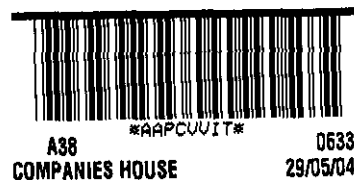


THE BRITISH AMATEUR GYMNASTICS ASSOCIATION
(A company limited by guarantee)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2003

COMPANY NUMBER: 1630001



THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

COMPANY INFORMATION

DIRECTORS

MEMBERS OF THE POLICY BOARD

B Stocks	Chairman
P S Garber	Vice Chairman
M Warren	

REPRESENTATIVES FROM THE AFFILIATED ASSOCIATIONS

H Todd	British Schools Gymnastics Association
R Black	Northern Ireland
J Moss	West Midlands
A Spriggs	East
L Fairbrother	South
V J Jackman	South West
M Swallow	London
C Simpkin	North West
L Milne	Scotland
E Blott	North England
C Bowker	Yorkshire
H Phillips	Wales

CHIEF OFFICER

Alan Sommerville	Chief Executive Officer of British Gymnastics Association
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SECRETARY

Doreen A Jones

COMPANY NUMBER

1630001

REGISTERED OFFICE

Ford Hall Lilleshall National Sports Centre Newport Shropshire TF10 9NB

AUDITORS

Bentley Jennison Chartered Accountants & Registered Auditors 3 Hollinswood Court Stafford Park 1 Telford TF3 3BD

BANKERS

National Westminster Bank plc 19 High Street Newport Shropshire TF10 7AT
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SOLICITORS

Lanyon Bowdler Brodie House Town Centre Telford TF3 4DR

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

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THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

DIRECTORS' REPORT **For the year ended 30 September 2003**

The directors present their report and the financial statements for the year ended 30 September 2003.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and group and of the surplus or deficit of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS

The principal activities of the group are the encouragement, promotion and regulation of the sport of gymnastics including the organising of displays and events.

We have committed ourselves to increasing our income and controlling our costs, with the long term aim of increasing our reserves to a level which ensures the long-term security of the Association. At the same time, we have aimed to improve our services to members and to the sport in general.

RESULTS AND DIVIDENDS

The surplus for the year, after taxation, amounted to £200,683 (2002 - £230,010) .

The directors recommend that no dividend should be paid.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

DIRECTORS' REPORT
For the year ended 30 September 2003

DIRECTORS

The directors who served during the year were:

B Stocks
P S Garber
M Warren
H Todd
R Keitch (resigned 20/7/2003)
R Black
M Taylor (deceased 17/12/03)
A Spriggs
L Fairbrother
V J Jackman
M Swallow
C Simpkin
L Milne
E Blott
C Bowker
H Phillips (appointed 18/10/03)

None of the directors has any interest in the company as The British Amateur Gymnastics Association is a company limited by guarantee and does not have any share capital.

There were no interests held by any of the directors in any of the shares of the other group companies as they are all 100% owned by The British Amateur Gymnastic Association.

AUDITORS

The auditors, Bentley Jennison, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the board on 8 May 2004 and signed on its behalf.



Doreen A Jones
Secretary

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

We have audited the financial statements of The British Amateur Gymnastics Association for the year ended 30 September 2003 set out on pages 4 to 21. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 8 to 9.

This report is made solely to the group'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 group's members those matters 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 group and the group'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 in the Statement of Directors' Responsibilities the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the group 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 and other members of the Group is not disclosed.

We read the Directors' Report and the other information contained in the annual report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the company and the group, 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 misstatement, whether caused by fraud or other irregularity 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 affairs of the company and the group as at 30 September 2003 and of the surplus of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985, as amended.


Bentley Jennison

Chartered Accountants
Registered Auditors

3 Hollinswood Court

Stafford Park 1
Telford
TF3 3BD

8 May 2004

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
For the year ended 30 September 2003

	Note	2003 £	2002 £
INCOME	1,2	6,727,258	5,377,063
Direct costs		(5,622,777)	(4,341,572)
GROSS SURPLUS		1,104,481	1,035,491
Administrative expenses		(916,220)	(795,312)
OPERATING SURPLUS	4	188,261	240,179
Interest receivable		26,469	11,786
Interest payable	6	(10,130)	(20,579)
SURPLUS ON ORDINARY ACTIVITIES BEFORE TAXATION		204,600	231,386
TAX ON SURPLUS ON ORDINARY ACTIVITIES	7	(3,917)	(1,376)
SURPLUS ON ORDINARY ACTIVITIES AFTER TAXATION	15	200,683	230,010
RETAINED SURPLUS FOR THE FINANCIAL YEAR	15	200,683	230,010

All amounts relate to continuing operations.

There were no recognised gains and losses for 2003 or 2002 other than those included in the profit and loss account.

The notes on pages 8 to 21 form part of these financial statements.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

**CONSOLIDATED BALANCE SHEET
As at 30 September 2003**

		2003		2002	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		351,041		390,185
CURRENT ASSETS					
Stocks	10	95,959		103,352	
Debtors	11	400,611		460,823	
Cash at bank and in hand		1,045,391		1,061,326	
		<u>1,541,961</u>		<u>1,625,501</u>	
CREDITORS: amounts falling due within one year	12	<u>(1,265,924)</u>		<u>(1,524,145)</u>	
NET CURRENT ASSETS			<u>276,037</u>		<u>101,356</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			627,078		491,541
CREDITORS: amounts falling due after more than one year	13		<u>(141,712)</u>		<u>(206,858)</u>
NET ASSETS			<u>485,366</u>		<u>284,683</u>
CAPITAL AND RESERVES					
Income and expenditure account	15		<u>485,366</u>		<u>284,683</u>
MEMBERS' FUNDS	16		<u>485,366</u>		<u>284,683</u>

The financial statements were approved by the board on 8 May 2004 and signed on its behalf.



B Stocks
Director

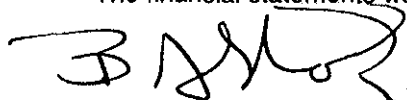
The notes on pages 8 to 21 form part of these financial statements.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

COMPANY BALANCE SHEET
As at 30 September 2003

		2003		2002	
	Note	£	£	£	£
FIXED ASSETS					
Tangible fixed assets	8		133,721		169,025
Investments	9		10,104		10,104
			<u>143,825</u>		<u>179,129</u>
CURRENT ASSETS					
Stocks	10	4,710		4,485	
Debtors	11	659,621		701,840	
Cash at bank and in hand		348,544		192,690	
		<u>1,012,875</u>		<u>899,015</u>	
CREDITORS: amounts falling due within one year	12	<u>(592,458)</u>		<u>(654,499)</u>	
NET CURRENT ASSETS			<u>420,417</u>		<u>244,516</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>564,242</u>		<u>423,645</u>
CREDITORS: amounts falling due after more than one year	13		<u>(127,620)</u>		<u>(151,889)</u>
NET ASSETS			<u><u>436,622</u></u>		<u><u>271,756</u></u>
CAPITAL AND RESERVES					
Income and expenditure account	15		<u>436,622</u>		<u>271,756</u>
MEMBERS' FUNDS	16		<u><u>436,622</u></u>		<u><u>271,756</u></u>

The financial statements were approved by the board on 8 May 2004 and signed on its behalf.



B Stocks
Director

The notes on pages 8 to 21 form part of these financial statements.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

CASH FLOW STATEMENT
For the year ended 30 September 2003

	Note	2003 £	2002 £
Net cash flow from operating activities	17	81,716	664,227
Returns on investments and servicing of finance	18	16,339	(8,793)
Taxation		(1,734)	(442)
Capital expenditure and financial investment	18	(72,554)	(79,183)
CASH INFLOW BEFORE FINANCING		23,767	575,809
Financing	18	(39,702)	(26,041)
(DECREASE)/INCREASE IN CASH IN THE PERIOD		(15,935)	549,768

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (NOTE 19)
For the year ended 30 September 2003

	2003 £	2002 £
(Decrease)/Increase in cash in the period	(15,935)	549,768
Cash decrease from movement in debt and lease financing	39,702	26,041
MOVEMENT IN NET DEBT IN THE PERIOD	23,767	575,809
Net funds at 1 October 2002	966,655	390,846
NET FUNDS AT 30 SEPTEMBER 2003	990,422	966,655

The notes on pages 8 to 21 form part of these financial statements.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2003

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and are prepared in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of The British Amateur Gymnastics Association and all of its subsidiary undertakings ('subsidiaries').

1.3 Investments

Share in subsidiaries are valued at cost less provision for permanent impairment.

1.4 Turnover

Turnover comprises the invoiced value of goods and services supplied by the group, exclusive of Value Added Tax and trade discounts.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & Fittings	- over 5 to 10 years
Office Equipment	- over 5 to 10 years
Other Fixed Assets	- over 5 to 10 years

1.6 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income and expenditure account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.7 Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the income and expenditure account as incurred.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2003

1. ACCOUNTING POLICIES (continued)

1.9 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the income and expenditure account over the expected useful lives of the assets concerned. Other grants are credited to the income and expenditure account as the related expenditure is incurred.

1.10 Pensions

The group contributes to two defined benefit pension schemes for certain employees.

The company also contributes up to a maximum of 5% of salaries to personal pension plans of individuals excluded from the defined benefit schemes.

1.11 Future events

Income and expenditure which relates to future events is carried forward and released during the year in which the event takes place.

2. INCOME

An analysis of the group's income and gross surplus/(deficit) is shown below:

	Income	Gross surplus/ (deficit)	Income	Gross surplus/ (deficit)
	2003	2003	2002	2002
	£		£	
Membership	1,742,595	833,142	1,365,061	637,130
Grants received	3,146,155	562,500	2,727,343	562,500
Awards	587,258	451,901	588,009	396,304
Publications	139,815	64,129	115,725	57,274
Coach education	317,552	(30,283)	288,894	8,727
Major events	36,388	(12,237)	33,873	(23,128)
Technical activities (note 3)	225,215	(140,836)	201,483	(104,337)
Squad training	3,205	(226,649)	2,304	(150,467)
Other	2,745	-	54,371	32,301
National development officers	-	(160,369)	-	(167,170)
Regional development officers	-	(231,745)	-	(213,643)
Gymnaestrada	526,330	(5,072)	-	-
	<u>6,727,258</u>	<u>1,104,481</u>	<u>5,377,063</u>	<u>1,035,491</u>

All income arose within the United Kingdom.

The surplus in respect of grants received relates to UK Sports Council grants, which are used to fund all activities of the Association. The related expenditure is included in the relevant headings in direct costs and administrative expenses.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

3. TECHNICAL ACTIVITIES

The income and expenditure from technical activities is included in income and direct costs. A breakdown between each technical activity is as follows:

	2003 £	2002 £
Income		
Disabilities	30,145	2,991
General	11,263	7,352
Mens	22,665	19,781
Rhythmic	6,160	9,576
Sports acrobatics	22,291	45,660
Sports aerobics	14,907	14,561
Womens	67,645	68,303
Trampolining	45,940	31,905
Separately funded home events	4,199	1,354
	<u>225,215</u>	<u>201,483</u>
Expenditure		
Disabilities	36,180	9,047
General	23,091	15,158
Mens	36,787	27,251
Rhythmic	11,094	15,317
Sports acrobatics	32,853	59,414
Sports aerobics	23,792	23,033
Womens	87,121	74,267
Trampolining	77,605	66,855
Separately funded home events	12,291	5,393
Administrative support	10,269	10,085
Northern Ireland development	10,000	-
Medical cover for home events	4,968	-
	<u>366,051</u>	<u>305,820</u>
Net expense	<u>(140,836)</u>	<u>(104,337)</u>

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2003

4. OPERATING SURPLUS

The Operating surplus is stated after charging:

	2003 £	2002 £
Depreciation of tangible fixed assets:		
- owned by the company	81,728	80,499
- held under finance leases	29,970	29,969
Auditors' remuneration	10,779	12,000
Operating lease rentals:		
- other operating leases	90,959	133,602
- land and buildings	69,161	54,906
	<u> </u>	<u> </u>

Auditors fees for the Company were £7,200 (2002:£7,200)

5. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2003 £	2002 £
Wages and salaries	1,727,235	1,582,596
Social security costs	164,162	143,363
Other pension costs	55,282	51,324
	<u> </u>	<u> </u>
	1,946,679	1,777,283
	<u> </u>	<u> </u>

No director of the Association received any emoluments during the year.

The average monthly number of employees, including the directors, during the year was as follows:

	2003 No.	2002 No.
Office and management	53	49
World class performance	32	29
	<u> </u>	<u> </u>
	85	78
	<u> </u>	<u> </u>

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

6. INTEREST PAYABLE

	2003 £	2002 £
On bank loans and overdrafts	1,349	1,686
On finance leases and hire purchase contracts	8,781	18,058
Other interest payable	-	835
	<u>10,130</u>	<u>20,579</u>

7. TAXATION

	2003 £	2002 £
Analysis of tax charge in year		
UK corporation tax on profits of the year	3,917	1,734
Adjustments in respect of prior periods	-	(358)
	<u>3,917</u>	<u>1,376</u>
Tax on profit on ordinary activities	<u>3,917</u>	<u>1,376</u>

Factors affecting tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (19%). The differences are explained below:

	2003 £	2002 £
Surplus on ordinary activities before tax	204,600	231,386
Surplus on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2002 - 10%)	38,874	23,139
Effects of:		
Utilisation of tax losses	(34,957)	(21,405)
Adjustments to tax charge in respect of prior periods	-	(358)
	<u>3,917</u>	<u>1,376</u>
Current tax charge for year (see note above)	<u>3,917</u>	<u>1,376</u>

Factors that may affect future tax charges

At 30 September 2003 the group has unutilised tax losses of approximately £160,000 (2002 - £195,000) available for offset against future trading surpluses.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

8. TANGIBLE FIXED ASSETS

Group	Furniture, fittings and equipment £	Other fixed assets £	Total £
Cost			
At 1 October 2002	1,010,186	28,247	1,038,433
Additions	72,554	-	72,554
Disposals	(305,922)	-	(305,922)
At 30 September 2003	776,818	28,247	805,065
Depreciation			
At 1 October 2002	628,155	20,093	648,248
Charge for the year	107,734	3,964	111,698
On disposals	(305,922)	-	(305,922)
At 30 September 2003	429,967	24,057	454,024
Net book value			
At 30 September 2003	346,851	4,190	351,041
At 30 September 2002	382,031	8,154	390,185

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2003 £	2002 £
Furniture, fittings and equipment	67,431	97,400

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

8. TANGIBLE FIXED ASSETS (continued)

Company	Furniture, fittings and equipment £
Cost	
At 1 October 2002	481,459
Additions	1,124
Disposals	(163,590)
	<u>318,993</u>
At 30 September 2003	
Depreciation	
At 1 October 2002	312,434
Charge for the year	36,428
On disposals	(163,590)
	<u>185,272</u>
At 30 September 2003	
Net book value	
At 30 September 2003	<u>133,721</u>
At 30 September 2002	<u>169,025</u>

9. FIXED ASSET INVESTMENTS

Company	Share in group under-takings £
Cost or valuation	
At 1 October 2002 and 30 September 2003	<u>10,104</u>

10. STOCKS

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Finished goods and goods for resale	<u>95,959</u>	<u>103,352</u>	<u>4,710</u>	<u>4,485</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

11. DEBTORS

	<u>Group</u>		<u>Company</u>	
	2003	2002	2003	2002
	£	£	£	£
Due after more than one year				
Amounts owed by group undertakings	-	-	250,000	250,000
Due within one year				
Trade debtors	62,319	135,189	32,151	101,618
Amounts owed by group undertakings	-	-	250,873	214,722
Other debtors	208,467	172,511	50,698	50,692
Prepayments and accrued income	89,781	99,179	35,855	55,510
Advance expenditure on future events	40,044	53,944	40,044	29,298
	<u>400,611</u>	<u>460,823</u>	<u>659,621</u>	<u>701,840</u>

12. CREDITORS:
Amounts falling due within one year

	<u>Group</u>		<u>Company</u>	
	2003	2002	2003	2002
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	40,877	39,702	-	-
Trade creditors	176,937	338,506	87,817	154,610
Amounts owed to group undertakings	-	-	42,231	96,477
Corporation tax	3,917	1,734	3,917	1,711
Social security and other taxes	58,442	47,699	28,289	23,760
Other creditors	280,066	371,630	26,871	21,012
Accruals and deferred income	705,685	724,874	403,333	356,929
	<u>1,265,924</u>	<u>1,524,145</u>	<u>592,458</u>	<u>654,499</u>

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

13. CREDITORS:

Amounts falling due after more than one year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Net obligations under finance leases and hire purchase contracts	14,092	54,969	-	-
Government grants received	127,620	151,889	127,620	151,889
	<u>141,712</u>	<u>206,858</u>	<u>127,620</u>	<u>151,889</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Between two and five years	<u>14,092</u>	<u>54,969</u>	<u>-</u>	<u>-</u>

14. COMPANY STATUS

The company is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the company in the event of liquidation.

15. RESERVES

	Income and expenditure account
	£
Group	
At 1 October 2002	284,683
Surplus retained for the year	200,683
	<u>485,366</u>
At 30 September 2003	
	<u>485,366</u>
	Income and expenditure account
	£
Company	
At 1 October 2002	271,756
Surplus retained for the year	164,866
	<u>436,622</u>
At 30 September 2003	
	<u>436,622</u>

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 September 2003

16. RECONCILIATION OF MOVEMENT IN MEMBERS' FUNDS

	2003	2002
Group	£	£
Surplus for the year	200,683	230,010
	<u>200,683</u>	<u>230,010</u>
Opening members' funds	284,683	54,673
Closing members' funds	<u>485,366</u>	<u>284,683</u>
	2003	2002
Company	£	£
Surplus for the year	164,866	219,382
	<u>164,866</u>	<u>219,382</u>
Opening members' funds	271,756	52,374
Closing members' funds	<u>436,622</u>	<u>271,756</u>

The company has taken advantage of the exemption contained within section 230 of the Companies Act 1985 not to present its own profit and loss account.

The surplus for the year dealt with in the accounts of the company was £164,866 (2002 - £219,382).

17. NET CASH FLOW FROM OPERATING ACTIVITIES

	2003	2002
	£	£
Operating surplus	188,261	240,179
Depreciation of tangible fixed assets	111,698	110,468
Surplus on disposal of tangible fixed assets	-	(26)
Government grants	(24,269)	(25,359)
Decrease/(increase) in stocks	7,393	(25,327)
Decrease/(increase) in debtors	60,212	(10,426)
(Decrease)/increase in creditors	(261,579)	374,718
	<u>81,716</u>	<u>664,227</u>
NET CASH INFLOW FROM OPERATIONS	<u>81,716</u>	<u>664,227</u>

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

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18. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2003 £	2002 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	26,469	11,786
Interest paid	(1,349)	(2,521)
Hire purchase interest	(8,781)	(18,058)
	<u>16,339</u>	<u>(8,793)</u>
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
	<u>16,339</u>	<u>(8,793)</u>
	2003 £	2002 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(72,554)	(80,983)
Sale of tangible fixed assets	-	1,800
	<u>(72,554)</u>	<u>(79,183)</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE		
	<u>(72,554)</u>	<u>(79,183)</u>
	2003 £	2002 £
FINANCING		
Movement on finance leases	(39,702)	(26,041)
	<u>(39,702)</u>	<u>(26,041)</u>

19. ANALYSIS OF CHANGES IN NET DEBT

	1 October 2002 £	Cash flow £	Other non-cash changes £	30 September 2003 £
Cash at bank and in hand:	1,061,326	(15,935)	-	1,045,391
DEBT :				
Debts due within one year	(39,702)	39,702	(40,877)	(40,877)
Debts falling due after more than one year	(54,969)	-	40,877	(14,092)
NET FUNDS	<u>966,655</u>	<u>23,767</u>	<u>-</u>	<u>990,422</u>

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 30 September 2003

20. PENSION COMMITMENTS

The group contributes to two defined benefit pension schemes. The assets of the schemes are held separately from those of the Association and are independently administered. The Association contributes up to a maximum of 5% of salaries to personal pension plans of individuals excluded from the defined benefit schemes. The pension charge represents contributions payable by the Association and amounted to £55,282 (2002 £51,324).

Prior to 31 March 1991 members of the Association's staff were eligible to be admitted to the two approved superannuation schemes, namely:

- (a) The Local Government Superannuation Scheme via the London Residuary Body; and
- (b) The Teachers Superannuation Scheme via the Department of Education and Science.

Both schemes are defined benefit schemes, providing benefits upon pensionable pay. Currently the Association's contributions are at the rate of 12.4% and 13.5% respectively of annual salary costs of the participating employees.

Contributions to the above schemes were as follows:

Local Government Superannuation Scheme	£7,716
Teachers Superannuation Scheme	£4,995

An employee of the group is a member of the London Pensions Fund Authority (a Local Government Superannuation Scheme) which is a defined benefit scheme operated by a former employer of that employee. As the Association is one of a number of participating employers in the London Pensions Fund it is not possible to allocate any actuarial surplus or deficit on a meaningful basis and consequently contributions are expensed in the profit and loss account as they become payable. The assets of the scheme are held separately from those of the Association. The contributions payable to the scheme during the year are as shown above.

The Teachers Superannuation Scheme is a statutory, final salary scheme administered by the Teachers' Pension Agency. The Government Actuary carries out an actuarial assessment of the scheme at five year intervals using a notional valuation and notional interest on investments to determine the employer's contribution level required to meet current and future benefits payable.

From 31 March 1991, the above schemes ceased to be available to new staff members, who are entitled to a contribution to their personal pension plans, as detailed above.

THE BRITISH AMATEUR GYMNASTICS ASSOCIATION

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21. OPERATING LEASE COMMITMENTS

At 30 September 2003 the group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings		Other	
	2003	2002	2003	2002
	£	£	£	£
Expiry date:				
Within 1 year	-	-	42,207	7,152
Between 2 and 5 years	35,685	27,292	43,587	110,889
After more than 5 years	34,476	33,642	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

At 30 September 2003 the company had annual commitments under non-cancellable operating leases as follows:

Company	Land and buildings		Other	
	2003	2002	2003	2002
	£	£	£	£
Expiry date:				
Within 1 year	-	-	42,207	7,152
Between 2 and 5 years	8,305	7,985	43,587	110,889
After more than 5 years	34,476	33,642	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

22. PRINCIPAL SUBSIDIARIES

Principal subsidiaries

Company name	Country	Percentage Shareholding	Description	Surplus/ (deficit) for the year £	Aggregate share capital and reserves £
Gymnastics Enterprises Limited	England	100	Marketing and commercial activities associated with the Association	35,889	35,334
Gymnastics Performance and Potential Limited	England	100	Administration of lottery funding received under the World Class Performance Programme	-	2
Gymnaestrada Limited	England	100	Management of Gymnaestrada participation	(72)	23,512

All of the above companies are included in the consolidation.

The company has a further two subsidiaries; United Kingdom Gymnastics Association Limited and UK Gymnastics Association Limited. Both companies are incorporated in England and are limited by guarantee having no share capital and are subsidiaries by control. Neither of these companies traded during the year.

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NOTES TO THE FINANCIAL STATEMENTS
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23. SPORTS COUNCIL GRANTS

In addition to the Grant Aid received against submission of the Forward Plan, grants have also been received from the UK Sports Council towards the cost of representation on International Committees and from the English Sports Council towards the appointment of specialist staff.