

**DIRECTORS REPORT FOR THE YEAR ENDED 31 MARCH 2003**

Company No. 2864873

The directors present the report and accounts for the year ended 31 March 2003.

**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 continues to be that of establishing a group home. The related administration was provided by the associated company, Hannah Bloom Caring k/as Freeman Consulting Accountants (HBC/FCA). In June 2000 the company acquired a flat which was established as a residential care home and housing benefit was obtained to fund care.

**DIRECTORS**

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

Norman Freeman (died 12 September 2002)  
Betty Freeman  
Stanley S Bloom  
Sir Maurice Hatter  
Anthony Quinn  
Stephen A Freeman  
Daniel M Bloom

Norman Freeman was the driving force for the Foundation. Due to his poor health in recent years before he passed away, the foundation has not been as active as he and the other directors would have wished. The future of the Foundation is under review as explained in note 5 to the accounts.

**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 29 January 2004 and signed by order of the board.

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Stephen Freeman



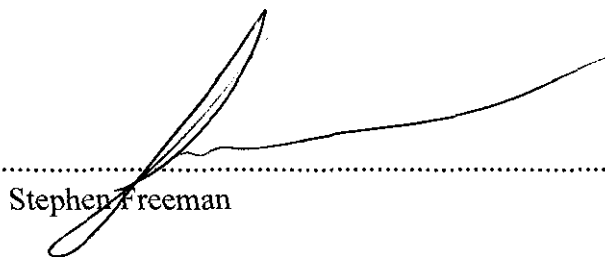
**BALANCE SHEET AS AT 31 MARCH 2003**

<u>Note</u>	<b>2003</b>	<b>2002</b>
<b>2 Tangible fixed assets</b>	<b>195388</b>	<b>195388</b>
<b>Current assets</b>		
Cash at bank	6005	7795
Debtors & prepayments	3531	2102
	<u>9536</u>	<u>9897</u>
<b>Current liabilities</b>		
Amounts falling due within one year:		
Sundry creditors & accruals	21803	16022
4 Loan HBC/FCA	-	40290
4 Loan Betty Freeman	42892	-
	<u>64695</u>	<u>56312</u>
<b>Net current (liabilities)</b>	<b>(55159)</b>	<b>(46415)</b>
	<u>140229</u>	<u>148973</u>
 Represented by:		
General purposes fund	140229	148973
	<u>140229</u>	<u>148973</u>

**BALANCE SHEET AS AT 31 MARCH 2003- 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 2003, 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 29 January 2004 and signed on its behalf.



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Stephen Freeman

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2003**

<u>Note</u>		<b>2003</b>	<b>2002</b>
	<b>Incoming resources</b>		
	Housing benefit	32922	28240
	<b>Total incoming resources</b>	<u>32922</u>	<u>28240</u>
	<b>Charitable expenditure</b>		
3	Administrative expenses	41666	35085
	<b>Total charitable expenditure</b>	<u>41666</u>	<u>35085</u>
	<b>Net movement in funds</b>	<u>(8744)</u>	<u>(6845)</u>
	Accumulated fund b/fwd	<u>148973</u>	<u>155818</u>
	Accumulated fund c/fwd	<u>140229</u>	<u>148973</u>

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003****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
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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 2002 & 2003

195388

**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003****3 Administrative expenses**

	<b>2003</b>	<b>2002</b>
Salaries & NIC	33947	26696
Employees pension scheme	750	750
Ground rent & services	1838	1382
Insurance	88	85
Lighting & heating	758	584
Telephone & TV	2419	3169
General expenses	1173	754
Community Care Expenses	<u>693</u>	<u>1665</u>
	<u>41666</u>	<u>35085</u>

**4 Related party transactions**

The loan from HBC/FCA is on an interest-free basis with no repayment terms. HBC/FCA was controlled by Norman and Betty Freeman.

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 HBC/FCA made a loan of £61678 to the Freeman Bloom Foundation which purchased Flat 1, The Grange, 57/59 Woodford Road from HBC/FCA for £195388. This flat was established as the residential care home which is currently occupied by Brian Freeman (Norman & Betty Freeman's son).

**5 Post balance sheet events**

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.

Sir Maurice Hatter resigned 6 November 2003.