

DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2005

Company No. 2864873

The directors present the report and accounts for the year ended 31 March 2005.

FORMATION & STATUS

The Foundation was incorporated as a company limited by guarantee on 23 October 1993, and is registered with the Charity Commission with number 1028107.

OBJECT

The Foundation is dedicated to caring for learning disabled people within the London Borough of Redbridge and surrounding areas, with particular regard to residential placement, daytime and employment opportunities, education and supporting the London East division of Norwood Ravenswood (being the merger of Ravenswood Foundation and Norwood Child Care).

ACTIVITIES

The principal activity of the company was the establishing of a group home. In June 2000 the company acquired a flat which was established as a residential care home and housing benefit was obtained to fund care.

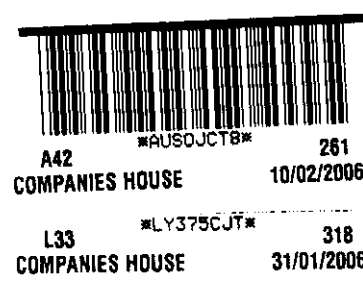
Norman Freeman was the driving force for the Foundation. Due to his poor health in recent years before he died September 2002, the foundation has not been as active as he and the other directors would have wished.

The directors are aware that the Foundation is not meeting its charitable objectives. Funds are not being raised from the public and consultation with other charities is in hand. The Charity Commission are aware of the situation and are working together with the directors regarding the future of the Foundation. The care and support undertaken by the foundation was contracted out to Norwood from 30 April 2004.

DIRECTORS

The directors who served throughout the year were as follows:-

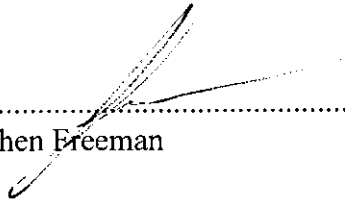
Betty Freeman
Stanley S Bloom
Anthony Quinn
Stephen A Freeman
Daniel M Bloom



SMALL COMPANY RULES

These accounts have 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 Financial Reporting Standard for Smaller Entities (effective June 2002).

This report was approved by the board on 28 January 2006 and signed by order of the board.


.....
Stephen Freeman

BALANCE SHEET AS AT 31 MARCH 2005

<u>Note</u>	2005	2004
2		
Tangible fixed assets	195388	195388
Current assets		
Cash at bank	3641	4034
Debtors & prepayments	905	1062
	<u>4546</u>	<u>5096</u>
Current liabilities		
Amounts falling due within one year:		
Sundry creditors & accruals	447	3047
5 Loan Betty Freeman	53778	57371
	<u>54225</u>	<u>60418</u>
Net current (liabilities)	(49679)	(55322)
	<u>145709</u>	<u>140066</u>
 Represented by:		
General purposes fund	145709	140066
	<u>145709</u>	<u>140066</u>

BALANCE SHEET AS AT 31 MARCH 2005 - continued

In approving these financial statements as directors of the company we hereby confirm:

- a) that for the year in question the company was entitled to the exemption conferred by Section 249A(1) of the Companies Act 1985;
- b) A notice requiring an audit under Section 249B(2) of the Companies Act 1985 has not been delivered to the Registered Office of the Company.
- c) the directors acknowledge their responsibility for ensuring that
 - (i) the company keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) the accounts give a true and fair view of the state of affairs of the company as at 31 March 2005, and of its results for the year then ended in accordance with the requirements of S.226 and which otherwise comply with the requirements of the Companies Act 1985 relating to accounts, so far as applicable to the company.
- d) the financial statements, which have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 applicable to small companies and in accordance with the Financial Reporting Standards for Smaller Entities (effective June 2002), were approved by the board on 28 January 2006 and signed on its behalf.



.....
Betty Freeman

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2005

<u>Note</u>		2005	2004
	Incoming resources		
5	Rent	12000	12000
3	Supporting people	28817	28896
	Total incoming resources	<u>40817</u>	<u>40896</u>
	Charitable expenditure		
4	Administrative expenses	35174	41059
	Total charitable expenditure	<u>35174</u>	<u>41059</u>
	Net movement in funds	<u>5643</u>	<u>(163)</u>
	Accumulated fund b/fwd	<u>140066</u>	<u>140229</u>
	Accumulated fund c/fwd	<u>145709</u>	<u>140066</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

1 Accounting policies

- a) **Basis of preparation of financial statements** The financial statements are prepared in £ UK under the historical cost convention and incorporate the results of the principal activity which is described in the Directors Report.

The company has taken advantage of the exemption in FRS1 from the requirement to prepare a cash flow statement on the grounds that it is a small company.

- b) **Tangible fixed assets & depreciation** Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets less their estimated residual value over their expected useful lives on the following basis:

Long Leasehold Property - No provision

Given that the life of the long leasehold property is so long, it is the opinion of the directors that the estimated residual value would be sufficiently high to make any depreciation charge immaterial.

The requirement of the Companies Act 1985 is to depreciate all properties, but that requirement conflicts with the generally accepted accounting principle set out in SSAP 19. Consequently in accordance with SSAP 19, depreciation is not provided in respect of long leasehold property. The directors consider that this accounting policy results in the Financial Statements giving a true and fair view.

If this departure from the Companies Act had not been made the retained profit for the financial period would have been reduced by depreciation. However, the amount of depreciation cannot reasonably be quantified, as it would involve expense out of proportion to the value to members.

2 Tangible fixed assets

Long Leasehold Property

Cost – at 31 March 2004 & 2005

195388

3 Incoming resources

The Foundation received funding from Redbridge Council for general counselling and support (GCS) under a Supporting People contract with London Borough of Redbridge Community Care.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005**4 Administrative expenses**

	2005	2004
Norwood reachout	20438	-
Salaries & NIC	9570	34148
Employees pension scheme	375	750
Ground rent & services	1388	2784
Insurance	103	97
Lighting & heating	1170	997
Telephone & TV	2130	2255
General expenses	-	28
	<u>35174</u>	<u>41059</u>

5 Related party transactions

The loan from Betty Freeman is on an interest-free basis with no repayment terms.

On 10 June 2000 59 Hollybush Hill was sold and The Freeman Bloom Foundation received £136710 for its one-third share. At the same time the Freeman Bloom Foundation purchased Flat 1, The Grange, 57/59 Woodford Road from Hannah Bloom Caring for £195388. This flat was established as the residential care home which is currently occupied by Brian Freeman (Betty Freeman's son). Hannah Bloom Caring is an unlimited company; Betty Freeman is sole director and controlling shareholder.

Brian Freeman pays the Foundation rent of £12000 (2004 - £12000). The Foundation received housing benefit in respect of the rent of £11346 (2004 - £10294).

6 Post balance sheet events

The directors are in negotiations with Norwood Ravenswood to take over the activities and assets of the Foundation which will then be wound up. As pointed out in the Directors Report general counselling and support was contracted out to Norwood from 30 April 2004. A Deed of Novation was completed 20 December 2005 under which Norwood Ravenswood took over the Supporting People contract from the Foundation.

Negotiations with Norwood Ravenswood are at an advanced stage regarding the transfer of the Foundations leasehold property to them so that the Foundation can be wound up.