

Company No. 1859173 (England and Wales)

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

(Company limited by guarantee without share capital)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 1997



GROMAN & CO.
Chartered Accountants
5 Violet Hill
St. John's Wood
London, NW8 9EB

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 MARCH 1997**

DIRECTORS

R.M. Hobsbaum
S. King

REGISTERED OFFICE

25 Bertram Street
London, N19 5DQ

COMPANY NUMBER

1859173 (England and Wales)

AUDITORS

Groman & Co.
Chartered Accountants
5 Violet Hill
St John's Wood
London
NW8 9EB

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

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HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 1997

The directors present their report and the financial statements for the year ended 31 March 1997.

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 of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The company's principal activity continues to be that of providing services to the local community on a non profit making basis.

Directors

The directors who have served during the year were:-

R.M. Hobsbaum
S. King

Auditors

The auditors Groman & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report which has been prepared taking advantage of special exemptions applicable to small companies, was approved by the board on 2 May 1997 and signed on its behalf.



S. King

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

AUDITORS REPORT TO THE MEMBERS OF HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

We have audited the financial statements on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

Respective responsibilities of director and auditors

As described on page 3 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an opinion, based on our audit, on those statements and to report our opinion to you.

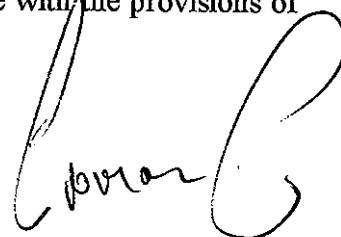
Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes 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 director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. The community centre, in common with many others of similar size and organisation, derives a proportion of its income from voluntary donations and fund-raising activities which cannot be fully controlled until they are entered in the accounting records, and are not, therefore, susceptible to independent audit verification.

In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Subject to the foregoing, in our opinion, the financial statements give a true and fair view of the state of the centre's affairs as at 31 March 1997, and of its surplus for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



5 Violet Hill
St. Johns Wood
London, NW8 9EB

GROMAN & CO.
Chartered Accountants &
Registered Auditors

2 May 1997

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 1997

Summary Income and Expenditure Account

<u>Incoming Resources</u>	<u>Notes</u>	<u>Restricted Capital Funds</u>	<u>Restricted Revenue Funds</u>	<u>Unrestricted Funds</u>	<u>Total 1997</u>	<u>Total 1996</u>
		£	£	£	£	£
Grants	2	9,532	59,675	91,598	160,805	95,586
Other Income	3	-	7,967	32,415	40,382	38,311
Bank Interest Received		-	-	1,038	1,038	1,398
Total Incoming Resources		<u>9,532</u>	<u>67,642</u>	<u>125,051</u>	<u>202,225</u>	<u>135,295</u>
Resources Expended						
Direct Charitable Expenditure:						
Project Expenditure	4	1,374	57,454	22,200	81,028	
Community Centre Running Costs	5	-	-	110,427	110,427	
Total Resources Expended		<u>1,374</u>	<u>57,454</u>	<u>132,627</u>	<u>191,455</u>	<u>140,383</u>
Net (Outgoings)/ Resources for the year	6	8,158	10,188	(7,576)	10,770	(5,088)
Balances brought forward at 1 April 1996		-	9,362	15,464	24,826	14,837
Re-instatement of Deferred Income		-	-	-	-	<u>15,077</u>
Balance carried forward at 31 March 1997		<u>8,158</u>	<u>19,550</u>	<u>7,888</u>	<u>35,596</u>	<u>24,826</u>

Total Recognised Gains and Losses

The company has no recognised gains or losses other than the deficit or surplus for the above two financial years.

Continuing Operations

None of the company's activities were acquired or discontinued during the above two financial years.

The notes on pages 7 to 11 form part of these financial statements.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

BALANCE SHEET AS AT 31 MARCH 1997

	<u>Note</u>	<u>1997</u>	<u>1996</u>
		£	£
Fixed Assets			
Tangible Assets	8	5,589	1,577
Current Assets			
Debtors and Prepayments		2,364	524
Cash at Bank and in Hand		<u>30,508</u>	<u>25,045</u>
		<u>32,872</u>	<u>25,569</u>
Creditors: amounts falling due within one year			
Creditors and Accruals		<u>2,865</u>	<u>2,320</u>
Net Current Assets		<u>30,007</u>	<u>23,249</u>
Net Assets		<u>£35,596</u>	<u>£24,826</u>
Capital and Reserves			
Restricted Capital Funds	9	8,158	-
Restricted Revenue Funds	9	19,550	15,077
Unrestricted Funds		<u>7,888</u>	<u>9,749</u>
		<u>£35,596</u>	<u>£24,826</u>

The directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985. The financial statements were approved by the board on 2 May 1997, and signed on its behalf.

R.M. Hobsbaum

R.M. Hobsbaum
Director

The notes on pages 7 and 11 form part of these accounts.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention and include the results of the charity's operations which are described in the Directors' Report and all of which are continuing.

The accounts have been prepared in compliance with Statement of Recommended Practice on Charity Accounts.

The charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

1.2 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 or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:-

Fixtures, Fittings and Equipment - 33% reducing balance basis

1.3 Revenue

Revenue comprises income arising from the community centre's activities, fund-raising and grants received during the year.

Grants are credited to the Statement of Financial Activities when received.

1.4 Restricted Capital Funds

Any income received specifically for fixed assets is accounted for separately within the Restricted Capital Income Fund. The fund will be charged with amounts equivalent to any depreciation charge associated with assets acquired with fund monies.

1.5 Restricted Revenue Funds

Grants and income received for a specific purpose other than to purchase fixed assets have been accounted for separately within the Restricted Income Fund. Relevant expenditure will therefore be charged against this income.

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

2. GRANTS RECEIVED

	<u>1997</u> £	<u>1996</u> £
National Lottery Parent Pack	13,358	-
London Borough of Camden - Main	90,448	87,813
- New Initiatives Fund Grant Aid	11,031	-
- Luncheon Club	2,938	2,998
- Under Five's	1,150	1,150
- Neighbourhood Care Scheme	26,531	-
- Dining room floor	1,100	-
- NE Camden Community Centre Transport Scheme	5,817	-
- Capital Grant	-	3,625
Other Grants	<u>8,432</u>	<u>-</u>
	<u>160,805</u>	<u>95,586</u>

The comparative figures for 1996 exclude the following grants received from the London Borough of Camden as these were originally treated as deferred income in that year.

Neighbourhood Care Scheme	<u>£25,622</u>
NE Camden Community Centre Transport Scheme	<u>£ 5,267</u>

3. OTHER INCOME

Activities	9,564	12,090
Under Five's	6,155	4,630
Social Events	445	495
Memberships	1,033	1,100
Income from hire	13,028	11,941
Fund Raising	1,936	1,215
Luncheon Club	7,967	6,695
Other Income	<u>254</u>	<u>145</u>
	<u>40,382</u>	<u>38,311</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

4. PROJECT EXPENDITURE

	<u>1997</u>	<u>1996</u>
	£	£
Fund-raiser Costs	9,550	-
Parent Pack	8,501	-
Neighbourhood Care Scheme	25,373	-
North East Camden Community Centres Transport Scheme	6,494	-
Depreciation of Fixed Assets	1,374	-
Activities	10,171	10,123
Social Events	652	948
Under Five's	10,021	10,393
Luncheon Club	7,536	8,811
Publicity and Advertising	678	848
Travel Expenses	<u>678</u>	<u>909</u>
	<u>81,028</u>	<u>32,032</u>

5. COMMUNITY CENTRE RUNNING COSTS

Salaries and National Insurance	78,572	80,635
Rent and Rates	3,145	2,999
Light and Heat	7,942	5,530
Telephone	2,014	1,484
Insurance	871	934
Repairs and Renewals	2,198	2,760
Audit and Accountancy	2,130	2,308
Canteen	901	1,001
Printing, Postage and Stationery	2,322	1,791
Sundries	639	671
Depreciation of Fixed Assets	1,376	777
Bank Charges	30	16
Cleaning	7,674	7,232
Security	<u>613</u>	<u>213</u>
	<u>110,427</u>	<u>108,351</u>

6. NET RESOURCES/(OUTGOINGS) FOR THE YEAR

The Net Resources/(Outgoings) for the Year are stated after charging:

Depreciation of Tangible Fixed Assets	2,750	777
Audit Fees	<u>1,586</u>	<u>1,250</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

7 STAFF COSTS

7.1

	<u>1997</u>	<u>1996</u>
	£	£
Wages and Salaries	105,819	93,715
Social Security Costs	<u>10,013</u>	<u>8,779</u>
	<u>115,832</u>	<u>102,494</u>

7.2 The average weekly number of staff employed by the company during the year was as follows:

Part-time - Direct Charitable Work	10	9
Full-time - Administration and fund-raising	6	5

8. TANGIBLE FIXED ASSETS

	<u>Furniture, Fittings & Equipment</u>
Cost	
At 1 April 1996	17,750
Additions	<u>6,762</u>
At 31 March 1997	<u>24,512</u>
Depreciation	
At 1 April 1996	16,173
Charge for year	<u>2,750</u>
At 31 March 1997	<u>18,923</u>
Net Book Value	
At 31 March 1997	<u>£5,589</u>
At 31 March 1996	<u>£1,577</u>

HIGHGATE NEWTOWN COMMUNITY CENTRE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

9. RESTRICTED CAPITAL AND REVENUE FUNDS

The income funds of the charity include restricted capital and revenue funds, comprising the following:-

a) Restricted Capital Funds

	<u>Balance</u> <u>1.4.96</u> £	<u>Income</u> <u>Resources</u> £	<u>Expended</u> <u>(Memo)</u> £	<u>Depreciation</u> <u>Charge</u> £	<u>Balance</u> <u>31.3.97</u> £
Dining Room Floor	-	1,100	1,283	423	677
Play Garden	-	5,300	-	-	5,300
Sports Equipment	-	300	210	69	231
Furniture	-	<u>2,832</u>	<u>2,673</u>	<u>882</u>	<u>1,950</u>
	-	<u>9,532</u>	<u>4,166</u>	<u>1,374</u>	<u>8,158</u>

b) Restricted Revenue Funds

	<u>Balance</u> <u>1.4.96</u> £	<u>Income</u> <u>Resources</u> £	<u>Expended</u> £	<u>Balance</u> <u>31.3.97</u> £
National Lottery Board re Parent Pack Scheme	-	13,358	8,501	4,857
Neighbourhood Care Scheme	4,302	26,531	25,373	5,460
North East Camden Community Centre Transport Scheme	5,060	5,817	6,494	4,383
New Initiatives Fund Grant Aid	-	11,031	9,550	1,481
Luncheon Club	-	<u>10,905</u>	<u>7,536</u>	<u>3,369</u>
	<u>2,362</u>	<u>67,642</u>	<u>57,454</u>	<u>19,550</u>

10 ANALYSIS OF FUND BALANCES BETWEEN THE NET ASSETS

	<u>Restricted</u> <u>Capital Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Unrestricted</u> <u>Funds</u> £	<u>Total</u> £
Fixed Assets	2,792	-	2,797	5,589
Current Assets	8,158	19,550	5,164	32,872
Creditors: Due within one year	-	-	(2,865)	(2,865)
	<u>10,950</u>	<u>19,550</u>	<u>5,096</u>	<u>35,596</u>