

REGISTERED NUMBER: 2842017 (England and Wales)

**Report of the Directors and
Financial Statements for the Year Ended 31 March 2003
for
The Cambridge Pringle Group
A Company Limited by Guarantee**



Index to the Financial Statements
for the Year Ended 31 March 2003

	Page
Company Information	1
Report of the Directors	2
Report of the Auditors	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8
Income and Expenditure Account	13

Company Information
for the Year Ended 31 March 2003

DIRECTORS:	Dr R W Ryall (Chairman) Ms E Baldry J House G Howard D W Jordan Dr E M Shutter Dr J Spencer
SECRETARY:	R W Powell
REGISTERED OFFICE:	3 Hedgerley Close Cambridge Cambridgeshire CB3 0EW
REGISTERED NUMBER:	2842017 (England and Wales)
AUDITORS:	Lanham and Company Limited Chartered Accountants & Registered Auditors 9 Great Chesterford Court London Road Great Chesterford Essex CB10 1PF
CHARITY REG. NO.:	1040577
BANKERS:	Natwest, Cambridge Lloyds TSB, Cambridge Cambridge Building Society, Cambridge Cafcash Limited, Kent
SOLICITOR:	Matthews, Winter and Bullock 168 Mill Road Cambridge CB1 3CP

Report of the Directors
for the Year Ended 31 March 2003

The directors present their report with the financial statements of the company for the year ended 31 March 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the relief and support of sufferers and the families of sufferers from schizophrenia and related conditions.

DIRECTORS

The directors during the year under review were:

Dr R W Ryall (Chairman)
Ms E Baldry
J House
G Howard
D W Jordan
Dr E M Shutter
Dr J Spencer

The directors have all been appointed directly to the Board and, other than refund of directly incurred expenses, receive no remuneration for their service.

OBJECTS OF THE CHARITY

The Cambridge Pringle Group is established for the relief and support of sufferers and the families of sufferers from schizophrenia and related conditions such as manic depression, schizo-affective disorder or other psychotic or affective disorders in Cambridgeshire and the surrounding area in particular by the management of Pringle House and such other residential or day care facilities as the Trustees (directors) shall decide.

There have been no material changes in the policies adopted by the charity since the last report.

ORGANISATION OF THE CHARITY

The charity is organised through its Board of Directors who employ a House Manager and other staff to provide residential, non-nursing care. Interpretation and application of the directors' decisions on policy are provided to the House Manager by the Chairman of the Board as and when necessary. A paid Company Secretary is engaged by the Charity on a Consultancy basis.

The Cambridge Pringle Group works with the following major organisations in the course of its operations:

Cambridgeshire and Peterborough Mental Health Partnership Trust, Kingfisher House, Hinchingsbrooke Business Park, Huntingdon
Cambridge Housing Society Ltd, Endurance House, Chivers Way, Histon, Cambridge, CB4 9ZR
Cambridgeshire County Council Social Services, Shire Hall, Cambridge, CB3 0AP
Cambridge City and South Cambridgeshire District Councils
National Care Standards Commission (for Pringle House from 1st April 2002)
Supporting People (for Group Homes – in preparation for funding to commence in April 2003)

Other than for the services of the directors, the charity is not dependent for its work on unpaid volunteers or donations-in-kind, though these offers are welcomed.

PREMISES

Premises at Pringle House Cambridge accommodates thirteen residents. The Charity also owns two other properties, in Milton Road, Cambridge and in Milton Village; each property can accommodate up to four residents.

Report of the Directors
for the Year Ended 31 March 2003 (Continued)

STAFF

The Cambridge Pringle Group employs five full-time members of staff, two part-time members of staff and bank staff. A domestic is also employed on a casual basis. All employees of the Company except casual staff, hold personal contracts of employment. All contracted employees are eligible to join the Social Housing Pension Scheme if they so wish.

Staff were awarded Cost of Living and incremental pay rises (where applicable) in April 2002.

A new manager was appointed in November 2002.

POLICY STATEMENTS

The Cambridge Pringle Group maintains policies, procedures and codes of practice in line with the Care Standards Act 2000. These include the following policy statements:

- Adult Protection and prevention of abuse
- Confidentiality Policy
- Emergencies and crises
- Equal opportunities policy
- Health and Safety Policy and Procedures
- Illegal Drugs Policy
- Licensees' Complaints Procedure and Compensation Policy
- Move-on Policy
- Non-smoking policy
- Referrals policy and Procedures
- Staff attendance at training courses
- Supervision, restriction of liberty and physical restraint
- Tenant Participation Policy
- Visiting policy
- Whistleblowing Policy

RISK

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to mitigate those risks.

RESIDENTS

Small increases in rent came into operation in April 2002. A holiday week was provided for residents in the summer of 2002.

All projects are now operating at 100% occupancy although there have been some unavoidable voids during the last year, including two deaths from natural causes.

Several residents have required prolonged stays in hospital during the last year.

RESERVES POLICY AND TRANSFERS TO AND FROM RESERVES

The Trustees have confirmed a policy whereby its unrestricted funds, not committed for other purposes or invested as tangible fixed assets, should be not less than an amount equivalent to resources expended over a 6-12 month period. At this level the management committee feels that it would be able to continue the current activities of the charity in the event of a significant drop in funding, bearing in mind our long term commitment to our residents, all of whom have long-term serious mental illness, and to the staff who provide their care. In such an event it would also be necessary in the longer term to consider how the funding could be replaced or activities reduced.

In the current financial year the level of our reserves enabled the management committee to agree to allocate some of its resources to the purchase of an additional home to increase our service provision. We expect to complete this purchase in the near future.

**Report of the Directors
for the Year Ended 31 March 2003 (Continued)**

Transfers are made at the discretion of the directors as shown in these accounts. The Company's assets are being held in the event of any significant reduction in revenue grant from the statutory organisations presently funding the Charity, and to accumulate funds to extend its provision of services. The Cambridge Pringle Group is almost entirely dependent on these statutory organisations to continue its work.

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 or 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;
- 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. It is confirmed that all assets currently held have been acquired in accordance with the powers available to the trustees. The trustees are specifically empowered by their Memorandum of Association to make any charitable donation either in cash or assets for the furtherance of the objects of the Association.

AUDITORS

The auditors, Lanham and Company Limited, have been proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Statement of Recommended Practice of the Charity Commissioners.

ON BEHALF OF THE BOARD:



R W Powell - Secretary

Dated:

22nd August 2003

**Report of the Independent Auditors to the Members of
The Cambridge Pringle Group**

We have audited the financial statements for the year ended 31 March 2003 on pages six to twelve. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We are not required to consider whether the statement in the Director's Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Directors' Report and consider whether it is, consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend further to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 the charitable company's affairs as at 31 March 2003 and of its income resources and application of resources, including its income and expenditure for year then ended and have been properly prepared in accordance with the Companies Act 1985.

Lanham and Company Limited
Chartered Accountants
& Registered Auditors
9 Great Chesterford Court
London Road
Great Chesterford
Essex CB10 1PF

Lanham & Company Limited

Dated: 27 August 2003
Page 5

**Statement of Financial Activities
for the Year Ended 31 March 2003**

	Notes	Unrestricted Funds £	Designated Funds £	Total Funds 2003 £	Total 31.03.02 £
INCOMING RESOURCES	2				
Donations		6,015	231	6,246	12,000
Activities to further the charity's objects:					
Rents received		236,369	-	236,369	178,228
Grants		28,295	-	28,295	27,642
SHMG		24,941	-	24,941	24,092
Investment income and interest		11,885	3,035	14,920	18,179
TOTAL INCOMING RESOURCES		<u>307,505</u>	<u>3,266</u>	<u>310,771</u>	<u>260,141</u>
RESOURCES EXPENDED	3				
Charitable expenditure:		201,900	76	201,976	194,609
Management and Administration		12,417	-	12,417	5,718
TOTAL RESOURCES EXPENDED		<u>214,317</u>	<u>76</u>	<u>214,393</u>	<u>200,327</u>
NET INCOMING RESOURCES BEFORE TRANSFERS		93,188	3,190	96,378	59,814
Transfer between funds	11	(71,431)	71,431	-	-
NET INCOME RESOURCES BEFORE REVALUATIONS		<u>21,757</u>	<u>74,621</u>	<u>96,378</u>	<u>59,814</u>
GAINS ON REVALUATIONS OF FIXED ASSETS FOR THE CHARITY'S OWN USE		-	-	-	-
NET MOVEMENT IN FUNDS		<u>21,757</u>	<u>74,621</u>	<u>96,378</u>	<u>-</u>
TOTAL FUNDS BROUGHT FORWARD		460,808	140,906	601,714	541,900
TOTAL FUNDS CARRIED FORWARD		<u>482,565</u>	<u>215,527</u>	<u>698,092</u>	<u>601,714</u>

The Cambridge Pringle Group
A Company Limited by Guarantee

Balance Sheet
31 March 2003

		31.03.03	31.03.02
	Notes	£	£
FIXED ASSETS:			
Tangible assets	8	194,164	204,049
CURRENT ASSETS:			
Debtors	9	5,310	5,269
Cash at bank		<u>512,811</u>	<u>395,875</u>
		518,121	401,144
CREDITORS: Amounts falling due within one year	10	<u>14,193</u>	<u>3,479</u>
NET CURRENT ASSETS:		<u>503,928</u>	<u>397,665</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:		<u>£698,092</u>	<u>£601,714</u>
RESERVES:			
Unrestricted funds:			
Designated funds	11	215,527	140,906
General fund		<u>482,565</u>	<u>460,808</u>
		<u>£698,092</u>	<u>£601,714</u>

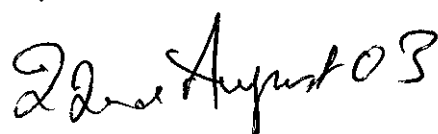
These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:



Dr R W Ryall - DIRECTOR

Approved by the Board on:



Notes to the Financial Statements
for the Year Ended 31 March 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Companies Act 1985 and follow the recommendations in Accounting and Reporting by Charities: Statement of Recommended Practice issued in October 2000.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost (Previously 10%)
Improvements to property	- 10% on cost
Fixtures and fittings	- 25% Reducing Balance
Computer equipment	- 33% on cost

Funds

Resources are allocated to Restricted Funds according to the limitations on their use specified by the donors or other providers. Funds received in the direct operation of the Charity are treated as unrestricted income funds. Other resources received without external restriction are designated by the Directors for particular purposes as deemed appropriate.

Grants receivable

Grants received are credited to the income and expenditure account in the period to which they relate. Grants received in advance are carried forward as deferred income.

Apportionment of resources expended

The costs of audit, registration fees, management sundries and legal costs are considered to relate to "Management and administration of the charity". All other expenditure is considered to be "Direct Charitable expenditure".

2. INCOMING RESOURCES

Turnover represents rents receivable net of voids and bad debts, grants, donations and other income received.

	31.03.03	31.03.02
Rents receivable	268,464	184,598
Less: Voids	<u>32,095</u>	<u>6,370</u>
	<u>£236,369</u>	<u>£178,228</u>

Notes to the Financial Statements
for the Year Ended 31 March 2003 (Continued)

3. ANALYSIS OF RESOURCES EXPENDED

	Unrestricted Funds £	Designated Funds £	Total 31.03.03 £	Total 31.03.02 £
Charitable expenditure				
Staff costs	141,943	-	141,943	124,692
Communication costs	2,887	-	2,887	2,905
Premises costs	11,993	-	11,993	9,006
Depreciation - premises	9,447	-	9,447	15,622
Project costs	29,702	76	29,778	36,025
Depreciation - equipment	458	-	458	1,389
Bank charges	26	-	26	43
Other	5,444	-	5,444	4,927
	<u>201,900</u>	<u>76</u>	<u>201,976</u>	<u>194,609</u>
Management and administration				
Audit fees	2,980	-	2,980	2,644
Other	9,437	-	9,437	3,074
	<u>12,417</u>	<u>-</u>	<u>12,417</u>	<u>5,718</u>

	31.03.03 £	31.03.02 £
Staff costs :		
Wages & salaries	128,730	112,252
Social security costs	8,231	7,504
Other pension costs	4,982	4,936
	<u>141,943</u>	<u>124,692</u>

No employee earned £50,000 p.a. or more

The average number of employees, analysed by function, was:

	31.03.03	31.03.02
Direct charitable	<u>7</u>	<u>8</u>

4. OPERATING SURPLUS

The operating surplus is stated after charging:

	31.03.03 £	31.03.02 £
Depreciation - owned assets	9,905	17,011
Auditors' remuneration	<u>2,980</u>	<u>2,644</u>
Directors' expenses refunded.	<u>£ -</u>	<u>£ -</u>

Notes to the Financial Statements
for the Year Ended 31 March 2003 (Continued)

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.03.03	31.03.02
	£	£
Deposit account interest	<u>14,920</u>	<u>18,179</u>

6. TAXATION

The Company is a registered charity and is not liable to corporation tax.

7. COMPANY STATUS

The Company is limited by guarantee not having a share capital. The liability of each member is limited to one penny.

8. TANGIBLE FIXED ASSETS

	Freehold Property	Improve- ments to property	Fixtures and fittings	Computer equipment	Totals
		£	£	£	£
COST:					
At 1 April 2002	192,500	59,969	22,598	1,286	276,353
Additions	-	-	-	20	20
Reallocation of costs	5,000	(5,000)	-	-	-
	<u>197,500</u>	<u>54,969</u>	<u>22,598</u>	<u>1,306</u>	<u>276,373</u>
DEPRECIATION:					
At 1 April 2002	9,625	39,233	22,160	1,286	72,304
Charge for year	3,950	5,497	438	20	9,905
	<u>13,575</u>	<u>44,730</u>	<u>22,598</u>	<u>1,306</u>	<u>82,209</u>
NET BOOK VALUE:					
At 31 March 2003	<u>183,925</u>	<u>10,239</u>	<u>-</u>	<u>-</u>	<u>194,164</u>
At 31 March 2002	<u>182,875</u>	<u>20,736</u>	<u>438</u>	<u>-</u>	<u>204,049</u>

9. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR

	31.03.03	31.03.02
	£	£
Rent arrears	3,347	1,925
Prepayments	<u>1,963</u>	<u>3,344</u>
	<u>5,310</u>	<u>5,269</u>

Notes to the Financial Statements
for the Year Ended 31 March 2003 (Continued)

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.03.03	31.03.02
	£	£
Accrued expenses	<u>14,193</u>	<u>3,479</u>
	<u>14,193</u>	<u>3,479</u>

11. DESIGNATED FUNDS

	Brought Forward	Income	Tfr from Income and Expenditure	Interest Credited	Expenditure in the Year	Carried Forward
	£	£	£			£
Amenity Funds	866	231	-	19	76	1,040
Holiday Fund	824	-	-	18	-	842
Capital Fund	139,216	-	-	2,998	-	142,214
Sinking Fund	-	-	29,575	-	-	29,575
Development Fund	-	-	41,856	-	-	41,856
	<u>140,906</u>	<u>231</u>	<u>71,431</u>	<u>3,035</u>	<u>76</u>	<u>215,527</u>

Purpose of designated funds

Holiday Fund

The Holiday Fund provides a small sum to cover unbudgeted provision for brief holidays for residents.

Amenity Fund

The Amenity Fund provides for small unbudgeted expenditure for various residents' amenities, such as birthday and Christmas presents.

Capital Reserve

The Capital Reserve Fund provides a significant reserve for unexpected capital expenditure on existing projects and new developments.

Sinking Fund

The purpose of the Sinking Fund is to identify a resource set aside from General Reserves to cover major expenditure, particularly but not exclusively of an unexpected nature.

Development Fund

In order to provide a continuing and identified base for expansion of our activities as the need arises, the Board has created a new Development Fund, into which they will transfer funds from the reserves, when the opportunity occurs and the level of general reserves permit.

Notes to the Financial Statements
for the Year Ended 31 March 2003 (Continued)

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Total £
Tangible fixed assets	194,164	-	194,164
Cash at bank and in hand	297,284	215,527	512,811
Net current assets	(8,883)	-	(8,883)
	<u>482,565</u>	<u>215,527</u>	<u>698,092</u>

The Cambridge Pringle Group
A Company Limited by Guarantee

Income and Expenditure Account
for the Year Ended 31 March 2003

	31.03.03		31.03.02	
	£	£	£	£
Income:				
Rent receivable	268,464		184,598	
Less: Voids	(32,095)		(6,370)	
Statutory grants	28,295		27,642	
SHMG	24,941		24,092	
Donations	6,246		12,000	
Interest receivable	<u>14,920</u>		<u>18,179</u>	
		310,771		260,141
Resources Expended:				
Salaries				
Service salaries	26,016		29,293	
Bank staff	1,463		3,035	
Agency staff	137		265	
Cleaning wages	2,458		2,211	
Management salaries	111,869		87,880	
Salaries	<u>-</u>		<u>2,008</u>	
		141,943		124,692
Communication Costs				
Postage	150		127	
Telephone	1,296		1,555	
Stationery & printing	<u>1,441</u>		<u>1,223</u>	
		2,887		2,905
Premises costs				
Council tax	2,830		1,479	
Water	1,561		1,817	
Gas	2,640		1,839	
Electricity	3,205		2,296	
Cleaning materials	1,289		1,308	
Gardening	468		267	
Depreciation - property	<u>9,447</u>		<u>15,622</u>	
		21,440		24,628
Project costs				
Laundry	18		29	
Food & provisions	12,727		12,126	
Refuse collection	345		334	
Television	336		317	
Payphone	82		325	
Resident's clothing	409		724	
Resident's transport	40		159	
Service sundries	6		66	
Service equipment	384		967	
Renewal & replacements	7,795		14,388	
Repairs & decoration	2,093		1,641	
Residents holidays	2,418		1,299	
Amenity fund expenditure	613		1,550	
Depreciation - equipment	438		1,389	
Depreciation - computer	20		-	
General insurance	<u>2,512</u>		<u>2,100</u>	
		30,236		37,414

Income and Expenditure Account
for the Year Ended 31 March 2003 (Continued)

	31.03.03		31.03.02	
	£	£	£	£
Other costs				
Payroll management fee	588		587	
Recruitment	513		1,989	
Travelling	2,236		945	
Training	2,028		1,042	
Promotions	79		364	
Bank charges	26		43	
		5,470		4,970
Fundraising and Publicity				
Advertising and promotions	-		-	
		-		-
Management and Administration				
Auditors remuneration	2,980		2,644	
Registration fee	960		598	
Management fees (CHS)	6,000		-	
Management sundries	1,155		547	
Legal/consultancy	1,322		1,929	
		12,417		5,718
TOTAL EXPENDITURE		<u>£214,393</u>		<u>£200,327</u>
NET SURPLUS		<u>£96,378</u>		<u>£59,814</u>