

Annual Report & Financial Statements

for the year ended

31st August 2007

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The Essex Autistic Society

Registered Company No: 3407778

Registered Charity No: 1063717

Patrons:	The Rt. Hon. Lord Rayleigh The Hon. Bernard Jenkin MP The Rt. Revd Christopher Morgan, Bishop of Colchester
Vice President:	Mr J Seymour
Directors:	Mr J L Sparkes FCA – Chairman and Treasurer Mr C N Andrews Mr A Beevers Mrs A M Groves Mrs G Norton Mr A Peel Mr S Pittuck
Chief Executive/ Company Secretary:	Mr C A Stobbs
Doucecroft School Services Head Teacher:	Ms K Cranmer
Director of Adult Services:	Mr I Brown
Director of Finance & Administration:	Mrs V Gibbons
Registered Office:	Century House Riverside Office Centre North Station Road Colchester, CO1 1RE
Bankers:	The Royal Bank of Scotland plc 45 Head Street Colchester, CO1 1NW
Auditors:	Whittle & Co Century House South North Station Road Colchester, CO1 1RE
Solicitors:	Goody Burrett LLP St. Martins House 63 West Stockwell Street Colchester, CO1 1HE

LEGAL AND ADMINISTRATION INFORMATION

The Essex Autistic Society, first registered as a charity in 1974, was incorporated as a company limited by guarantee in 1997, and is registered as such in England & Wales under No. 3407778 and as a charity under No. 1063717.

The Society is established for the public benefit for the education, treatment, welfare and care of people with autism and related conditions.

Statement of Principles of the Society

The underlying principles upon which the Essex Autistic Society bases its services are: -

- To promote the welfare of children and adults with Autistic Spectrum Disorder.
- To supplement existing provision of the educational, health and social services in co-operation with local authorities, health authorities and voluntary organisations.
- To provide facilities for education, integration, care and guidance in a constructive environment and to set up educational, training and residential establishments for such purposes.
- To provide help and guidance for parents and families of children and young people with ASD.
- To promote a greater knowledge and understanding of autism amongst the public.

Organisational Structure

On the 31st August 2007 there were 191 members (2006: 218) on the Register of Members of the Society all of whom are entitled to vote. The members elect the charitable trustees (the Board of Directors under Company Law) of up to ten members (of whom not more than one half shall be non parent members), who hold office for a term of three years but who may stand for re-election. The trustees elect from their number a Chairman who shall not be a parent member.

The trustees also appoint the Chief Executive / Company Secretary, who is accountable to the trustees for the day-to-day management of the Society, implementing strategic policy and plans approved by the trustees. He is salaried and not a trustee. They also nominate one from their number to be responsible for finance and another for health and safety. The details of the trustees, Chief Executive / Company Secretary are shown on Page One.

The Rt. Hon. Lord Rayleigh, The Hon. Bernard Jenkin MP and The Rt. Revd Christopher Morgan, Bishop of Colchester are Patrons and Mr John Seymour is a Vice President of the Society.

CHAIRMAN'S STATEMENT



I am very pleased to report that the Society has had another successful year particularly in expanding its Community Support Service within the Adult Services. This new service has been well received and the Society is to further expand this service.

Our school services at our New Doucecroft School have been somewhat disappointing, in that the number of pupils we had hoped to be in place at this stage, is below what had been expected. This is due in part to the fact that the pupils, as a general rule, are not being referred to the Society until they reach eleven years of age, whereas a few years ago pupils were being referred at a much younger age. However against this trend we have seen an increase in post sixteen referrals, which we have been able to accommodate by increasing our Further Educational facility. This has enabled the Society to partly offset fees from that source against the cost of running our Doucecroft School.

Current government policy stresses the need to include children with disabilities in mainstream schools. For many children with autism, this is the best option. Others will need the support that can only be supplied through specialist provision such as provided by this Society. There is a strong case for early intervention as working with children can stop behavioural problems before they come entrenched.

The board continues to give a great deal of thought on plans to build on the Society's strengths and intend to increase the provision of Adult Services and, in due course, to increase the Further Education facility. The Society is also looking at the possibility of adding termly boarding to our school services, which may lead to an overall increase in pupil numbers.

The Society has once again increased its services and with its strong management team is well placed to further develop the provision of its services. This increase could not have been done without the support of a number of charitable trusts and foundations, other bodies and individuals, who have helped through cash donations or indirectly, by supporting fund raising events. Fundraising continues to play an important part in our plans to raise the necessary funds to increase our services.

I regret to announce that Mrs Betty Peters, one of the founders of the Society and a Vice President, passed away on 16th December 2007 but I am pleased that Mr John Seymour the first Chairman of the Society has agreed to become a Vice President.

I would like to congratulate all of our staff whose skill and dedication has been recognised by the very good reports we have received during the year for our Adult Services and School Services after inspections by the Commission for Social Care Inspection, OFSTED and after successful reviews by the National Autism Accreditation Programme. I believe this is to be an outstanding achievement for the Society which is due solely to our staff and recognises the excellent care our service users and pupils receive.

Finally, it may appear that we take the high quality of service provided by our staff for granted, but we really are very grateful and I would like to take this opportunity to personally thank every member of staff for their hard work and loyalty.

J.L. Sparkes,
Chairman
13th February 2008

CHIEF EXECUTIVE'S REPORT



Another busy year! The new Doucecroft School at Eight Ash Green has continued to expand. Eighteen children left the old school in Kelvedon in July 2005 and by 31st August 2008 we expect the number to have increased to 41. During the 2007 summer holidays the old carport was converted into another classroom and from September 2007 is being used by six FE aged students.



The number of students at the FE Department, Kelvedon has increased to fourteen and to provide extra space funding is being sought to convert more of the old outbuilding to build a teaching kitchen.

The adult services have also continued to expand. Our Community Support team have opened all four of the houses provided under the agreement with Colne Housing Society. We now have the capacity to provide care and support to 14 adults living in their own homes.

The provision of the teaching kitchen at Jigsaw Study Centre and the reorganisation of other rooms have allowed the number of adult students to increase to 52. Unfortunately, this means that it is bursting at the seams and we are still searching for a suitable building to open an additional Jigsaw.

Additional external funding has allowed us to expand our Family Support Department to a team of three. They provide valuable support to people with autism and their families throughout the county and the total number of families they have supported since the service started is over 700.

On 1st October 2007 we had a 'Grand Launch' at the Society's Head Office of our new Autism Alert Card. The card has drawn national praise from professionals and families. For more details of the card see page six.

Our Clinical Psychology Team is also providing valuable support to our service users, their families and our staff. In March 2007 we appointed a Speech and Language Therapist who is working well with the children and the adults being cared for by the Society. The partnership with the Clinical Psychology Department of Essex University is about to be extended to include a similar project with our Speech and Language Therapist. We are very proud to have been invited to work with them in this way and it is a sign of the reputation and the high regard in which the Society is held.

Our fundraising team have had another successful year. The new school appeal now stands at over £1.3m. Other funds have helped cover the costs of: the clinical psychology team, expanding the family support department, £80,000 for the conversion of the old carport to the new classroom for FE aged children and a new minibus from the Variety Club for Doucecroft School. Fundraising has also paid for an MPV vehicle and



an interactive whiteboard for the FE Department, renovation of the Peldon Old Rectory lounge, the new Peldon Cottage appeal currently stands at £125,000 and some £20,000 has been raised towards the costs of two additional minibuses.

Finally I would like to thank all of our staff. Without their dedication, loyalty, professionalism and care we couldn't continue providing the high quality of service that we do. This has been recognised during the year by our services receiving excellent reviews from the Commission for Social Care Inspection, OFSTED and the Autism Accreditation Programme.

REVIEW OF CURRENT SERVICES

Adult Services

The adult service continues to expand. The Society now runs five adult residential establishments with the capacity to support 27 adults: three houses on the Peldon Campus can support eighteen residents and a further two houses in Colchester capable of supporting another nine residents. Our community support service also continues to expand and now has the capacity to support 14 adults.

Peldon Old Rectory is a three storey Victorian building and offers accommodation for eleven adults. All service users have their own private bedrooms and the house is set within large developed gardens which are used for leisure, recreation and gardening. The gardens contain greenhouses, a swimming pool, a workshop, fruit, vegetables and flowers.

Ashton House is a detached residence with a large garden on Peldon Campus which provides accommodation for three adults. Each resident has their own bedroom. Due to the assessed complex needs of these service users staffing levels within Ashton House are higher than at the other adult establishments.

Seymour House is also on Peldon Campus and is a detached property, again with a large garden. It provides accommodation for four services users. Each resident has their own bedroom.

Coldwell Villa is a large detached house in Mersea Road, Colchester, which provides accommodation for five service users who have been diagnosed as having Asperger Syndrome. The staff are experienced in working with this particular service group and the presenting difficulties. Each resident has their own bedroom.

Bourne House is a four bed detached house in Mersea Road, Colchester. Each resident has their own bedroom. All service users are encouraged to lead a more independent lifestyle.

Community Support

The Society has recently expanded into providing care through community support projects and we now have the capacity to provide support for fourteen adults. The collaboration with Colne Housing Society has already provided the facilities for an additional eleven adults and we are now in discussions with them to provide further houses for our future requirements.

Jigsaw Study Centre

The Society also runs Jigsaw Study Centre which provides structured day activities for up to 52 adults with a mixture of service users from our own establishments and from the wider community. The centre offers skill-based activities which include art & textiles, music, computing, woodcraft, woodwork, PE and recent conversion work has enabled the centre to offer life-skills to an increased number of students.



REVIEW OF CURRENT SERVICES (cont.)

Doucecroft School, Eight Ash Green

It has been 30 years since Doucecroft School was first established and to mark the occasion a party was held at the school. We were delighted to welcome back many of the people that were instrumental in getting the school off the ground back in 1977. A Book of Memories has been published to commemorate the anniversary.



Doucecroft School has continued to thrive since its relocation to Eight Ash Green in 2005. The four and half acre site, which is registered for 64 children on a day or weekly boarding basis, is a calm, spacious, environment which is already proving beneficial to the children and is receiving favourable reports from friends, parents and professionals. Specialist facilities at the new school include two sensory rooms, a design and technology room, music / therapy and life-skills classrooms, as well as four purpose built boarding houses. During the 2007 summer holidays the old carport was converted to provide an additional classroom for post 16 students.



The Society was very proud that the design of the new school was recognised by it winning the *Royal Institute of British Architects (RIBA)*, Eastern Region award for contemporary buildings.

Further Education Department, Kelvedon

As a result of the recent conversion of an outbuilding at the Further Education Department in Kelvedon another teaching area and a room for meetings has been provided. The extra space has enabled two separate classes to be established and during the first term of the 2007/8 academic year the number of students rose to fourteen. Further work to the outbuilding is being planned to provide a new teaching kitchen.

Head Office

The Head Office is the administration centre of the Society. In addition to general administration staff the following specialists are based there:

Finance department headed up by the Director of Finance and Administration

Adult services administration team headed up by the Director of Adult Services

Clinical Psychology Team (who are working in partnership with Essex University)

Family Support Department

Speech and Language Therapist (who is also working in partnership with Essex University)

Health & Safety and Training Officer

Fundraising Team

IT Manager

Community Support Management Team

On 1st October 2007 the Society very successfully launched an Autism Alert Card. The card has been produced with the support of Essex Police and Suffolk Constabulary and is available free-of-charge to anyone with autism. In addition to the card the Society is providing information leaflets, advice and training to both police forces, and other emergency services, to give them a better understanding of autism. The launch was attended by senior police officers from both forces, other local disability groups, officers and councillors from Essex and Suffolk.



We were delighted that our local MP Bob Russell, a good friend of the Society, was able to attend and present the first official card to a young man with autism. The Society would like to gratefully acknowledge the assistance provided by Autism West Midlands in the production of the card.

REVIEW OF CURRENT SERVICES (cont.)

As at the time of going to press over 200 cards have been issued throughout East Anglia and at least another 200 applications are being processed.



The Society has been contacted by other police forces, autistic societies and support groups to give information, advice and help to enable similar schemes to be set up in other parts of the country. Information regarding the card and EAS contact details have been widely published in regional newspapers and police websites. We have recently been contacted by an officer from the Home Office for permission to include our details in their national newsletter as they are keen to encourage other schemes to be started. If you would like more information about the card please contact **Head Office** on **01206 577678** or an application form can be downloaded from the Society website, www.essexautistic.org.uk



Future Plans

Adult Services

The adult services will continue to expand its services and it is anticipated that the number of adults being cared for will increase to 41 by 31st August 2008.

The Society plans to redevelop The Cottage at Peldon to provide another three bed residential home for complex needs users to be opened by January 2010. External funding is being sought to convert The Cottage which became vacant early in 2007 when the adult administration staff moved into Head Office.

Following the success of the collaboration with Colne Housing Society which has enabled an extra eleven adults to live in their own homes and be cared for by the Society, discussions are taking place about satisfying the future needs of the adult services. The Society anticipates opening additional houses in 2008, 2009 and 2010.

The Jigsaw Study Centre is almost full and the Society is searching for a building suitable for a second adult day centre.

2008 marks the 25th anniversary of the Society's Adult Service's and we look forward to celebrating this during the year.

Doucecroft School Services

The Doucecroft School Services continue to expand and it is anticipated that the number of students will increase to 55 by 31st August 2008. An application has been made to Colchester Borough Council to extend the use of Doucecroft School, Eight Ash Green from 39 weeks Monday to Friday to 50 week fulltime boarding. If successful this will give Doucecroft the flexibility in the future to accept students for weekly, termly or 50 week boarding and be able to offer respite care. This will also allow Doucecroft to accept pupils who currently live too far away to be able to travel to Eight Ash Green every week. The provision for post 16 pupils, currently being provided on both the Kelvedon and Eight Ash Green sites, is expected to remain full and a decision on the future provision of Post 16 aged students will be taken soon. To help cope with the increase in the numbers at Further Education Department, Kelvedon a teaching kitchen will be built in the outbuilding.

C.A. Stobbs,
Chief Executive
13th February 2008

DIRECTORS' REPORT

The directors have pleasure in presenting their annual report together with the financial statements of the Society for the year ending 31st August 2007.

The Board of Trustees have adopted and comply with the '**Good Governance: A Code for the Voluntary and Community Sector**', which has been developed by the Charity Commission, the National Council for Voluntary Organisations (NCVO), the Association of Chief Executives of Voluntary Organisations (ACEVO), Charity Trustee Network (CTN), and the Institute of Chartered Secretaries and Administrators (ICSA).

Directors

The directors of the company (for the purposes of the Charities Acts also designated as Trustees) as at the date of this report are shown on page one. No director has received any remuneration for his services or financial benefit from the Society. The Society bears the cost of the usual Directors' and Officers' insurance for the Board and other committee members as authorised by the Memorandum and Articles. The members of the Society in general meeting appoint the directors and in accordance with Article 32 one third of the Directors retire each year by rotation. The directors retiring by rotation this year are Mr C N Andrews and Mr S Pittuck and who being eligible, offer themselves for re-appointment.

A resolution to amend the Articles of Association to increase the number of trustees from ten to twelve will also be proposed at the Annual General Meeting.

Trustees meet formally as a body bi-monthly. All new trustees receive a comprehensive Trustees' Manual. Additionally, individual trustees may undertake specific training (internal or external) in a particular aspect of trusteeship. Trustees are encouraged to attend all six meetings each year and the Annual General Meeting of Members.

As the Society cares for vulnerable children and adults all trustees, and school governors, submit to Criminal Records Bureau checks on being elected.

An audit review of trustee's skills was conducted by a sub-committee which presented a report to the board on 5th April 2006. This process has ensured that the board maintains an appropriate mix of experience and expertise. Current trustees cover a wide range of experiences, including commercial business, local government, education, accountancy, nursing, social services, financial management, the law and of course parents of individuals with autism

Statement of Directors responsibilities for the Financial Statements

The following statement, which should be read in conjunction with the Report of the Auditors, is made with a view to identifying for members the responsibilities of the directors in respect of the financial statements.

The directors are required by law 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 results for that period. In preparing these financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that this basis applies.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for ensuring proper accounting records are kept which disclose with reasonable accuracy at any time the financial position of the company and 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.

Statement of disclosure of information to Auditors

So far as each Director is aware, there is no relevant audit information of which the Company's auditors are unaware. Relevant information is defined as information needed by the Company's auditors in connection with preparing their report. Each Director has taken all the steps (such as making enquiries of other Directors and the auditors and any other steps required by the Director's duty to exercise due care, skill and diligence) that he ought to have taken in his duty as a Director in order to make himself aware of any relevant information to establish that the Company's auditors are aware of that information.

DIRECTORS' REPORT (cont.)

Review of financial statements

The net outgoing resources for the year amounted to £8,000, as compared to £390,000 the previous year.

The School Services activity has continued throughout the year with fewer pupils at the New Doucecroft School than had been planned which resulted in a deficit of £182,000 as compared to £238,000 in the previous year.

The Adult Services activity had a further satisfactory year with a surplus of £201,000 (2006: £112,000). This service has benefited by the increase in our Community Support Service which was referred to in last year's report.

Property Services, which relates to the properties occupied by the two services, had a surplus of £166,000 (2006: deficit £48,000).

Our Family Support Team now provides support to over 700 families, most of the cost of which is met by grant making bodies. Financing costs of £322,000 (2005: £332,000) relating to borrowing costs associated with the new school were incurred.

After crediting income from donations, gifts and fund raising of £390,000 (2005: £389,000) the net outgoing resources for the year amounted to £8,000 as compared to £390,000 in the previous year.

At the balance sheet date the Society had net borrowings of £4,800,000 (2006: £4,813,000) which was in line with our expectations.

Reserves policy

As previously stated, in view of the level of the investment required in respect of the New Doucecroft School the reserves policy was revised four years ago to reflect the amount invested in fixed assets and the bank facilities that have been made available to the Society. The directors would normally expect to have at least two months expenditure, which currently amounts to £900,000 in cash reserves in order to meet fluctuations in income, current liabilities and unplanned expenditure.

Unrestricted funds at 31st August 2007

	£'000
Total	£3,733
Designated funds	£8,986
Deficit on general reserves	£5,253

The deficit on general reserves is being financed by bank loans, which are repayable in annual instalments over the next 17 years.

In addition to the net borrowings at 31st August 2007 of £4,800,000 the Society had undrawn bank facilities of £371,000 available.

The directors consider that in the light of these facilities the Society will have sufficient funds available to meet its ongoing obligations.

A major fundraising appeal of £2,500,000 was launched in August 2004 in order to provide funds to meet the building, construction and fitting out costs of the New Doucecroft School and boarding accommodation. Future receipts from the appeal will be utilised to finance either further development costs at the school to complete the project or to reduce borrowings.

Risk management

The Board of Trustees fully recognises its responsibility for the management of risk, and there is a sub-committee of the Board of Trustees charged with identifying, assessing and minimising the major risks (based on likelihood of occurrence and potential impact) to which the charity is exposed.

The Board of Trustees as a body has undertaken an annual review of the Risk Register and is able to confirm that the major risks to which the charity is exposed are properly identified, reviewed and evaluated; and that appropriate systems have been established and maintained in order to mitigate those risks.

Health and Safety

The Society has issued a policy statement on its commitment to a safe working environment for all employees and service users and has a full time Health & Safety Officer in its employment.

Review of performance against objectives

The objective that had been set for the year in respect of School and Adult Services was as follows:

School Services - That fees receivable would equate to charitable expenditure. In the event, pupil numbers continued to be below that had been planned and expenditure exceeded income by £182,000.

Adult Services - To increase the Community Support within the Adult Services and this was achieved in line with the objective that had been set. The fee income from the services exceeded charitable expenditure by £201,000 which was satisfactory.

Plan

The Board of Trustees have approved a Three Year Development Plan whereby the prime objective is for the School Services to cover expenditure within the period of the Plan. The Plan also includes a further increase in the provision of Community Support within our Adult Services.

DIRECTORS' REPORT (cont.)

Fundraising

It is very pleasing to report that the Society's third year of the fundraising appeal for the new school has been successful, resulting in a further £163,000 being received during the year. In addition £227,000 was also raised in respect of other fundraising appeals and events. The Directors would like to thank all the charitable trusts and foundations, companies, faith groups, clubs, groups and individuals who have helped in any way to raise this amount. We would particularly like to acknowledge the following for their support either through grants, pledges, sponsorship, donations or gifts in kind.

Big Lottery Fund

The Baily Thomas Charitable Fund

Childrens Fund Essex

The Foyle Foundation

The Equitable Charitable Trust

Colchester Catalyst Charity

Fowler, Smith & Jones Charitable Trust

The Three Guineas Trust

Red Hill Trust

Hilton in the Community Foundation

The Childwick Trust

Charles S French Charitable Trust

The Act Foundation

The Queens Silver Jubilee Trust

The PJK Charitable Trust

The Grocers' Charity

W O Street Charitable Foundation

The Elizabeth & Prince Zaiger Charitable Trust

The Sir James Roll Charitable Trust

The David Solomons Charitable Trust

The Coutts Charitable Trust

Allchurches Trust Limited

The Roger Vere Foundation

The Cotton Trust

The Marsh Christian Trust

Marconi (Chelmsford) & Associates
Employees Charities Trust Fund

Norwich & Peterborough Building Society

Leeds Building Society

The Rotary and Inner Wheel Movement

Forrester Park Golf Club

Thorpe Hall Golf Club

Stoke by Nayland Golf Club

The Colchester Branch

The Variety Club of Great Britain Golfing Society

The Lord's and Lady Taverners

Essex County Standard

dhgraphics

Plus some very generous individuals. We also remain extremely grateful to our collection volunteers and all the people that have taken part in our events or raised money on our behalf.

Annual General Meeting

The annual general meeting of the Society will be held on Friday 28th March 2008 at Doucecroft School, Abbots Lane, Eight Ash Green, Colchester.

Auditors

Whittle & Co were appointed as auditors during the period under review. In accordance with Section 385 of the Companies Act 1985, a resolution for their re-appointment will be proposed at the forthcoming annual general meeting.

Approval of Annual Report

This report was approved by the Board of Directors on 13th February 2008 and signed on its behalf by

J.L. Sparkes

Chairman
13th February 2008

REPORT OF THE AUDITORS

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ESSEX AUTISTIC SOCIETY

We have audited the accounts of The Essex Autistic Society for the year ended 31st August 2007 set out on pages 12 to 21. These financial statements have been prepared under the accounting policies set out on page 16.

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, which 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 opinions we have formed.

Respective responsibilities of directors and auditors

As described on page 4, the directors (who also act as trustees for the charitable activities of the company) are responsible for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the accounts, 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 read the information contained in the Directors' Report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, 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 information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts 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 the information in the financial statements.

Opinion

In our opinion the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the company's affairs as at 31st August 2007 and of its incoming resources and application of resources, including its income and expenditure and cash flows in the year then ended, have been properly prepared in accordance with the Companies Act 1985 and the information given in the Directors' Report is consistent with the accounts.

Whittle & Co.
Chartered Accountants
and Registered Auditors

Century House South
North Station Road
Colchester
Essex
CO1 1RE

13th February 2008

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st AUGUST 2007

	Note	Unrestricted funds £'000	Restricted funds £'000	Total 2007 £'000	Total 2006 £'000
Incoming resources					
Charitable activities		4,876	-	4,876	4,109
Voluntary income:					
Donations and gifts		22	16	38	119
Fund raising		12	340	352	270
Total incoming resources	1	4,910	356	5,266	4,498
Resources expended					
Charitable activities		4,710	144	4,854	4,464
Governance costs		7	-	7	9
Fund raising costs		91	-	91	83
Financing costs		322	-	322	332
Total resources expended	1 & 3	5,130	144	5,274	4,888
Net (outgoing)/incoming resources before transfers		(220)	212	(8)	(390)
Transfers between funds	9	146	(146)	-	-
Net (outgoing)/incoming resources for the year		(74)	66	(8)	(390)
Gain on revaluation of freehold properties		-	-	-	467
Net movement in funds		(74)	66	(8)	77
Balances brought forward at 1st September 2006		3,807	63	3,870	3,793
Balances carried forward at 31st August 2007		3,733	129	3,862	3,870

The notes on pages 17 to 21 form part of these accounts

**SUMMARY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31st AUGUST 2007**

	2007	2006
	£'000	£'000
Gross income	5,266	4,498
Total expenditure	(5,274)	(4,888)
	<hr/>	<hr/>
Net expenditure for the year	(8)	(390)
	<hr/>	<hr/>

The Summary Income & Expenditure Account is derived from the Statement of Financial Activities which, together with the notes on pages 17 to 21 provides full information on the movements during the year on all funds of the Company.

Detailed analyses of the expenditure are provided in the Statement of Financial Activities and Notes 2 and 3 to the accounts.

BALANCE SHEET AS AT 31st AUGUST 2007

	2007	2006
Note	£'000	£'000
Fixed assets		
Tangible fixed assets	4	8,986
Current assets		
Debtors	5	365
Cash at bank and in hand		63
	428	156
	8,986	213
Creditors:		
Amounts falling due within one year	6	
Bank loans		88
Bank overdraft		379
Other		689
	1,156	1,822
	8,986	2,721
Net current liabilities		(728)
Total assets less current liabilities		8,258
		(2,508)
Total assets less current liabilities		6,614
Creditors		
Amounts falling due after more than one year		
Bank loans	7	4,396
Net assets		3,862
		2,744
3,870		3,870
Funds		
Unrestricted funds:	8	
General reserves		(5,253)
Designated funds:		
Fixed assets		6,839
Fixed assets revaluation reserve		2,147
		3,733
Restricted funds	9	129
		3,862
		63
		3,870

Approved by the Board of Directors
on 13th February 2008 and signed
on its behalf by

J.L. Sparkes, Chairman

The notes on pages 17 to 21 form part of these accounts

CASHFLOW STATEMENT FOR THE YEAR ENDED 31st AUGUST 2007

	2007 £'000	2006 £'000
Net cash inflow from services activities	166	34
Fixed assets		
Purchase of tangible fixed assets	(156)	(155)
Proceeds from sale of tangible fixed assets	3	565
Net cash (outflow)/inflow from fixed assets	(153)	410
Net decrease in net debt in year	13	444
Net debt at 31st August 2006	(4,813)	(5,257)
Net debt at 31st August 2007	(4,800)	(4,813)

Notes to the cashflow statement

	2007 £'000	2006 £'000
Reconciliation of changes in resources to net cash inflow from services activities		
Net outgoing resources before revaluations	(8)	(390)
Depreciation for the year	289	471
Increase/(decrease) in creditors	94	(75)
(Increase)/decrease in debtors	(209)	28
	166	34

Analysis of balance of cash/bank loans

	2007 £'000	2006 £'000
Cash at Bank and in hand	63	57
Bank overdraft	(379)	(304)
	(316)	(247)
Bank loans	4,484	4,566
Net debt at 31st August 2007	(4,800)	(4,813)

The notes on pages 17 to 21 form part of these accounts

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ("SORP"), the Charities Act 1993, the Companies Act 1985 and applicable accounting standards. The particular policies adopted in the preparation of the financial statements are set out below.

1. Accounting convention

These financial statements are drawn up on the historical cost accounting basis except for certain freehold properties, which are included at revalued amounts.

2. Fees

Income from the provision of services under contract is recognised in the Statement of Financial Activities to the extent that the services have been provided. Where such income is invoiced in advance it is included under creditors as contract fees received in advance.

3. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate costs related to that category. This includes the direct cost of the charitable activities together with support costs that enable the activities to be undertaken. Where costs such as head office cannot be directly attributed to particular headings they have been allocated to activities on an appropriate bases.

4. Costs of fundraising

The costs of fundraising include the costs of generating voluntary income.

5. Governance

Governance costs represent expenditure incurred in the compliance with statutory requirements.

6. Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition. Freehold land and buildings are included at revaluation (on an open market basis) with the exception of the New Doucecroft School which is regarded as a specialised asset and included at cost.

Depreciation is provided on freehold property at the rate of 2.5% per annum.

Depreciation is provided on leasehold improvements over the period of the lease.

Depreciation is provided to write off the costs of other tangible assets by equal instalments over their useful lives at the following rates.

Furniture, fixtures and equipment:	15%
Computer equipment	25%
Motor vehicles	20%

7. Pension scheme

The company operates and contributes to a defined contribution pension scheme which is available to all staff after a minimum of three months service.

8. Funds accounting

The charity maintains various types of funds as follows:

Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees and which have not been designated for other purposes.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for particular purposes or projects.

Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

9. Value added tax

The company's activities are classified as exempt for the purposes of value added tax, and the company is unable to reclaim the value added tax which it suffers on its expenses. Expenditure in these financial statements is therefore shown inclusive of value added tax.

NOTES TO THE ACCOUNTS

1. Incoming resources and resources expended from services and other activities in respect of unrestricted funds.

	School Services £'000	Adult Services £'000	Property Services £'000	Other £'000	Total 2007 £'000	Total 2006 £'000
Incoming resources						
Fees receivable	2,455	2,421	-	-	4,876	4,109
Donations and gifts	-	-	-	22	22	13
Fund raising	-	-	-	12	12	12
Total incoming resources	2,455	2,421	-	34	4,910	4,134
Resources expended						
Direct charitable expenditure	2,637	2,220	(166)	19	4,710	4,288
Governance costs	-	-	-	7	7	9
Fund raising costs	-	-	-	91	91	83
Financing costs	-	-	-	322	322	332
Total outgoing resources	2,637	2,220	(166)	439	5,130	4,712
Net (outgoing)/incoming - resources for the year	(182)	201	166	(405)	(220)	(578)

2. Staff costs and numbers

	Unrestricted £'000	Restricted £'000	2007 Total £'000	2006 Total £'000
Salaries and wages	2,936	36	2,972	2,595
Social security costs	238	3	241	201
Pension costs	102	1	103	102
	3,276	40	3,316	2,898

	2007		2006	
	Full Time No.	Part Time No.	Full Time No.	Part Time No.
The average number of employees during the year				
School services	72	18	51	19
Adult services	61	31	57	30
Management and administration and others	12	1	10	1

Trustees are not remunerated. The Society has incurred expenditure of £5,196 in respect of Indemnity Insurance for the Trustees.

NOTES TO THE ACCOUNTS

3. Analysis of resources expended in respect of unrestricted funds.

	Staff Costs £'000	Other £'000	Depreciation £'000	2007 Total £'000	2006 Total £'000	
a. Direct charitable expenditure						
School services	1,567	1,010	60	2,637	2,177	
Adult services	1,674	517	29	2,220	2,058	
Property services	3	(369)	200	(166)	48	
Family Support Officer	4	15	-	19	5	
	3,248	1,173	289	4,710	4,288	
b. Fund raising costs						
	28	63	-	91	83	
c. Running costs						
	Premises £'000	Other costs £'000	Agency staff £'000	2007 £'000	2006 £'000	
School services	402	302	306	1,010	808	
Adult services	215	275	27	517	507	
Family Support Officer	-	15	-	15	2	
Property services	(375)	6	-	(369)	(341)	
Fund raising costs	-	63	-	63	57	
	242	661	333	1,236	1,033	
d. Depreciation						
	School Services £'000	Adult Services £'000	Governance Costs £'000	Property Services £'000	2007 £'000	2006 £'000
Freehold property	-	-	-	200	200	204
Leasehold Improvements	2	2	-	-	4	2
Furniture, fixtures and fittings	39	5	-	-	44	43
Motor vehicles	18	21	-	-	39	39
	59	28	-	200	287	288
Loss on sale of assets	1	1	-	-	2	183
	60	29	-	200	289	471

Governance costs include an audit fee of £3,055 (2006: £3,055).

The directors have received neither remuneration nor expenses.

NOTES TO THE ACCOUNTS

4. Tangible fixed assets

	Freehold land and buildings £'000	Leasehold Improve- ments £'000	Furniture fixtures & equipment £'000	Motor vehicles £'000	Total £'000
Cost or valuation					
At 1st September 2006	9,023	65	233	211	9,532
Additions at cost	66	12	6	72	156
Disposals		-	(8)	(17)	(25)
At 31st August 2007	9,089	77	231	266	9,663
Accumulated depreciation					
At 1st September 2006	140	56	81	133	410
Charge for year	200	4	44	39	287
Disposals		-	(6)	(14)	(20)
At 31st August 2007	340	60	119	158	677
Net book values					
At 31st August 2007	8,749	17	112	108	8,986
At 31st August 2006	8,883	9	152	78	9,122

Freehold land and buildings includes the new Doucecroft School at cost of £6,659,000 (2006: £6,593,000) which has been classified as a specialised asset and not subject to revaluation. The other freehold properties were revalued at 31st August 2006 on an open market basis by FPD Savills, Chartered Surveyors having previously been revalued at 31st August 2003.

	2007 £'000	2006 £'000
Comparable historical cost and depreciation for the land and buildings included at valuation:		
Cost	8,041	7,975
Accumulated depreciation	813	638

The fixed assets are used for direct charitable purposes.

NOTES TO THE ACCOUNTS

5. Debtors

	2007 £'000	2006 £'000
Amounts due in respect of services	268	49
Prepayments	85	98
Other debtors	12	9
	365	156

6. Creditors: Amounts falling due within one year

	2007 £'000	2006 £'000
Bank loans (secured)	88	1,822
Bank overdraft (secured)	379	304
	467	2,126
Other		
Contract services fees received in advance	176	71
Accruals	237	295
Other creditors	126	110
Clients balances*	71	53
Payroll tax and social security	79	66
	689	595
	1,156	2,721

*Clients balances are represented by monies held as part of cash at bank

7. Creditors: Amounts falling due after more than one year

	2007 £'000	2006 £'000
Bank loan (secured)	4,396	2,744
Repayable by instalments		
After one and within two years	95	88
After two and within five years	735	293
After five years	3,566	2,363
	4,396	2,744

The bank loans and overdraft are secured on all of the assets of the company and represent 55% (2006: 54%) of the value of those assets. The bank loans are repayable by monthly instalments until 2024.

NOTES TO THE ACCOUNTS

8. Unrestricted funds

	General reserves £'000	Designated Funds £'000	Total £'000
Balance at 1st September 2006	(5,315)	9,122	3,807
Net movement in funds	(74)	-	(74)
Transfers between funds	136	(136)	-
Balance at 31st August 2007	(5,253)	8,986	3,733

The designated funds represent the net book value of tangible fixed assets. Each year an amount is transferred to or from the fund representing the movement in the net book value of fixed assets in the year.

9. Restricted funds

The income funds of the Society include restricted funds comprising balances of donations and grants held on trusts to be applied for specific purposes.

	School Services £'000	Adult Services £'000	Family Support £'000	New School Appeal £'000	Total £'000
Balance at 1st September 2006	1	21	35	6	63
Voluntary income - Big Lottery Fund	21	-	-	35	56
Voluntary income - other	158	22	90	30	300
Transfer to unrestricted funds	(107)	-	(7)	(32)	(146)
Outgoings	(31)	(18)	(56)	(39)	(144)
Balance at 31st August 2007	42	25	62	-	129

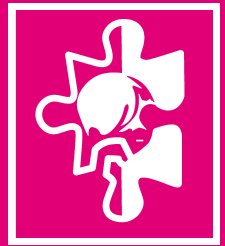
10. Financial Commitments

At the year end the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2007 £'000	2006 £'000	2007 £'000	2006 £'000
Expiry date:				
Within one year	-	-	5	-
Between two and five years	62	-	4	5
In over five years	-	45	-	-

The Essex Autistic Society

Registered Charity No: 1063717
Registered Company No: 3407778



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