

Register

MECHANICS CENTRE LIMITED

FINANCIAL STATEMENTS

for the

YEAR ended 31st MARCH 1996

Company No 1983373 England & Wales



MECHANICS CENTRE LIMITED

DIRECTORS' REPORT for the YEAR ended 31st MARCH 1996

The Directors present their report and accounts for the year ended 31st March 1996.

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 £24,481 before a covenant of the Trust of £22,000 (1995 £1,226)

DIRECTORS

The Directors of the Company during the year were

Mr.D.Boyle	* GMB	Mr.F Winrow	PTC
Mr.J.Flanagan	* MSF	Mr.J.Torpey	GMB
Ms.F.Dean	* USDAW	Mr.N.Jackson	GMB
Mr.P.Dodd	* CWU	Mr.J.McMullen	FBU
Mr.B.Kerr	* M.U.	Mr.B.Devine	UNISON
Mr.T.Legge	* UCATT	Mr.A.Manning	NWIUC
Mr.H.Spooner	* NASUWT	Ms.A Gutteridge	M/C Trade Council
Mr.S.Little	* NATFHE	Mr.K.Quinn	CWU
Mr.T.Morley	* USDAW	Mr.J.Howarth	M/C EPIU
Mr.D.Murphy	* GMB	Ms.A.McCall	TGWU
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 * retire 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 14th May 1996
Signed on behalf of the board of directors

..... Secretary
D MURPHY

MECHANICS CENTRE LIMITED - AUDITORS' REPORT YEAR ended 31st MARCH 1996

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 14th May 1996

.....
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:-

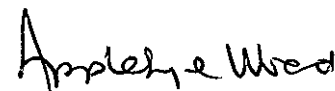
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments 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 1996 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
4th June 1996

MECHANICS CENTRE LIMITED

PROFIT AND LOSS ACCOUNT for the YEAR ended 31st MARCH 1996

	Notes	1996	1995
TURNOVER		159,280	163,302
Cost of Sales		(64,420)	(68,799)
Gross Profit		94,860	94,503
Less			
Administrative Expenses		(72,446)	(65,839)
Operating Profit	1	22,414	28,664
Other Income			
- Interest Received		2,067	1,226
Profit on Ordinary Activities Before Taxation		24,481	29,890
Tax on Profit on Ordinary Activities		-	(345)
Profit on Ordinary Activities after Taxation		24,481	29,545
Covenant Paid	8	(22,000)	(1,226)
Covenant Cancelled		-	8,000
Retained Profit for Financial Year	9	2,481	36,319
		=====	=====

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

Statement of Total Recognised Gains losses for the year ended 31st March 1996

Profit for the Financial Year	24,481	29,545
Other recognised gains and losses		
Net - donations/grants	(17,915)	(17,915)
Total recognised gains and losses relating to the Year	6,566	11,630
	=====	=====

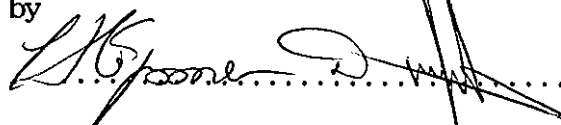
The notes on pages 5 and 7 form an integral part of these financial statements

MECHANICS CENTRE LIMITED

BALANCE SHEET as at 31st MARCH 1996

	Notes	1996	1995
		£	£
Tangible Fixed Assets	4	131,446	149,578
CURRENT ASSETS			
Stock		2,879	2,466
Debtors		21,795	17,171
Prepayments and Other Debtors		5,265	14,316
Cash at Bank		96,350	69,455
Cash in Hand		463	458
		<u>126,752</u>	<u>103,866</u>
		=====	=====
Less CREDITORS : amounts falling due within one year			
Trade Creditors		12,178	11,568
PAYE, Other Taxation and Social Security		7,344	5,919
Accruals		48,845	30,679
		<u>68,367</u>	<u>48,166</u>
Net Current Assets		<u>58,385</u>	<u>55,700</u>
		=====	=====
Total Assets Less Current Liabilities		189,831	205,278
Creditors amounts falling due after more than one year			
Brewery Advance		(8,612)	(8,625)
		<u>181,219</u>	<u>196,653</u>
		=====	=====
Capital & Reserves			
Donations Fund	7	126,081	143,996
Profit and Loss Account	9	55,138	52,657
"Shareholders Funds"	10	<u>181,219</u>	<u>196,653</u>
		=====	=====

Approved by the board of directors on 14th May 1996 and signed on its behalf by

) DIRECTOR

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

MECHANICS CENTRE LIMITED - YEAR ended 31st MARCH 1996

ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The accounts have been prepared treating the society as a going concern under the historical cost basis of accounting and are in respect of the year ended 31st March 1996 with comparative figures in respect of the year to 31st March 1995.

This basis has been adopted by the board as a result of its forward review of the companies activities for the next year. The board believe this is acceptable for at least the next 12 months.

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 (1995 £3,275) 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 1996

1. OPERATING PROFIT IS AFTER CHARGING	1996	1995
	-----	-----
Depreciation	21,298	20,735
Auditors Remuneration	1,200	1,100
Hire of Equipment	486	448
	=====	=====
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	52,687	52,687
Social Security Cost	5,896	4,037
Other Pension Costs	-	-
	-----	-----
	58,583	56,323
	=====	=====

Average number of Employees excluding directors and secretary 8 (1995 - 8)

4. TANGIBLE FIXED ASSETS	Cost b/f	Additions	Cost c/f	b/f	Depreciation Charge this year	c/f
General Equipment	13,300	290	13,590	6,845	1,359	8,204
Kitchen Building & Other Equipment	15,878	2,626	18,504	5,556	1,850	7,406
Bar, Equipment & Utensils	19,738	250	19,988	13,567	1,999	15,566
Decorating, Designs etc	29,390	-	29,390	5,878	2,939	8,817
Furniture & Fittings	24,165	-	24,165	16,181	2,417	18,598
Refurbishment	51,140	-	51,140	16,194	10,228	26,422
	153,611	3,166	156,777	64,221	20,792	85,013
Gross Premium on lease	63,223	-	63,223	3,035	506	3,541
	216,834	3,166	220,000	67,256	21,298	88,554
	=====	=====	=====	=====	=====	=====

Net Book Value £131,446 (1995 £149,578)

The company together with the Mechanics Centre Museum of Labour and Trades' Union History Trust Limited has authorised and contracted for expenditure of NIL (1995 NIL).

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 1996

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

	1996	1995
7. Grants/Donations Fund		
Balance brought forward	143,996	161,911
Receipts this year	-	-
Credit to profit and loss account towards depreciation	(17,915)	(17,915)
	<u>126,081</u>	<u>143,996</u>
	=====	=====

8. Charge is made in the accounts for a covenant paid to Mechanics Centre Museum of Labour and Trades' Union History Trust Limited.

9. Profit and Loss Account		
Balance brought Forward	52,657	16,338)
Retained Profit for the Year	2,481	36,319
	<u>55,138</u>	<u>52,657</u>
	=====	=====
Balance carried forward	55,138	52,657
	=====	=====

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS FUNDS

Profit for the Year	24,481	29,545
Covenant Paid	(22,000)	(1,226)
Covenant Cancelled	-	8,000
	<u>2,481</u>	<u>36,319</u>
Retained profit for the year	2,481	36,319
Other recognised Gains and Losses	(17,915)	(17,915)
	<u>(15,434)</u>	<u>(17,915)</u>
Net (Reductions)/Additions in the year	(15,434)	23,404
Shareholders Funds at 1st April 1995	196,653	178,249
	<u>181,219</u>	<u>196,653</u>
Shareholders Funds at 31st March 1996	181,219	196,653
	=====	=====

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 similar lease from the Council of the City of Manchester.

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