

MECHANICS CENTRE LIMITED

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FINANCIAL STATEMENTS

for the

YEAR ended 31st MARCH 1995

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Company No 1983373 England & Wales



# MECHANICS CENTRE LIMITED

## DIRECTORS' REPORT for the YEAR ended 31st MARCH 1995

The Directors present their report and accounts for the year ended 31st March 1995.

### REVIEW OF ACTIVITIES

The Company is the trading arm of the Mechanics Institute Museum of Labour and Trades Union History Trust is a registered Charity No 519213. These accounts reflect the trading and assets and liabilities of the company. Transactions undertaken by the Company with regards to grants raising and purchase of lease with regard to the Trust have been excluded.

The Company has made a profit in the year of £29,545 before a covenant of the Trust of £1,226 (1994 £8,000 - now cancelled).

### DIRECTORS

The Directors of the Company are -

Mr D Boyle	GMB	Mr.D.Carter	* TGAW
Mr.J.Flanagan	MSF	Mr.T.Hart	* TGAW Resigned
Mrs.F.Dean	USDAW	Mr.A.S.Perrin	* GPMU
Mr.P.Dodd	UCW	Mr.J.McMullen	* FBU
Mr.B.Kerr	M.U.	Mr.B.Devine	* UNISON
Mr.T.Legge	UCATT	Mr.A.Manning	* NATUC
Mr.H.Spooner	NASUWT	Ms.A Gutteridge	* M/C Trade Council
Mr.S.Little	NATFHE	Mr.K.Quinn	* UCW
Mr.T.Morley	USDAW	Mr.J.Howarth	* M/C EPIU
Mr.D.Murphy	GMB	Mr.N.Phelan	* Oldham Trade Council
Mr.P.Ritman	AUT	Mr.J.McGarry	* USDAW

none having a beneficial interest in the Company.

In accordance with the articles of association, those directors marked \* retires by rotation and being eligible offers themselves for re-election at the annual general meeting.

### CAPITAL

The Company is limited by guarantee and does not have a share capital. The liability of the members is limited to £5 each.

### AUDITORS

A resolution to re-appoint Messrs. Appleby & Wood as Auditors under Section 119 of the Companies Act 1989 will be put to the annual general meeting.

This report was approved by the board on 16th May 1995

Signed on behalf of the board of directors

..... Secretary

MECHANICS CENTRE LIMITED - AUDITORS' REPORT YEAR ended 31st MARCH 1995

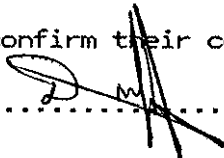
STATEMENT OF DIRECTORS RESPONSIBILITIES

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 as at the balance sheet date and of the profit and loss of the company for the year then ended. 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

The directors confirm their compliance with these requirements

.....  Secretary 16th May 1995 X

To the Members of the Mechanics Centre Limited

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

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS:-

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

BASIS OF OPINION:-

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material 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 company's affairs as at 31st March 1995 and of its profit for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Bolton Enterprise Centre  
Washington Street  
Bolton  
Greater Manchester  
BL3 5EY

  
APPLEBY & WOOD  
Chartered Accountants & Registered Auditor  
16th May 1995

# MECHANICS CENTRE LIMITED

## PROFIT AND LOSS ACCOUNT for the YEAR ended 31st MARCH 1995

	Notes	1995	1994
	-----	-----	-----
TURNOVER		163,302	185,932
Cost of Sales		(68,799)	(76,418)
		-----	-----
Gross Profit		94,503	109,514
Less			
Administrative Expenses		(65,839)	(80,115)
		-----	-----
Operating Profit	1	28,664	29,399
Other Income			
- Interest Received		1,226	1,377
		-----	-----
Profit on Ordinary Activities Before Taxation		29,890	30,776
Tax on Profit on Ordinary Activities		(345)	-
		-----	-----
Profit on Ordinary Activities after Taxation		29,545	30,776
Covenant Paid		(1,226)	(8,000)
Covenant Cancelled		8,000	-
		-----	-----
Retained Profit for Financial Years	8	36,319	22,776
		=====	=====

All of the company's activities are classed as continuing.

## Statement of Total Recognised Gains losses for the year ended 31st March 1995

Profit for the Financial Year	29,545	30,776
Other recognised gains and losses		
Net - donations/grants	(17,915)	3,079
	-----	-----
Total recognised gains and losses relating to the Year	11,630	33,855
	=====	=====

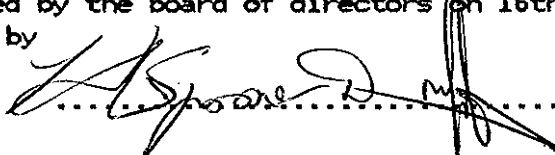
The notes on pages 5 and 7 form an integral part of these financial statements

MECHANICS CENTRE LIMITED

BALANCE SHEET as at 31st MARCH 1995

	Notes	1995		1994	
		£	£	£	£
Tangible Fixed Assets	4		149,578		163,912
CURRENT ASSETS					
Stock		2,466		2,217	
Debtors		17,171		13,194	
Prepayments and Other Debtors		14,316		4,457	
Cash at Bank		69,455		56,242	
Cash in Hand		458		410	
		-----		-----	
		103,866		76,520	
		=====		=====	
Less CREDITORS : amounts falling due within one year					
Trade Creditors		11,568		19,565	
PAYE, Other Taxation and Social Security		5,919		5,949	
Accruals		30,679		27,967	
		-----		-----	
		48,166		53,481	
Net Current Assets		-----	55,700	-----	23,039
Total Assets Less Current Liabilities			205,278		186,951
Creditors amounts falling due after more than one year					
Brewery Advance			(8,625)		(8,702)
			-----		-----
			196,653		178,249
			=====		=====
Capital & Reserves					
Donations Fund	7		143,996		161,911
Profit and Loss Account	9		52,657		16,338
			-----		-----
"Shareholders Funds"	10		196,653		178,249
			=====		=====

Approved by the board of directors on 16th May 1995 and signed on its behalf by

 ..... ) DIRECTOR

The notes on pages 5 and 7 form an integral part of these financial statements

## ACCOUNTING POLICIES

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### ACCOUNTING CONVENTION

The accounts are prepared on the historical cost basis of accounting for the year ended 31st March 1995 with comparative figures for the year to 31st March 1994.

### INCOME

Income is brought into the accounts on the basis of invoiced value of goods and services supplied. Any pledges not yet received are not accounted for until received. Any donations allocated to the trust relating to its lease purchase are excluded.

Interest is also recorded on a receipts basis.  
All income arises in the United Kingdom

### DONATIONS AND FEES

The balance of donations and fees over expenditure is carried forward in a donations fund representing monies accumulated towards the premium costs of the premises.

### TAXATION

Taxation is provided on bank interest received and bar food trade and room hire except to the extent that losses offset this income

### GRANT/FUNDING BY DONATIONS

These are credited to profit and loss account over the respective periods of depreciation applied to the tangible fixed assets they have financed.

### DEPRECIATION & TANGIBLE FIXED ASSETS

Depreciation is charged at the following rate:-  
Premium on lease - over the period of the lease 125 years  
Refurbishment costs - over 5 years

Depreciation is provided on tangible fixed assets at 10% p.a.

A sum of £3,275 (1994 £2,775) incurred on architects costs pending additional expenditure on tangible fixed assets is carried in prepayments.

### STOCK

Stock is valued at the lower of cost and net realisable value

### CASH FLOW

The company has taken advantage of the exemption in Financial Reporting Standard No 1 not to produce a cash flow statement on the grounds it is a small company

## MECHANICS CENTRE LIMITED

NOTES TO THE ACCOUNTS for the YEAR ended 31st MARCH 1995

1. OPERATING PROFIT IS AFTER CHARGING	1995	1994
	----	----
Depreciation	20,735	18,137
Auditors Remuneration	1,100	1,050
Hire of Equipment	448	853
	=====	=====
And Crediting		
Grants & Donations	17,915	17,915
Creditors Provision no longer required	8,050	-
	=====	=====

## 2. MEMBERSHIP

There are currently trade unions and related bodies.

3. DIRECTORS' AND SECRETARY'S REMUNERATION	NIL	
Wages & Salaries	52,286	51,588
Social Security Cost	4,037	5,107
Other Pension Costs	-	-
	-----	-----
	56,323	56,695
	=====	=====

Average number of Employees excluding directors and secretary 8 (1994 - 8)

4. TANGIBLE FIXED ASSETS	Cost b/f	Additions	Cost c/f	b/f	Depreciation Charge this year	c/f
General Equipment	13,300	-	13,300	5,515	1,330	6,845
Kitchen Building & Other Equipment	7,362	8,516	15,878	3,968	1,588	5,556
Bar, Equipment & Utensils	19,738	-	19,738	11,593	1,974	13,567
Decorating, Designs etc	29,390	-	29,390	2,939	2,939	5,878
Furniture & Fittings	24,165	-	24,165	13,764	2,417	16,181
Refurbishment	53,255	(2,115)	51,140	6,213	9,981	16,194
	147,210	6,401	153,611	43,992	20,229	64,221
Gross Premium on lease	63,223	-	63,223	2,529	506	3,035
	-----	-----	-----	-----	-----	-----
	210,433	6,401	216,834	46,521	20,735	67,256
	=====	=====	=====	=====	=====	=====

Net Book Value £149,578 (1994 £163,912)

The company together with the Mechanics Centre Museum of Labour and Trades' Union History Trust Limited has authorised and contracted for expenditure of NIL (1994 £20,000).

5. Brewery Advance - is to be written off by barrelage allowances dependent upon trade levels

MECHANICS CENTRE LIMITED  
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH 1995

6. The company is limited by guarantee and does not have share capital

	1995	1994
7. Grants/Donations Fund		
Balance brought forward	161,911	158,832
Receipts this year	-	20,994
Credit to profit and loss account towards depreciation	(17,915)	(17,915)
	143,996	161,911
	=====	=====

8. Provision was made in the accounts to 31st March 1994 for a covenant to Mechanics Centre Museum of Labour and Trades' Union History Trust Limited. This has been cancelled. The effect of this is shown after profit on ordinary activities after taxation

9. Profit and Loss Account		
Balance brought Forward	16,338	(6,438)
Retained Profit for the Year	36,319	22,776
	-----	-----
Balance carried forward	52,657	16,338
	=====	=====

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Profit for the Year	29,545	30,776
Covenant Paid	(1,226)	-
Covenant Cancelled	8,000	-
	-----	-----
Retained profit for the year	36,319	22,776
Other recognised Gains and Losses	(17,915)	3,079
	-----	-----
Net additions in the Year	18 23,404	25,855
Shareholders Funds at 1st April 1994	178,249	152,394
	-----	-----
Shareholders Funds at 31st March 1995	196,653	178,249
	=====	=====

11. FUTURE COMMITMENTS

The Company has entered into a lease with the Mechanics Institute Museum of Labour & Trade Union History Trust a registered Charity holding a similiar lease from the Council of the City of Manchester.

The term is 125 years at a peppercorn rent from 1989.