

Registered number
3631395

Celtic Harmony
Report and Unaudited Accounts
31 December 2018

THOMAS DAVID
Chartered Accountants

Celtic Harmony
Report and accounts
Contents

	Page
Directors' report	1
Accountants' report	12
Income and expenditure account	13
Balance sheet	14
Notes to the accounts	15

Celtic Harmony
Registered number: 3631395
Charity Number: 1156199
Trustee Report

Celtic Harmony aims to enable children, young people and the community to experience life as an ancient Briton, learning from our natural and cultural heritage to create a more sustainable tomorrow.

In 2018

1. We said we would Complete accessibility route and utility connection linking the new roundhouses to the Prehistory Centre by 30 April 2018. Secure the funding for phase 2 by 30 November 2018.

The **plastering of the new roundhouses** was completed, by a master plasterer, volunteers and a group of nine students from North Herts College. The inclusive workshops supported by Hertfordshire Community Foundation, developed skills, confidence and promoted an active lifestyle as participants from a range of backgrounds, learnt how to plaster and could see the visual results of their work.

*We completed the **Accessibility Trail and the Utility Connection** linking the new roundhouses to the Prehistory Centre area, enabling the new roundhouses to be used for day trips and overnight educational experiences, increasing charity's impact and resilience.*

2. We said we would Launch the Prehistory Residential, secure 150 children booked onto residential and 150 places funded for disadvantaged trips for 2018 and a further 300 for 2019 by 30 October 2018. Develop a new two night residential programmes for older KS2 and KS3 children and pilot a new day trip, 'Science of Herbs' by 30 April 2018. Work in partnership with the Council for Learning Outside the Classroom to launch a two Prehistory Inset days to build teacher's knowledge about Stone to Iron Age Britain and deliver by 30 October 2018.

350 children attended residential experiences in 2018, learning primitive skills and sleeping overnight in the newly insulated roundhouses. Over 1,000 children are booked onto residencies for 2019, 22% are funded disadvantaged children.

Over 14,000 school children and their adult helpers took part in the Celtic Harmony education programme in 2018. A new day trip, 'Science of Herbs' was piloted and two new 2 night residential experiences were successfully launched Prehistory Adventure and Prehistory Go Tribal for upper KS2 pupils. *'It was wonderful seeing the children working as a team, supporting and encouraging each other. Each child was very eager and enthusiastic to give everything a go. A thoroughly enjoyable day.'* Mrs T Batty, St Thomas More School, 14 May 2018

'The children benefitted from independence and resilience of staying away from home and eating unfamiliar food and walking in the dark, plus the historical context and sense of the different ages in Prehistory.' Mandy, Shenley Primary.

Twelve teachers and outdoor experts took part in an INSET training day launched in partnership with the Council for Learning Outside the Classroom to increase their knowledge on the Prehistory topic and develop skills in creating practical activities for learning in school. *'Excellent, amazing background to history and practical skills which we can use in school'* Emily Cannon, SWLT

Celtic Harmony
Registered number: 3631395
Charity Number: 1156199
Trustee Report

3. We said we would continue to run the regular volunteering programme and offer Family Volunteer Days, Work placements, Engagement activities to individuals and community groups from May to October 2018

Celtic Harmony works in partnership the council for voluntary services and local secondary schools and other educational institutions to provide voluntary and work experience opportunities.

Volunteers gave over 1,668 volunteer hours of their time to the maintenance of facilities, woodland conservation and preparation of education resources.

40 young people from the **community group** Children's Integrated Play Schemes (Chips) took part in a day trip with their carers during the summer. *'Children benefitted the most from Archery, learning about history, team bonding and exploring'* Kate CHIPS Play scheme

4. We said we would Launch the Family Summer Sleepovers in the newly insulated roundhouses.

3 families took part in Primitive Sleepover piloting the programme. 'Helped increase social skills with other children, schedule worked really well, timings for activities and quiet times were perfect.' Claire, Robert, Fenella and Wilf; *'Gave the girls confidence in making and dealing with fire'* Ben Beecroft

5. We said we would Continue to develop the Impact Measurement Framework to record and interpret impact of the Charity's work in partnership with University of Northampton report by 15 December 2018.

We worked in partnership with Centre for Social Enterprise at the University of Hertfordshire to measure the impact of school day trip and residential visits.

What data was collected

417 teachers from 233 schools who participated with their pupils in a range of Prehistory Day trips between in 2018, filled in an evaluation questionnaire at the end of their experience.

Beneficial Themes

The feedback points out the overwhelmingly positive learning experience by both pupils and teachers. The main theme identified as beneficial for pupils, their learning, and the teachers' pedagogical practice are

- Practical, immersive learning with good time management to engage all pupils including students with Special Educational Needs: *'Engendered real enthusiasm, particularly among our SEN students; Inclusion - all children were able to participate in all activities; All inclusive for children with SEN. Opportunities to be themselves. ALL input from children was valued.'*

Celtic Harmony

Registered number: 3631395

Charity Number: 1156199

Trustee Report

- **Development of confidence and communication skills:** *'So many life skills and values were developed today; Developing new skills, working together, life skills ; Seeing the children working as a team, supporting and encouraging each other. Each child was very eager and enthusiastic to give everything a go... ; Seeing children working together as a year group rather than just in classes ; Great for encouraging discipline and teamwork as well as historical knowledge ; Less confident children came out of their shell more. They learnt in a fun and engaging way; Seeing the children working as a team, supporting and encouraging each other. Each child was very eager and enthusiastic to give everything a go... ; Seeing children working together as a year group rather than just in classes ; Great for encouraging discipline and teamwork as well as historical knowledge ; Less confident children came out of their shell more. They learnt in a fun and engaging way'*

- **Hands-on experience that complements their classroom learning and brings it to life**

'Trading as transferrable maths skills ; All activities as they built on prior knowledge learnt in class ; Warrior demo and trading as support what we have already learnt ; Soap knapping linked with the science topic on rocks; Trading, tools and houses, shape of the roundhouse was a good use of subject knowledge from curriculum.'

- Creative practical activities that allow children to experience life as it was in different times.

- Leaders *'knowledgeable', 'engaging', and 'patient and helpful', 'The people were all brilliant and the children really engaged with the characters'.*



Celtic Harmony

Registered number: 3631395

Charity Number: 1156199

Trustee Report

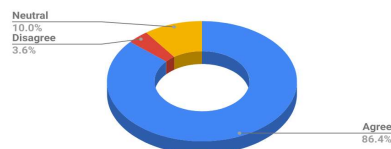
Residential Trip Impact

342 pupils and 14 teachers from 8 schools attended a range of residential programmes from Prehistory Explorer to Go Tribal, taking part in several educational and team-building activities, and staying overnight in roundhouses. The residential programmes provide pupils with an opportunity to stay overnight with their classmates and to gain greater understanding of the past, and learn about more sustainable way of living.

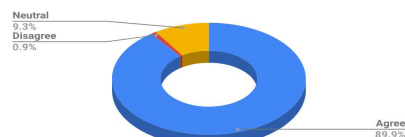
Upon arrival pupils filled a questionnaire consisting of different statements regarding their school performance, social contacts, and ability to cope with everyday problems. The pupils were asked to assess every statement using one of the three stickers - sad face, indifferent face and happy face. These were translated to disagree, neutral and agree (respectively). Upon leaving the pupils were asked to evaluate the same statements and additionally, using the same measurement, to assess their stay at Celtic Harmony. In addition the pupils were asked about their mood on arrival and before departure.

Pupil evaluations show that there was an increase in their self-efficacy following their residential, 86% 'enjoyed staying overnight with classmates' and 90% 'enjoyed learning about the past through outdoor activities'.

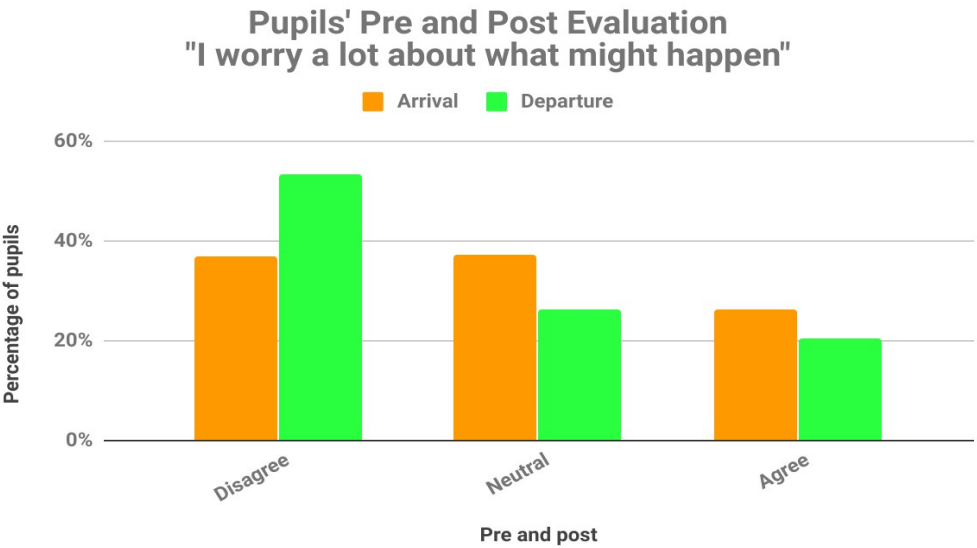
Pupils' Overall Evaluation of their Experience
"I enjoyed staying overnight with my classmates"



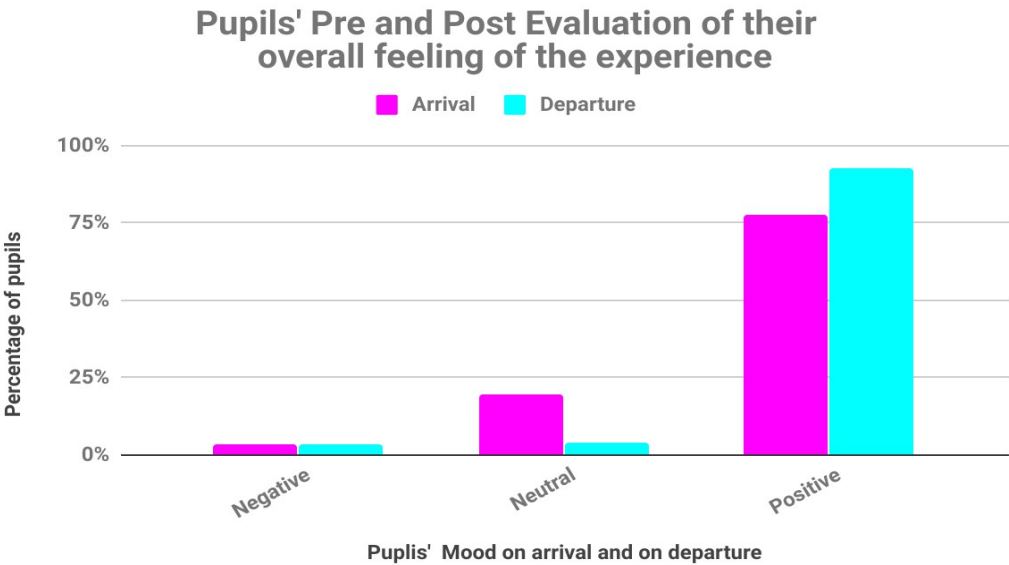
"I enjoyed learning about the past on outdoor activities"



80% agreed with the statement 'I am confident in my ability to do most things' following the trip, compared to 67% before, reflecting increased confidence. Another improvement was in pupils' anxiety level 26% agreed with the statement 'I worry a lot about what might happen' before the trip compared with 20% following the trip.



Majority of pupils felt happy upon arrival (77%). And their participation in the programme led to a significant increase to 93% who were happy upon departure.



Celtic Harmony**Registered number: 3631395****Charity Number: 1156199****Trustee Report**

In 2019, we will

1. Complete the steel frame build with roof, insulation, windows and doors of The Prehistory Centre by 31 August 2019 around the delivery of school trips. Secure the funding for phase 3 Prehistory Centre Internal walls and Interpretation by the end of the year.

2. Continue to deliver over 14,000 high quality day trips during the build of the Prehistory Centre and the delivery of residential experiences with greater added value. Further develop the Prehistory Day trips and pilot a new day trip, 'Prehistory Experience' by 30 March 2019.

3. Deliver Prehistory Residential experiences to 1,000 children in 2019, with 20% funded experiences for the disadvantaged as per the school residential trip standard by 30 October 2019.

4. Continue to run the regular volunteering programme and offer work placements to individuals and community groups as per the conservation and volunteer standard all year round.

5. Continue to record and interpret impact of the Charity's work as per the Impact Measurement Framework with a University partner by 15 December 2019.

We would like to thank the trusts and organisations that have supported Celtic Harmony in the past year:

Funding for**The Mound Arena, Accessibility Trail and Prehistory Centre Phase 1**

- Rural Development Programme for England under Eastern Plateau £16,074

Resilience Building Residentials projects was funded by

Garfield Weston – £10,000

Hertfordshire Community Foundation – £4,875

Bedfordshire and Luton Community Foundation – £2,950

Day Trips for Disadvantaged Schools

Robert Kiln Charitable Trust £100

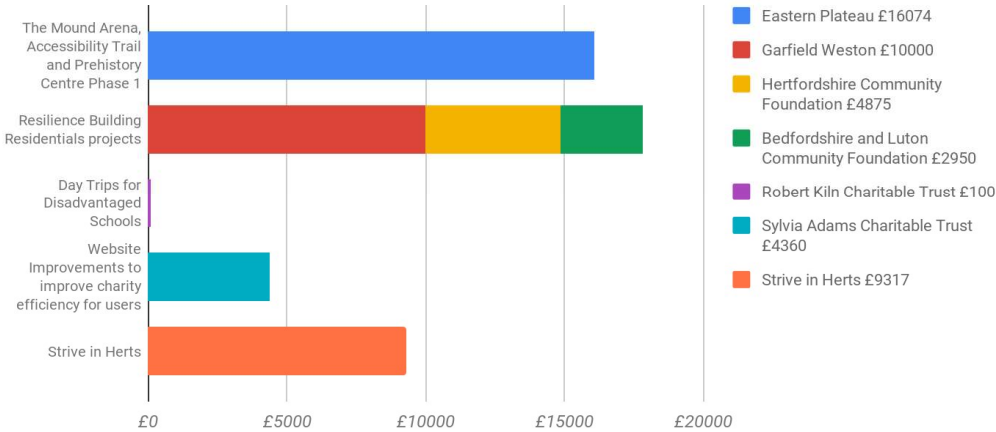
Website Improvements to improve charity efficiency for users funded by The Sylvia Adams

Charitable Trust - £4,360

Strive in Herts part of the Building Better Opportunities programme, supported by the Big Lottery Fund and the European Social Fund. £9,317.

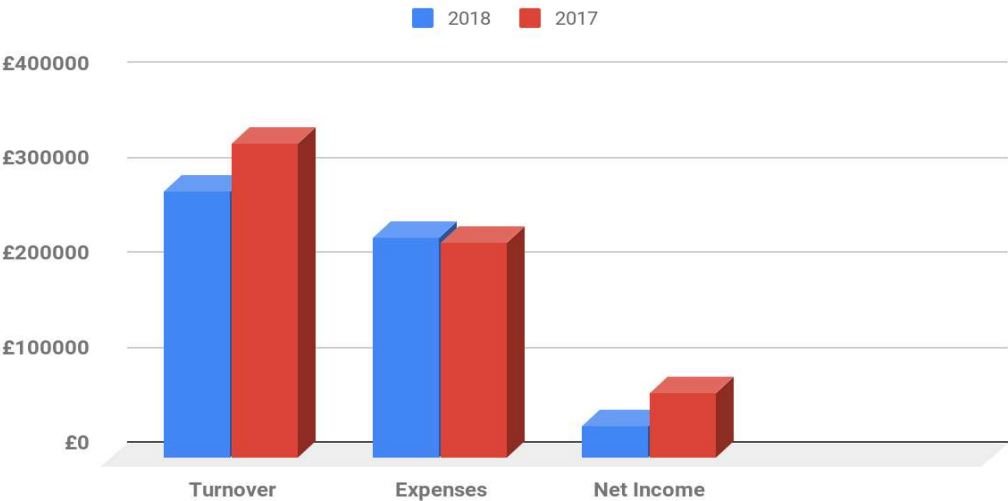
Celtic Harmony
Registered number: 3631395
Charity Number: 1156199
Trustee Report

Funding Raised



Financial review

Celtic Harmony Financial Highlights



Celtic Harmony

Registered number: 3631395

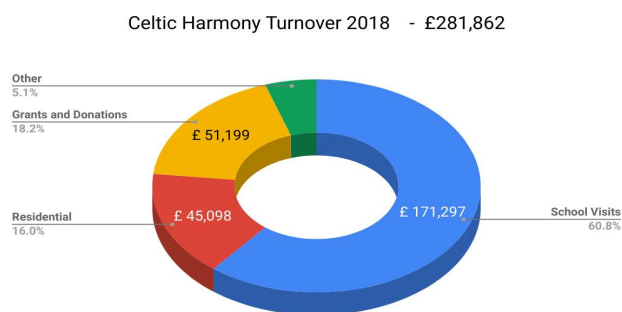
Charity Number: 1156199

Trustee Report

Financial Review

Celtic Harmony generated a net income of £33,623 for the year ending December 2018 (£69,579 in 2017). The decrease is due to the significant amount of grant funding in 2017 for the Prehistory Centre phase 1 and the partnership in Building Better Opportunities. Expenditure increased very slightly to £232,228 (£227,357 in 2017) as the permanent staff team developed further providing a strong education team to deliver the high quality education programme and coordinate the accompanying administration.

Turnover in 2018 was £287,162 (£332,509 in 2017), the decrease due to grant funding for phase 1 Prehistory Centre in 2017. The main areas of income were School day trips, 14,126 school children and their adult helpers visited and generated an income of £171,296 (£177,817 in 2017) the slight decrease represents as some schools converted to residential experiences. Residential experiences generated an income of £45,098 (£3,135 in 2017) total school income was £216,394 in 2018 (£180,952 in 2017); grants/donations £51,199 in 2018 (£100,475 in 2017); other income including service level agreements, book sales and events £14,268 in 2018 (£44,862 in 2017).



Celtic Harmony Trading also put aside £5,300 to donate to Celtic Harmony which is included within the turnover figure, and Raw Action donated £1,820.

Celtic Harmony
Registered number: 3631395
Charity Number: 1156199
Trustee Report

Governance
Charity Trustees and Company Directors

The charity trustees are the company directors of Celtic Harmony and have all served in office

I Davis
J Grocott
K Fitzpatrick Matthews
L Parrella
C Holt-Parrella

The day to day running is carried out by a dedicated team of staff led by Clare Holt-Parrella (CEO) and Luca Parrella (Heritage Director).

Officers
Mr L Parrella Heritage Director and Company Secretary

Registered Office
Celtic Harmony Office, 9 The Limberlost, Welwyn, Hertfordshire, AL6 9TS

Education Centre
Celtic Harmony Camp, Iron Age settlement, Brickendon Lane, Brickendon, Hertfordshire SG13 8NY.

Advisors

Accountants Thomas David 6-7 Castle Gate Castle Street Hertford, Herts SG14 1HD

Solicitors: Veale Wasbrough Vizards LLP, 45 Clarendon Road, Watford WD17 1SZ

Bankers: Barclays Bank, 12/12a, Howard Centre, Howards Centre, Welwyn Garden City, Hertfordshire AL8 6HA

The format and content of the report and financial statements comply with the Companies Act 2006, the Charities Act 2011 and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005).

Structure, Governance and Management

Governing Document
The company is governed by its Memorandum and Articles of Association.

Celtic Harmony
Registered number: 3631395
Charity Number: 1156199
Trustee Report

Charitable Objects

The main charitable objects of the charity as set out in the Memorandum and Articles of Association are

To advance the education of the public in the ancient cultural heritage of Britain and learn how to live in harmony with natural heritage today including the conservation, protection and improvement of the natural environment, and in such other ways as the trustees deem

The promotion of community participation in healthy recreation, in particular but not exclusively through the provision of courses in longbow archery.

Recruitment and Training of Trustees

The Charity's Trustees are appointed at a meeting of the Trustees on the basis of nominations made by current Trustees with regard to personal competence, the necessary range of specialist skills, knowledge of the charity and availability. New Trustees are inducted into the workings of the Charity, including the Charity's policy and procedures, at an induction organised by the directors. On appointment new Trustees receive full information about the Charity and a pack outlining their responsibilities, they also go through child protection screening.

Organisational Management

Responsibility for the overall management and control of the charity lies with the Trustees who meet quarterly and at other times as required by the charity's business.

Group Structure

The charity has a wholly owned subsidiary, Celtic Harmony Trading Limited, whose activities include catering and the shop, this year the trading branch donated £3,000 into the charity.

Risk Management

The Charity's Trustees are responsible for the management of the risks faced by the Charity.

The key controls used by the Charity include:

- Agendas and minutes for trustee and management meetings
- Strategic planning, budgeting and management accounting
- Organisational structure and lines of reporting
- Clear authorization and approval levels
- Vetting procedure to safe guard the vulnerable
- Use of professional advice and independent consultants when relevant

Celtic Harmony**Registered number: 3631395****Charity Number: 1156199****Trustee Report****Public Benefit**

Over 14,000 school children, families and community groups with a range of abilities and disabilities stepped into ancient Britain in 2018 benefitting from a unique hands-on experience.

The Trustees confirm that they have complied with the duty outlined in section 17(5) of the Charities Act 2011 to have due regard to the guidance issued by The Charity Commission on public benefit.

Provision of Information to Accountant

To the best of the directors knowledge at the time the accounts are approved:

- there is no relevant accounting information of which the charitable company's accountant is
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant accounting information and to establish that the accountant is aware of that information (s.234ZA(2)).

These accounts have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on
And signed on their behalf by:

Clare Holt-Parrella and Luca Parrella
Co-founders and Trustees

Celtic Harmony

Chartered Accountants' report to the board of directors on the preparation of the unaudited statutory accounts of Celtic Harmony for the year ended 31 December 2018

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Celtic Harmony for the year ended 31 December 2018 which comprise of the Income and Expenditure Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at icaew.com/membershandbook.

This report is made solely to the Board of Directors of Celtic Harmony, as a body, in accordance with the terms of our engagement letter dated 17 May 2017. Our work has been undertaken solely to prepare for your approval the accounts of Celtic Harmony and state those matters that we have agreed to state to the Board of Directors of Celtic Harmony, as a body, in this report in accordance with AAF 2/10 as detailed at icaew.com/compilation. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Celtic Harmony and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Celtic Harmony has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and profit of Celtic Harmony. You consider that Celtic Harmony is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Celtic Harmony. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Thomas David
Chartered Accountants
6-7 Castle Gate
Castle Street
Hertford
Herts
SG14 1HD

14 June 2019

Celtic Harmony
Income and Expenditure Account
for the year ended 31 December 2018

	2018 £	2017 £
Turnover	287,162	332,509
Cost of sales	(15,821)	(35,149)
Gross profit	<hr/> 271,341	<hr/> 297,360
Administrative expenses	(236,285)	(227,357)
Operating profit	<hr/> 35,056	<hr/> 70,003
Interest receivable	38	8
Interest payable	(1,471)	(432)
Net income	<hr/> 33,623	<hr/> 69,579
Restricted Reserves	<hr/> -	<hr/> -
Unrestricted Reserves	<hr/> 33,623	<hr/> 69,579

Celtic Harmony
Registered number: 3631395
Balance Sheet
as at 31 December 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	3	122,467	108,641
Investments	4	100	100
		<u>122,567</u>	<u>108,741</u>
Current assets			
Stocks		2,378	2,237
Debtors	5	12,821	10,565
Cash at bank and in hand		61,964	43,866
		<u>77,163</u>	<u>56,668</u>
Creditors: amounts falling due within one year	6	(12,958)	(11,502)
Net current assets		<u>64,205</u>	<u>45,166</u>
Total assets less current liabilities		<u>186,772</u>	<u>153,907</u>
Creditors: amounts falling due after more than one year	7	(57,249)	(58,008)
Net assets		<u>129,523</u>	<u>95,899</u>
Capital and reserves			
Non Restricted Reserves		129,523	95,899
Members' funds		<u>129,523</u>	<u>95,899</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

L A L M Parrella
 Director
 Approved by the board on 13 June 2019

Celtic Harmony
Notes to the Accounts
for the year ended 31 December 2018

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	over 50 years
Leasehold land and buildings	over the lease term
Plant and machinery	over 5 years
Fixtures, fittings, tools and equipment	over 5 years

Investments

Investments in subsidiaries, associates and joint ventures are measured at cost less any accumulated impairment losses. Listed investments are measured at fair value. Unlisted investments are measured at fair value unless the value cannot be measured reliably, in which case they are measured at cost less any accumulated impairment losses. Changes in fair value are included in the profit and loss account.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Celtic Harmony
Notes to the Accounts
for the year ended 31 December 2018

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

2 Employees

	2018 Number	2017 Number
Average number of persons employed by the company	<u>6</u>	<u>8</u>

3 Tangible fixed assets

	Land and buildings £	Plant and machinery £	Motor vehicles £	Total £
Cost				
At 1 January 2018	236,923	29,440	13,259	279,622
Additions	<u>50,148</u>	<u>4,500</u>	<u>-</u>	<u>54,648</u>
At 31 December 2018	<u>287,071</u>	<u>33,940</u>	<u>13,259</u>	<u>334,270</u>
Depreciation				
At 1 January 2018	137,679	24,496	8,806	170,981
Charge for the year	<u>37,348</u>	<u>1,236</u>	<u>2,238</u>	<u>40,822</u>
At 31 December 2018	<u>175,027</u>	<u>25,732</u>	<u>11,044</u>	<u>211,803</u>
Net book value				
At 31 December 2018	<u>112,044</u>	<u>8,208</u>	<u>2,215</u>	<u>122,467</u>
At 31 December 2017	<u>99,244</u>	<u>4,944</u>	<u>4,453</u>	<u>108,641</u>

Celtic Harmony
Notes to the Accounts
for the year ended 31 December 2018

4 Investments

	Investments in subsidiary undertakings £
Cost	
At 1 January 2018	100
At 31 December 2018	<u>100</u>

5 Debtors

	2018 £	2017 £
Trade debtors	378	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	6,445	5,445
Other debtors	5,998	5,120
	<u>12,821</u>	<u>10,565</u>

6 Creditors: amounts falling due within one year

	2018 £	2017 £
Bank loans and overdrafts	5,696	-
Other creditors	7,262	11,502
	<u>12,958</u>	<u>11,502</u>

7 Creditors: amounts falling due after one year

	2018 £	2017 £
Bank loans	57,249	-
Other creditors	-	58,008
	<u>57,249</u>	<u>58,008</u>

8 Loans to directors

Description and conditions	B/fwd £	Paid £	Repaid £	C/fwd £
Mr and Mrs Parrella				
Directors account overpayment	-	878	-	878
	<u>-</u>	<u>878</u>	<u>-</u>	<u>878</u>

The above loan account was cleared within the subsequent 9 months.

Celtic Harmony
Notes to the Accounts
for the year ended 31 December 2018

9 Controlling party

The company is controlled by the board of directors.

10 Other information

Celtic Harmony is a private company limited by guarantee and incorporated in England. Its registered office is:

9 The Limberlost
Welwyn
Hertfordshire
AL6 9TS

Celtic Harmony
Detailed income and expenditure account
for the year ended 31 December 2018

	2018 £	2017 £
Sales	287,162	332,509
Cost of sales	(15,821)	(35,149)
Gross profit	<hr/> 271,341	<hr/> 297,360
Administrative expenses	(236,285)	(227,357)
Operating profit	<hr/> 35,056	<hr/> 70,003
Interest receivable	38	8
Interest payable	(1,471)	(432)
Profit before tax	<hr/> 33,623	<hr/> 69,579

Celtic Harmony
Detailed income and expenditure account
for the year ended 31 December 2018

	2018	2017
	£	£
Sales		
Sales	<u>287,162</u>	<u>332,509</u>
Cost of sales		
Purchases	15,962	22,036
(Increase)/decrease in stocks	(141)	5,598
Other direct costs	<u>-</u>	<u>7,515</u>
	<u>15,821</u>	<u>35,149</u>
Administrative expenses		
Employee costs:		
Wages and salaries	71,735	69,868
Directors' salaries	53,334	50,000
Pensions	1,275	227
Temporary staff and recruitment	-	269
Staff training and welfare	2,372	-
Travel and subsistence	3,147	3,797
Motor expenses	4,545	901
	<u>136,408</u>	<u>125,062</u>
Premises costs:		
Rent	15,000	-
Rates	187	166
Light and heat	282	598
	<u>15,469</u>	<u>764</u>
General administrative expenses:		
Telephone and fax	4,085	3,183
Postage	3,116	1,450
Stationery and printing	258	257
Subscriptions	1,978	883
Bank charges	1,928	509
Insurance	4,718	4,005
Equipment expensed	1,246	783
Repairs and maintenance	3,158	1,570
Depreciation	40,822	36,213
Sundry expenses	-	5,180
	<u>61,309</u>	<u>54,033</u>
Legal and professional costs:		
Accountancy fees	884	1,220
Consultancy fees	6,359	18,315
Advertising and PR	14,356	27,963
Other legal and professional	1,500	-
	<u>23,099</u>	<u>47,498</u>
	<u>236,285</u>	<u>227,357</u>