

**BOUGHEY TRUST COMPANY LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 1998**

**COMPANY NUMBER**

**00325195**



**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**DIRECTORS AND OFFICERS**

**DIRECTORS**

Mr H A Wood  
Rev R W D Biddle  
Mr J P Davies  
Mr M J Moore  
Mr J M Richardson  
Mr D Wassell

**CHAIRMAN**

Mr H A Wood

**SECRETARY**

Westcotts Limited - resigned 29 June 1999  
Mr S J Bentley representing Dains - appointed 29 June 1999

**ACCOUNTANTS**

Dains  
58 High Street  
Newport  
Shropshire  
TF10 7AQ

**AUDITORS**

Heywoods  
Porthill Suite  
Severn House Business Centre  
66 Spring Gardens  
Shrewsbury  
Shropshire  
SY1 2TE

**BANKERS**

Barclays Bank Plc.  
Bishton Court  
Telford  
Shropshire  
TF1 1DQ

**INVESTMENT MANAGERS**

Capel Cure Sharp  
Temple Court  
35 Bull Street  
Birmingham  
B4 6ES

**REGISTERED OFFICE**

58 High Street  
Newport  
Shropshire  
TF10 7AQ

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**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**CONTENTS**

Directors Report	1 - 2
Auditors Report	3
Statement of financial activities	4
Summary Income and Expenditure account	5
Balance Sheet	6
Notes to the financial statements	7 - 9

**BOUGHEY TRUST COMPANY LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

**DIRECTORS REPORT**

**INTRODUCTION**

Sir Thomas Boughey died on the 30th August 1906. By his will he left the Barley Mow Hotel in Newport to Lady Boughey on trust for her to establish a trust for 'promoting the healthy and beneficial occupation of the inhabitants of Newport and district' and by a Trust Deed of the 15th October 1906. Lady Boughey established the Trust in accordance with her late husband's wishes. In 1937 the Trust was incorporated as a company limited by guarantee and it was subsequently approved by the Lord Chancellor as a Trust Corporation enabling it to hold property belonging to other trusts and organisations as a Custodian Trustee.

**PRINCIPAL ACTIVITIES**

The principal activity of the company in the year under review continued to be the holding of property and investments for the purpose of supporting institutions or objects of public benefit to the inhabitants of the town and neighbourhood of Newport, Shropshire, having regard to promoting the healthy and beneficial occupation of the time of the said inhabitants for leisure and recreation.

**DIRECTORS RESPONSIBILITIES**

The directors are required by company law to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of the financial year and of the income or expenditure of the company for the period ending on that date. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently.
- make judgments and estimates that are reasonable and prudent.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also 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 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.



**BOUGHEY TRUST COMPANY LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

**DIRECTORS REPORT (CONTINUED)**

**DIRECTORS**

The directors who held office during the year were as follows:

Mr H A Wood  
Mr J P Davies  
Mr M Miles (retired by rotation 29 June 1999)  
Rev R W D Biddle (appointed 25 March 1998)  
Mr J M Richardson


Rev R W D Biddle became a director on 25 March 1998

**AUDITORS**

The auditors, Heywoods, have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

This report has been prepared taking advantage of the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 21st September 1999 and signed on its behalf by:

  
.....  
Mr H A Wood  
Chairman

  
.....  
Date

**BOUGHEY TRUST COMPANY LIMITED  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 1998**

**AUDITORS REPORT**

We have audited the financial statements on pages 4 to 9 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention (as modified by the revaluation of investments and investment property) and the accounting policies set out on page 7.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 1, the company's directors (who also act as trustees for the charitable activities of Boughey Trust Company Limited) 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.

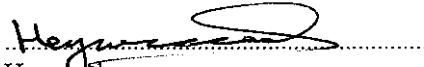
**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes the 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 judgments 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 misstatements, whether caused by fraud or other irregularities 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 at 31 December 1998 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
.....  
Heywoods  
Chartered Accountants

*27<sup>th</sup> September 1999*  
.....  
Date

Porthill Suite  
Severn House Business Centre  
66 Spring Gardens  
Shrewsbury  
Shropshire  
SY1 2TE





**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total 1998 £	Total 1997 £
<b>INCOMING RESOURCES</b>				
Rents receivable	30,126	-	30,126	35,145
Income from investments	10,975	-	10,975	11,954
Interest receivable	5,318	-	5,318	3,170
<b>TOTAL INCOMING RESOURCES</b>	<u>46,419</u>	<u>-</u>	<u>46,419</u>	<u>50,269</u>
<b>RESOURCES EXPENDED</b>				
Donations	35,950	-	35,950	15,700
Management and administration	25,352	-	25,352	25,877
Profit on the disposal of fixed assets	(45,008)		(45,008)	-
<b>TOTAL RESOURCES EXPENDED</b>	<u>16,294</u>	<u>-</u>	<u>16,294</u>	<u>41,577</u>
<b>NET INCOMING RESOURCES BEFORE TRANSFERS</b>	30,125	-	30,125	8,692
Transfers between funds	(181)	181	-	-
<b>NET INCOMING RESOURCES</b>	<u>29,944</u>	<u>181</u>	<u>30,125</u>	<u>8,692</u>
<b>GAINS ON INVESTMENT ASSETS:</b>				
Realised	-	9,767	9,767	4,674
Unrealised	-	16,896	16,896	33,120
Revaluation of freehold investment property	199,392	-	199,392	-
	<u>229,336</u>	<u>26,844</u>	<u>256,180</u>	<u>46,486</u>
<b>NET MOVEMENT IN FUNDS</b>				
Funds balances brought forward	220,532	303,991	524,523	478,037
<b>FUND BALANCES CARRIED FORWARD</b>	<u>449,868</u>	<u>330,835</u>	<u>780,703</u>	<u>524,523</u>

The notes on pages 7 to 9 form part of these accounts.



**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**SUMMARY INCOME AND EXPENDITURE ACCOUNT**

	1998 £	1997 £
Gross income of continuing operations	46,419	50,269
Total income of continuing operations	<u>46,419</u>	<u>50,269</u>
Total expenditure of continuing operations	61,302	41,577
Net (deficit)/income for the year before transfers and investment asset disposals etc.	<u>(14,883)</u>	<u>8,692</u>
Profit on disposal of fixed assets	(45,008)	-
Net income for the year	<u><u>30,125</u></u>	<u><u>8,692</u></u>

Net income before asset disposals etc. all relates to the activity of the unrestricted fund.

Total income all relates to unrestricted funds.

Detailed analysis of the expenditure is provided in the statement of financial activities and the notes to the accounts.

The summary income and expenditure account is derived from the statement of financial activities on page 4, which together with the notes to the accounts on pages 7 to 9 provides full information on the movements during the year on all the funds of the company.

The notes on pages 7 to 9 form part of these accounts.

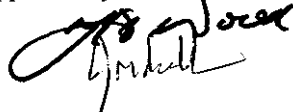
**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**BALANCE SHEET**

		1998		1997	
	Notes	Unrestricted Funds £	Restricted Funds £	Unrestricted Funds £	Restricted Funds £
<b>FIXED ASSETS</b>					
Tangible assets	4	386,092	-	165,983	24,680
Investments	5	-	278,707	-	286,310
		<u>386,092</u>	<u>278,707</u>	<u>165,983</u>	<u>310,990</u>
<b>CURRENT ASSETS</b>					
Investments	6	33,535	77,128	31,554	4,385
Debtors	7	19,310	-	28,288	-
Cash at Bank		15,820		13,458	13,616
		<u>68,665</u>	<u>77,128</u>	<u>73,300</u>	<u>18,001</u>
<b>CREDITORS DUE IN 1 YEAR</b>	8	<u>4,889</u>	<u>-</u>	<u>18,751</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>		<u>63,776</u>	<u>77,128</u>	<u>54,549</u>	<u>18,001</u>
<b>TOTAL ASSETS</b>		<u>449,868</u>	<u>355,835</u>	<u>220,532</u>	<u>328,991</u>
<b>REPRESENTED BY:</b>					
Capital accounts		-	25,000	-	25,000
Other restricted funds		-	330,835	-	303,991
Undistributed income		449,868	-	220,532	-
		<u>449,868</u>	<u>355,835</u>	<u>220,532</u>	<u>328,991</u>

The financial statements 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 March 1999).

Approved by the Board on 21st September 1999 and signed on its behalf by:



)  
 )  
 ) Directors  
 )  
 )

The notes on pages 7 to 9 form part of these accounts.



**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**BALANCE SHEET**

		1998		1997	
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<b>FIXED ASSETS</b>					
Tangible assets	4	386,092	-	165,983	24,680
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		<u>386,092</u>	<u>278,707</u>	<u>165,983</u>	<u>310,990</u>
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Undistributed income		449,868	-	220,532	-
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The notes on pages 7 to 9 form part of these accounts.



**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**NOTES TO THE FINANCIAL STATEMENTS**

**1. ACCOUNTING POLICIES**

The financial statements have been prepared under the historical cost convention as modified by the revaluation of investments and investment property, and are in accordance with applicable accounting standards, and the Charities Accounting Statement of Recommended Practice (Sorp). There have been no changes in the accounting policies except for note b below whereby freehold investment properties are now recognised at their market values.

- a Investments are stated at market value.
- b Freehold investment properties are shown at their open market values based on annual valuations. Such valuations are undertaken by the directors and any surpluses or deficits are recognised in the Statement of Financial Activities.
- c Freehold and leasehold properties are maintained in a good state of repair so that their estimated residual value is not less than their cost, consequently the buildings are not depreciated.
- d All expenditure is accounted for gross, and when incurred. Donations made are included in full in the year in which they are payable.
- e The capital account is the initial legacy left by Dame Sarah Annabella Lady Boughey to set up the charity and represents restricted funds of the charity.
- f Investment income arising from dividends is included in the income and expenditure account when declared at an amount which includes the tax credits recoverable from the Inland Revenue.

**2. MANAGEMENT AND ADMINISTRATIVE EXPENSES**

	1998		1997	
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
Auditors fees	940	-	1,645	-
Others	24,412	-	24,232	-
	<u>25,352</u>	<u>-</u>	<u>25,877</u>	<u>-</u>

Davies White & Perry, a partnership in which Mr J P Davies is materially interested as a partner, received £4,346 in respect of property management charges and £1,081 in respect of property sales commission during the year. Mr J P Davies is a director of the Boughey Trust Company Limited. None of the directors or connected persons received any remuneration during the year, nor did they have any financial interests in the company's activities.

The secretary received expenses of £ 4,176 ( 1997 : £4,403 ).





**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**NOTES TO THE FINANCIAL STATEMENTS**

**3. TAXATION STATUS**

The company has charitable status under Section 586(1) Income and Corporation Taxes Act 1988 and accordingly it is exempt from taxation on its income and surplus for the year.

**4. TANGIBLE ASSETS**

	<b>Leasehold property £</b>	<b>Freehold property £</b>	<b>Freehold investment property £</b>	<b>Total £</b>
<b>Cost or valuation</b>				
At 1 January 1998	-	-	190,663	190,663
Reclassification	30,165	78,097	(108,262)	-
Revaluation	-	-	199,392	199,392
Disposal	-	-	(3,963)	(3,963)
At 31 December 1998	<u>30,165</u>	<u>78,097</u>	<u>277,830</u>	<u>386,092</u>

Freehold and leasehold property are stated at cost.

Freehold investment properties have been revalued as at 31 December 1998 by Davies, White & Perry, on an open market value basis. The historical cost of freehold investment property is £78,438.

During the year an investment property was sold which had a book value of £3,963 for £50,550.

Since the year end the charity has sold an investment property which has a book value of £57,830 for £59,500 before costs of disposal amounting to £1,670.

**5. INVESTMENTS**

	<b>1998 £</b>	<b>1997 £</b>
Market Value at 31 December 1997	286,310	262,570
Less disposals at opening book value (Proceeds £82,625 Gain £9,767)	(72,858)	(29,261)
Add Acquisitions at cost	48,359	19,881
Net gain on revaluation at 31 December 1998	16,896	33,120
Market Value at 31 December 1998	<u>278,707</u>	<u>286,310</u>
Historical cost at 31 December 1998	<u>202,263</u>	<u>206,252</u>

All investments are held in the restricted fund. The net gain on revaluation is based on the market values of investments provided by Capel Cure Sharp who managed the fund on behalf of the trustees.



**BOUGHEY TRUST COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 1998**

**NOTES TO THE FINANCIAL STATEMENTS**

**6. CURRENT ASSET INVESTMENTS**

	<b>1998</b>		<b>1997</b>	
	<b>Unrestricted</b>	<b>Restricted</b>	<b>Unrestricted</b>	<b>Restricted</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balances with investment managers	-	77,128	-	4,385
National Savings Bank Account	33,535	-	31,554	-
	<u>33,535</u>	<u>77,128</u>	<u>31,554</u>	<u>4,385</u>

**7. DEBTORS**

Income tax recoverable	517	-	1,308	-
Prepayments and accrued income	4,793	-	6,980	-
Loan to Cosy Hall, Newport	14,000	-	20,000	-
	<u>19,310</u>	<u>-</u>	<u>28,288</u>	<u>-</u>

The loan is repayable over 15 years by equal annual instalments. Interest will be charged at a rate not exceeding one half Bank Base Rate. £13,000 is repayable after more than one year.

**8. CREDITORS**

Amounts falling due within one year:

Other creditors	-	-	540	-
Accruals and deferred income	3,289	-	2,761	-
Donations	1,600	-	15,450	-
	<u>4,889</u>	<u>-</u>	<u>18,751</u>	<u>-</u>

**9. COMPANY STATUS**

The company has no share capital, but the directors have, as required by the Memorandum of Association, undertaken, in the event of winding up of the company, to meet its debts and liabilities up to a maximum of £1 for each director.

**10. MOVEMENT ON FUNDS**

	<b>Unrestricted</b>	<b>Restricted</b>	
	<b>Funds</b>	<b>Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Opening balance	220,532	303,991	524,523
Surplus for the year	229,336	26,844	256,180
Closing balance	<u>449,868</u>	<u>330,835</u>	<u>780,703</u>

1. The first step is to identify the problem or question that needs to be answered.

2. The second step is to gather relevant information and data.

3. The third step is to analyze the information and data to identify patterns and trends.

4. The fourth step is to develop a hypothesis or solution based on the analysis.

5. The fifth step is to test the hypothesis or solution through experimentation or observation.

6. The sixth step is to evaluate the results of the test and draw conclusions.

7. The seventh step is to communicate the findings and conclusions to the relevant stakeholders.