Cost	
Beginning of Year	1,954
Additions	-
	<hr/> 1,954 <hr/>
Depreciation	
Beginning of Year	638
Charge for Year	329
	<hr/>
End of Year	967 <hr/>
NET BOOK VALUE	
At 31 March 2000	987 <hr/>
At 31 March 1999	1,316 <hr/>

All the fixed assets are for direct charitable use.

6. DEBTORS

	2000 £	1999 £
Insurance Paid in advance	826	812
Donations/Grants	-	2,520
	<hr/> 826 <hr/>	<hr/> 3,332 <hr/>

7. CREDITORS: Amounts falling due within one year

	2000 £	1999 £
Lottery Grant Received in Advance	-	5,678
Other Creditors	290	-
Accruals	756	952
	<hr/> 1,046 <hr/>	<hr/> 6,630 <hr/>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2000 CONTINUED

8. RESTRICTED FUNDS

The income funds of the Charity include restricted funds comprising the following unexpended balances of donations and grants to be applied for specific purposes:

	Balance 1 April 1999	Transfer from deferred income	Incoming Resources	Expen- diture	Balance 31 March 2000
	£	£	£	£	£
Capital Reserve Fund	2,290	-	-	-	2,290
National Lottery Charities Board	-	5,678	14,344	15,432	4,590
	<u>2,290</u>	<u>5,678</u>	<u>14,344</u>	<u>15,432</u>	<u>6,880</u>

The Capital Reserve Fund is for major capital expenditure or for unforeseen circumstances which the Trustees consider applicable.

The grant received from the National Lottery Charities Board is to fund the position of the Housing Resettlement Officer. In the year £14,344 was received from the Board. In previous years the grant received was in excess of the funds utilised and the balance included in deferred income. In order to comply more fully with the SORP and to recognise the nature of the grant in line with the recommended practice, all previously deferred income has now been included in the statement of financial activities as restricted funds.

9. ANALYSIS OF NET ASSETS BETWEEN FUNDS

The net assets are held for the various funds as follows:

	Unrestricted Funds £	Restricted Funds £	Total £
Tangible Fixed Assets	987	-	987
Net Current Assets	34,097	6,880	40,977
	<u>35,084</u>	<u>6,880</u>	<u>41,964</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2000 CONTINUED

10. OPERATING LEASES

The company leased the property from which the charity operates from the Diocesan Board of Finance. The lease commenced on 1 April 1990 for a period of 15 years and is renewable after this time. A peppercorn rent only is chargeable.

11. Capital Commitments

The company has agreed to replace the central heating system at a cost of £6,500 - £7,000.