Action for Borstal Community
(A company limited by guarantee)

Directors' and Trustees' Report and Accounts
for the year ended 31 March 2002

Registered Company no: 3364165
Registered Charity no: 1063842
Action for Borstal Community

Annual report
for the year ended 31 March 2002

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Action for Borstal Community

Trustees and advisers

Trustees

F Lewis
H Bradshaw
P Jobson (Chairman)
T Turle
D Menzies (Treasurer)
C Cassettari
R Hamlin
T Terry

Accountants

Reeves & Neylan
Montague Place
Quayside
Chatham Maritime
Chatham
Kent ME4 4QU

Bankers

CAF Limited
Kings Hill
West Malling
Kent ME19 4TA

Registered Office

ABC Centre
13 & 14 Mercury Close
Borstal
Rochester
Kent ME1 3AT
Action for Borstal Community

Trustees' report
for the year ended 31 March 2002

The trustees of the Action for Borstal Community present their report and financial statements for the year ended 2002. The company's governing documents are its Memorandum and Articles of Association.

Activities

The Objects of the Charity are the advancement of education, the preservation and protection of health, the relief of poverty, sickness and distress and the provision of support for the benefit of children, parents and other residents of the City of Rochester, Kent.

The principal activities by which the Objects are pursued are:

i) The running of a Family Centre providing a play group for toddlers and children and training courses for parents;

ii) To undertake community development projects.

The charity's registered number is 1063842 and the address of the Registered office is ABC Centre, 13-14 Mercury Close, Borstal, Rochester, Kent ME1 3AT.

Review of the business

Action for Borstal Community is a company limited by guarantee. A summary of the Centre's results achieved during the year under review is set out in the attached financial statements. The Centre is dependant upon grants received from Social Services which are available and adequate to fulfil the obligations of the charity.

The ABC Project has spent a busy year reviewing and developing it's services. One such success is the opening of The Lighthouse, which provides out-of-school care for primary age children after school and during the holidays. This was possible as a result of funding from New Opportunities Fund. Training in the past year has also been successful thanks to money from Royal Mail, and it is hoped that with further funding it will continue to be a popular service.

Events since the end of the year

Events since the year end are referred to in the Annual Report.

Future development

The Centre does not envisage any future developments outside the course of its principal activities. Future developments are referred to in the Annual Report.
Action for Borstal Community

Trustees’ report

Reserves

The trustees have considered the level of reserves they need to hold to enable them to meet their charitable objectives. This has been set at four months of resources expended which is based on the previous years expenditure equals to £48,000. However in the event of a significant drop funding it would be replaced or activities changed. At present the free reserves which amount to £45,642 do not reach this largest level.

Risk Analysis

The trustees are in the process of examining major strategic, business and operational risks that the charity faces.

Trustees and their interests

The trustees, also being directors, who served during the year were:

K Beavis (resigned 17 April 2001)  F Lewis
H Bradshaw                      D C Menzies
C Cassettari                    T Terry (appointed 29 August 2001)
R Hamlin (appointed 29 August 2001) T Turle
H A Hawkins (resigned 17 April 2001) A Welch (resigned 17 April 2001)
P C Jobson

In accordance with the Articles of Association one third of the trustees will retire and, being eligible, offer themselves for re-election. Those appointed since the last Annual General Meeting also retire and, being eligible, offer themselves for re-election.

The trustees received no remuneration for their services. Expenses of £60 were reimbursed.

Use of volunteers

The charity has received support from several volunteers. No remuneration is paid to them, expenses have been reimbursed.
Action for Borstal Community

Trustees’ report

Trustees’ responsibilities

The trustees are required by UK company law 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 year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, 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 trustees 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.

Taxation status

The Centre is a registered charity.

Enquiries

Any enquiries concerning the charity should be addressed to the principal office at 13-14 Mercury Close, Borstal, Rochester, Kent

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

By order of the board

[Signature]

Secretary
## Action for Borstal Community

**Statements of Financial Activities**
for the year ended 31 March 2002

**Income and Expenditure**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002 Unrestricted funds £</th>
<th>2002 Restricted funds £</th>
<th>2002 Total £</th>
<th>2001 Total £</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Incoming resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants receivable from government and other public bodies</td>
<td>1 78,187</td>
<td>30,000</td>
<td>108,187</td>
<td>56,784</td>
</tr>
<tr>
<td>Donations</td>
<td>8,911</td>
<td>-</td>
<td>8,911</td>
<td>9,796</td>
</tr>
<tr>
<td>Deposit interest</td>
<td>3,319</td>
<td>-</td>
<td>3,319</td>
<td>3,802</td>
</tr>
<tr>
<td>Sundry income</td>
<td>7,954</td>
<td>24</td>
<td>7,978</td>
<td>15,997</td>
</tr>
<tr>
<td>Lottery income</td>
<td>-</td>
<td>14,472</td>
<td>14,472</td>
<td>3,407</td>
</tr>
<tr>
<td><strong>Gross income</strong></td>
<td>98,371</td>
<td>44,496</td>
<td>142,867</td>
<td>89,786</td>
</tr>
</tbody>
</table>

**Resources expended**

|  | 2002 Unrestricted funds £ | 2002 Restricted funds £ | 2002 Total £ | 2001 Total £ |
|  |  |  |  | |
| Direct charitable expenses | 93,608 | 31,560 | 125,168 | 70,663 |
| Management and administration of charity | 19,902 | - | 19,902 | 22,816 |
| **Total resources expended** | 113,510 | 31,560 | 145,070 | 93,479 |

**Net (outgoing) incoming resources**

|  | 2002 Unrestricted funds £ | 2002 Restricted funds £ | 2002 Total £ | 2001 Total £ |
|  |  |  |  | |
| Balance brought forward at 1 April 2001 | (15,139) | 12,936 | (2,203) | (3,693) |
|  |  |  |  | |
| Balance carried forward at 31 March 2002 | 60,871 | - | 60,871 | 64,564 |
|  |  |  |  | |
|  | 45,732 | 12,936 | 58,668 | 60,871 |

All amounts relate to continuing activities.
All recognised gains and losses are included in the income.
Action for Borstal Community

Balance sheet
at 31 March 2002

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>£</th>
<th>2001</th>
<th>£</th>
</tr>
</thead>
</table>

**Fixed assets**
Tangible assets 4 3,119 4,200

**Current assets**
Debtors 5 11,996 434
Cash at bank and in hand 6 45,437 73,033
57,433 73,467

**Creditors: amounts falling due within one year**
7 (1,884) (16,796)

**Net current assets**
55,549 56,671

**Net assets**
58,668 60,871

**Represented by**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>£</th>
<th>2001</th>
<th>£</th>
</tr>
</thead>
</table>

**Unrestricted Funds**
8 45,732 60,871

**Restricted Funds**
12,836

58,668 60,871

The trustees have taken advantage of the exemption conferred by section 249A(1) not to have these accounts audited and confirm that no notice has been deposited under section 249B(2) of the Companies Act 1985.

The trustees acknowledge their responsibilities for:

i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985, and

ii) preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to the accounts, so far as applicable to the company.

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

The financial statements were approved by the board of trustees on 25 October 2002 and signed on their behalf by:-

David Menzies

P Jobson

The accounting policies and notes on pages 6 to 9 form part of the financial statements.
Action for Borstal Community

Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and follow where possible the recommendations of the Statement of Recommended Practice: Accounting by Charities. A summary of the more important accounting policies, which have been consistently applied, is set out below:

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Income

Credit is taken in the accounts for donations, legacies and revenue grants only when they are actually received. Grants from local authorities are calculated on an accruals basis. Income from investments is credited to the Statement of Financial Activities in the year in which it is receivable.

Taxation

As a registered charity, the Trust is exempt from taxation afforded by Section 505(1)(e) of ICTA 1988.

Fixed assets

Depreciation is calculated so as to write off the cost of fixed assets, less any estimated residual value, over their expected useful life on a straight line basis.

Depreciation is calculated at the following rates:

Office equipment 20% per annum

Funds

Unrestricted
Unrestricted funds are used in furtherance of the charities objective

Restrictive
During the year a sum of £30,000 was received from Consignia specifically to finance a training programme. £12,936 was carried forward for future use.

A sum of £14,472 was available from the New Opportunities Fund as a contribution to the setting up of the After School club.
Action for Borstal Community

Notes to the financial statements
for the year ended 31 March 2002

1. Net movement in resources

Net movement in resources is stated after charging:-

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation</td>
<td>1,181</td>
<td>1,162</td>
</tr>
</tbody>
</table>

Grants received are as follows:
- Medway City Council joint funding: £77,453, £56,784
- Consignia: £30,734
- New Opportunity Fund: £14,472, £3,407

Donations include Medway Housing Society: £7,536, £7,272

2. Employee numbers and costs

The average number of persons employed by the company during the year was 10 (2001:10)

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>81,588</td>
<td>59,212</td>
</tr>
<tr>
<td>Social security costs</td>
<td>4,515</td>
<td>2,901</td>
</tr>
<tr>
<td></td>
<td>86,103</td>
<td>62,113</td>
</tr>
</tbody>
</table>

No employee earned more than £50,000 in the year

3. Management and Administration of the charity

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent &amp; Rates</td>
<td>8,362</td>
<td>7,272</td>
</tr>
<tr>
<td>Heat and Light</td>
<td>403</td>
<td>654</td>
</tr>
<tr>
<td>Insurance</td>
<td>1,150</td>
<td>1,101</td>
</tr>
<tr>
<td>Premises maintenance &amp; cleaning</td>
<td>887</td>
<td>2,234</td>
</tr>
<tr>
<td>Training</td>
<td>-</td>
<td>1,185</td>
</tr>
<tr>
<td>Board expenses</td>
<td>-</td>
<td>667</td>
</tr>
<tr>
<td>Printing, postage and stationery</td>
<td>2,899</td>
<td>4,001</td>
</tr>
<tr>
<td>Telephone</td>
<td>1,021</td>
<td>1,392</td>
</tr>
<tr>
<td>Legal and professional</td>
<td>1,169</td>
<td>489</td>
</tr>
<tr>
<td>Accountancy fee</td>
<td>705</td>
<td>881</td>
</tr>
<tr>
<td>Depreciation less deferred grant</td>
<td>1,181</td>
<td>542</td>
</tr>
<tr>
<td>Bank charges</td>
<td>37</td>
<td>29</td>
</tr>
<tr>
<td>Sundry</td>
<td>931</td>
<td>2,369</td>
</tr>
<tr>
<td>Equipment</td>
<td>1,157</td>
<td></td>
</tr>
<tr>
<td></td>
<td>19,902</td>
<td>22,816</td>
</tr>
</tbody>
</table>
Action for Borstal Community

Notes to the financial statements for the year ended 31 March 2002

4. Tangible fixed assets

<table>
<thead>
<tr>
<th></th>
<th>Office Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
</tr>
<tr>
<td><strong>Cost</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2001</td>
<td>5,808</td>
</tr>
<tr>
<td>Additions</td>
<td>100</td>
</tr>
<tr>
<td><strong>At 31 March 2002</strong></td>
<td><strong>5,908</strong></td>
</tr>
<tr>
<td><strong>Depreciation</strong></td>
<td></td>
</tr>
<tr>
<td>At 1 April 2001</td>
<td>1,608</td>
</tr>
<tr>
<td>Charge for the year</td>
<td>1,181</td>
</tr>
<tr>
<td><strong>At 31 March 2002</strong></td>
<td><strong>2,789</strong></td>
</tr>
<tr>
<td><strong>Net Book Value</strong></td>
<td></td>
</tr>
<tr>
<td>At 31 March 2002</td>
<td>3,119</td>
</tr>
<tr>
<td>At 31 March 2001</td>
<td>4,200</td>
</tr>
</tbody>
</table>

5. Debtors

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>-</td>
<td>434</td>
</tr>
<tr>
<td>Other debtors</td>
<td>11,996</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>11,996</strong></td>
<td><strong>434</strong></td>
</tr>
</tbody>
</table>

6. Bank and cash balances

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Petty cash account</td>
<td>61</td>
<td>65</td>
</tr>
<tr>
<td>Bank account</td>
<td>45,376</td>
<td>72,968</td>
</tr>
<tr>
<td></td>
<td><strong>45,437</strong></td>
<td><strong>73,033</strong></td>
</tr>
</tbody>
</table>

7. Creditors

<table>
<thead>
<tr>
<th></th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Accruals and deferred income</td>
<td>750</td>
<td>15,681</td>
</tr>
<tr>
<td>Other creditors</td>
<td>1,134</td>
<td>1,115</td>
</tr>
<tr>
<td></td>
<td><strong>1,884</strong></td>
<td><strong>16,796</strong></td>
</tr>
</tbody>
</table>
Action for Borstal Community

Notes to the financial statements
for the year ended 31 March 2002

8. Reconciliation of movements in Funds

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2002</th>
<th>Total</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Unrestricted Funds</td>
<td>Restricted Funds</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net movement in funds for year</td>
<td>(15,139)</td>
<td>12,936</td>
<td>(2,203)</td>
<td>(3,693)</td>
</tr>
<tr>
<td>Funds brought forward</td>
<td>60,871</td>
<td>-</td>
<td>60,871</td>
<td>64,564</td>
</tr>
<tr>
<td>Closing funds</td>
<td>45,732</td>
<td>12,936</td>
<td>58,668</td>
<td>60,871</td>
</tr>
</tbody>
</table>

9. Limited liability status

Action for Borstal Community is a company limited by guarantee. The liability of the members is limited to an amount not exceeding £10 in the case of a winding up of the Charity.

If the Charity is dissolved, after settlement of all debts and liabilities, and there remains any property it shall be transferred to some other charity or charities having objects similar to those of the Action for Borstal Community and which prohibits the distribution of its assets or their income and property to an extent at least as great as that imposed on the Action for Borstal Community by clause 5 of its Objects.

10. Analysis of net assets between funds

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed assets</td>
<td>3,119</td>
<td>-</td>
<td>3,119</td>
</tr>
<tr>
<td>Net current assets</td>
<td>42,613</td>
<td>12,936</td>
<td>55,549</td>
</tr>
<tr>
<td></td>
<td>45,732</td>
<td>12,936</td>
<td>58,668</td>
</tr>
</tbody>
</table>
Action for Borstal Community

Independent Examiner's Report to the Trustees of Action for Borstal Community

We report on the accounts of Action for Borstal Community for the year ended 31 March 2002 which are set out on pages 2 to 10.

Respective responsibility of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is our responsibility to:

- Examine the accounts (under section 33(3)(a) of the 1993 Act)
- To follow the procedures laid down in the General Directions given by the Charity Commissioners (under section 43(7)(b); and
- To state whether particular matters have come to our attention.

Basis of independent examiners' report

Our examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and then seeking examinations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and, consequently, we do not express an audit opinion on the view given by the accounts.

Independent examiners' statement

In connection with our examination, no matter has come to our attention:

1. which gives us reasonable cause to believe that in any material respect the requirements:
   - to keep accounting records in accordance with section 41 of the 1993 Act; and
   - to prepare the accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act

   have not been met; or

2. to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Reeves and Neylan
Chartered Accountants
Chatham
Date 31 October 2002
**Action for Borstal Community**

**Income and expenditure account**
**for the year ended 31 March 2002**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>Incoming resources</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants</td>
<td>122,659</td>
<td>56,784</td>
</tr>
<tr>
<td>Donations</td>
<td>8,911</td>
<td>9,796</td>
</tr>
<tr>
<td>Deposit interest</td>
<td>3,319</td>
<td>3,802</td>
</tr>
<tr>
<td>Sundry income</td>
<td>7,978</td>
<td>15,997</td>
</tr>
<tr>
<td>Lottery income</td>
<td></td>
<td>3,407</td>
</tr>
<tr>
<td></td>
<td>142,867</td>
<td>89,786</td>
</tr>
</tbody>
</table>

**Direct charitable expenditure**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td>Staff salaries</td>
<td>86,103</td>
<td>62,113</td>
</tr>
<tr>
<td>Playscheme</td>
<td>563</td>
<td></td>
</tr>
<tr>
<td>Parent and Toddler</td>
<td>30</td>
<td></td>
</tr>
<tr>
<td>After school</td>
<td>16,954</td>
<td></td>
</tr>
<tr>
<td>Training</td>
<td>6,762</td>
<td></td>
</tr>
<tr>
<td>Playgroup</td>
<td>4,985</td>
<td>2,538</td>
</tr>
<tr>
<td>Client Training</td>
<td>5,782</td>
<td></td>
</tr>
<tr>
<td>Membership subscriptions</td>
<td>-</td>
<td>731</td>
</tr>
<tr>
<td>Sessional work</td>
<td></td>
<td>347</td>
</tr>
<tr>
<td>Internet/Website Development</td>
<td>1,171</td>
<td>3,407</td>
</tr>
<tr>
<td>MHS Foyer</td>
<td></td>
<td>1,050</td>
</tr>
<tr>
<td>Trips and outings</td>
<td>380</td>
<td>477</td>
</tr>
<tr>
<td>Staff and Volunteer Training</td>
<td>573</td>
<td>-</td>
</tr>
<tr>
<td>Staff expenses</td>
<td>507</td>
<td></td>
</tr>
<tr>
<td>Sundry expenses</td>
<td>1,358</td>
<td></td>
</tr>
<tr>
<td><strong>(125,168)</strong></td>
<td></td>
<td>(70,663)</td>
</tr>
</tbody>
</table>

**Indirect charitable expenditure**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(19,902)</td>
<td>(22,816)</td>
</tr>
</tbody>
</table>

**Net (outgoing)/incoming resources**

<table>
<thead>
<tr>
<th>Note</th>
<th>2002</th>
<th>2001</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(2,203)</td>
<td>(4,693)</td>
</tr>
</tbody>
</table>

This page does not form part of the statutory accounts.