

*Registrar*

HARROW SCHOOL OF GYMNASTICS LIMITED  
(Limited by Guarantee)

REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS

YEAR TO 28 FEBRUARY 2003

Company No. 2585823 (England and Wales)



HARROW SCHOOL OF GYMNASTICS LIMITED  
(Limited by Guarantee)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS

YEAR TO 28 FEBRUARY 2003

Weeden, Hattersley, Mead & Co.  
Chartered Certified Accountants

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HARROW SCHOOL OF GYMNASTICS LIMITED  
(LIMITED BY GUARANTEE)

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REPORT AND FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 2003

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COMPANY INFORMATION  
YEAR TO 28 FEBRUARY 2003

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Registered Company No. 2585823

Registered Charity No. 1002258

Professional Advisers and Key Personnel

Company

Secretary : Valerie Newman

Treasurer : Jonathan Evan-Hughes

Office Administrator: Desna Hale

Registered Office : Norfolk House  
Norfolk Road  
Rickmansworth  
Herts. WD3 1RD

Principal Address : 186 Christchurch Avenue  
Harrow  
Middx. HA3 5BD

Bankers : Natwest Bank Plc  
80 Shenley Road  
Borehamwood  
Herts. WD6 1TY

Auditor : K.A. Johnson, FCA  
Norfolk House  
Norfolk Road  
Rickmansworth  
Herts. WD3 1RD

Accountants : Weeden, Hattersley, Mead & Co.  
Norfolk House  
Norfolk Road  
Rickmansworth  
Herts. WD3 1RD

DIRECTORS' REPORT  
YEAR TO 28 FEBRUARY 2003

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**Status and Administration**

Harrow School of Gymnastics Limited was founded in 1992. The school is a registered charity number 1002258 and is also a company limited by guarantee, registered company number 2585823.

**Directors**

The Directors of the Company, who are also the charity trustees and who served during the year were:

|                      |           |                          |
|----------------------|-----------|--------------------------|
| Stephen Tucker       | Chairman  |                          |
| Valerie Newman       | Secretary |                          |
| Jean McEnaney        | Treasurer | (Resigned 19 June 2002)  |
| Jonathan Evan Hughes | Treasurer | (Appointed 19 June 2002) |
| Steve Carter         |           |                          |
| Veronica Chamberlain |           |                          |
| Dagmar Jackson       |           |                          |
| Ann Chiverton-Hunt   |           | (Resigned 19 June 2002)  |

The Directors are elected at the Annual General Meeting. One third of the Directors are required to retire each year and may offer themselves for re-election.

**Objects**

The object set out in the Memorandum is the provision of gymnastic coaching and facilities.

**The Financial Results**

The results for the year to 28 February 2003 are set out on pages 6 - 11.

DIRECTORS' REPORT  
YEAR TO 28 FEBRUARY 2003

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Resources

As stated in Note 8 to the Accounts the Reserves are split between those designated for specific purposes and those available for day to day requirements of the School.

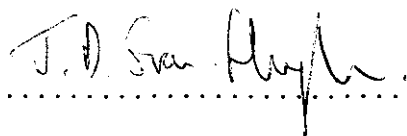
As at 28th February 2002 the funds of the Social Club were transferred to the Company and were held in separate Bank Accounts. These funds were designated to meet the cost of repairs to the Gymnasium Pits and other equipment and have been disbursed during the year.

The School's assets are sufficient to meet its obligations.

Auditor

In accordance with Section 385 of the Companies Act 1985, a Resolution proposing the re-appointment of Keith Johnson, FCA as Auditor to the Company will be put to the Annual General Meeting.

This report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the Board of the Directors at its Meeting on 15 January 2004 and signed on its behalf by:

  
.....

STATEMENT OF DIRECTORS' RESPONSIBILITIES  
YEAR TO 28 FEBRUARY 2003

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The purpose of this statement is to distinguish the directors responsibilities for the accounts from those of the auditors as stated in their report.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

select suitable accounting policies and then apply them consistently making judgements and estimates that are prudent and reasonable;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

prepare the accounts on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records safeguarding the assets of the company and taking reasonable steps for the prevention and detection of fraud or other irregularities.

I have audited the financial statements of Harrow School of Gymnastics Limited for the year ended 28 February 2003 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. My audit work has been undertaken so that I might state to the Company's members those matters I am required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for my audit work, for this report, or for the opinions I 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 Harrow School of Gymnastics Ltd. are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards. My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

I report to you my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. I also report to you if, in my opinion, the Directors' Report is not consistent with the financial statements, if the Company has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by law regarding directors' remuneration and transactions with the Company is not disclosed.

I read the Directors' Report and consider the implications for my report if I become aware of any apparent misstatement within it.

**Basis of audit opinion**

I conducted my 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 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.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In my opinion, the financial statements give a true and fair view of the state of the company's affairs as at 28 February 2003 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Date .....15-01-04

Keith Johnson, FCA  
Norfolk House  
Norfolk Road  
Rickmansworth  
Herts. WD3 1RD

.....K.S.J.  
Chartered Accountant and  
Registered Auditor



INCOME AND EXPENDITURE ACCOUNT  
YEAR TO 28 FEBRUARY 2003

|                               | Notes | Unrestricted Funds |                   |
|-------------------------------|-------|--------------------|-------------------|
|                               |       | 2003               | 2002              |
|                               |       | £                  | £                 |
| INCOMING RESOURCES            |       | 303,716            | 286,241           |
|                               |       | <u>          </u>  | <u>          </u> |
| Direct Charitable Expenditure |       | 327,092            | 292,998           |
| Management and Administration |       | 2,784              | 3,437             |
|                               |       | <u>          </u>  | <u>          </u> |
|                               |       | 329,876            | 296,435           |
|                               |       | <u>          </u>  | <u>          </u> |
| NET INCOME/ (EXPENDITURE)     |       |                    |                   |
| Before Interest               |       | (26,160)           | (10,194)          |
| Interest Paid                 |       | (649)              | (883)             |
|                               |       | <u>          </u>  | <u>          </u> |
| NET INCOME/ (EXPENDITURE)     |       | (26,809)           | (11,077)          |
|                               |       | <u>          </u>  | <u>          </u> |

The notes on pages 9 to 12 form part of these financial statements.

STATEMENT OF FINANCIAL ACTIVITIES  
YEAR TO 28 FEBRUARY 2003

|  | Notes    | Unrestricted Funds |                 |
|--|----------|--------------------|-----------------|
|  |          | 2003               | 2002            |
|  |          | £                  | £               |
| <b>INCOMING RESOURCES</b>                      |          |                    |                 |
| Fees Receivable                                | 2        | 244,985            | 241,102         |
| Other Income, Grants & Donations               |          | 58,024             | 43,391          |
| Interest Received                              |          | 707                | 1,748           |
| <b>TOTAL INCOMING RESOURCES</b>                |          | <b>303,716</b>     | <b>286,241</b>  |
| <b>RESOURCES USED</b>                          |          |                    |                 |
| Grants retained for future expenditure         |          | 1,500              | 1,484           |
| <b>Direct Charitable Expenditure:</b>          |          |                    |                 |
| Coaching Salaries & NIC                        |          | 182,004            | 163,511         |
| Direct Expenses                                |          | 53,224             | 41,984          |
| Premises Costs                                 |          | 34,634             | 37,174          |
| Administration Salaries                        |          | 41,880             | 31,061          |
| Support Costs                                  |          | 13,850             | 17,784          |
|  |          | <b>327,092</b>     | <b>292,998</b>  |
| <b>Other Expenditure:</b>                      |          |                    |                 |
| Management and Administration of the Trust     |          | 2,784              | 3,437           |
| Employment Tribunal Award and Costs            |          | -                  | -               |
| Bank Loan Interest                             |          | 649                | 883             |
| <b>TOTAL RESOURCES EXPENDED</b>                |          | <b>330,525</b>     | <b>297,318</b>  |
| <b>NET INCOMING/(OUTGOING) RESOURCES</b>       | <b>3</b> | <b>(26,809)</b>    | <b>(11,077)</b> |
| Balance brought forward as at 1 March 2002     |          | 44,247             | 55,324          |
| Balance carried forward as at 28 February 2003 |          | 17,438             | 44,247          |

The notes on pages 9 to 12 form part of these financial statements

BALANCE SHEET AS AT 28 FEBRUARY 2003

|  | Notes | 2003     | 2002     |
|--|-------|----------|----------|
|  |       | £        | £        |
| <b>FIXED ASSETS</b>                          |       |          |          |
| Tangible Assets                              | 4     | 96,605   | 103,678  |
| <b>CURRENT ASSETS</b>                        |       |          |          |
| Stock  |       | 4,543    | 4,543    |
| Debtors                                      | 5     | 932      | 5,409    |
| Cash at bank & in hand                       |       | 37,876   | 55,886   |
| Social Club Bank Balances                    | 8     | -        | 14,736   |
|  |       | 43,351   | 80,574   |
| <b>CREDITORS:</b>                            |       |          |          |
| Due within one year                          | 6     | (12,101) | (13,940) |
| <b>NET CURRENT ASSETS</b>                    |       | 31,250   | 66,634   |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 127,855  | 170,312  |
| <b>CREDITORS:</b>                            |       |          |          |
| Due after one year                           | 7     | 10,417   | 11,329   |
| <b>TOTAL NET ASSETS</b>                      |       | 117,438  | 158,983  |
| <b>ACCUMULATED RETAINED RESERVES</b>         | 8     | 17,438   | 44,247   |
| <b>RESTRICTED FUNDS</b>                      | 8     | 100,000  | 114,736  |
|  |       | 117,438  | 158,983  |

The Directors have taken advantage, in the preparation of these financial statements, of special exemptions relating to small companies under the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 15 January 2004 and signed on its behalf.

J. D. Gran-Heyn

The notes on pages 9 to 12 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 2003

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1. **LEGAL STATUS**

The Company is Limited by Guarantee and has no Share Capital. The Memorandum of Association provides that all members are liable to contribute a sum not exceeding £1 in the event of the Company being wound up or within one year of ceasing to be members.

2. **ACCOUNTING POLICIES**

(a) **Basis of preparation**

The Accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities.

Due to a change in the accounting system, it has not been possible to provide exact comparisons between the years 2003 and 2002.

(b) **Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

|                     |   |             |
|---------------------|---|-------------|
| Leasehold Property  | - | 25 years    |
| Gym Equipment       | - | 5 years     |
| Fixtures & Fittings | - | 6.2/3 years |

Other small items are written off as an expense as acquired.

(c) **Fees Receivable**

Fees consist of charges for the year ending 28 February 2003 for both recreational and competitive gymnastics. VAT is not applicable to the activities of the Company.

(d) **Expenditure**

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 2003

3. NET INCOMING (OUTGOING) RESOURCES  
is stated after charging:

|                                       | 2003         | 2002          |
|---------------------------------------|--------------|---------------|
|                                       | £            | £             |
| Depreciation of Tangible Fixed Assets | <u>9,126</u> | <u>10,010</u> |

4. TANGIBLE FIXED ASSETS

|                        | Land & Bldgs<br>(Short<br>Leasehold) | Gymnasium<br>Equipment | Fixtures<br>Fittings &<br>other<br>Equipment | Total          |
|------------------------|--------------------------------------|------------------------|--|----------------|
|                        | £                                    | £                      | £  | £              |
| <b>COSTS</b>           |                                      |                        |  |                |
| As at 1 March 2002     | 155,444                              | 76,236                 | 14,127                                       | 245,807        |
| Additions              | <u>-</u>                             | <u>2,054</u>           | <u>-</u>                                     | <u>2,054</u>   |
| As at 28 February 2003 | <u>155,444</u>                       | <u>78,290</u>          | <u>14,127</u>                                | <u>247,861</u> |
| <b>Depreciation</b>    |                                      |                        |  |                |
| As at 1 March 2002     | 68,395                               | 64,568                 | 9,167  | 142,130        |
| Charge for year        | <u>6,218</u>                         | <u>2,164</u>           | <u>744</u>                                   | <u>9,126</u>   |
| As at 28 February 2003 | <u>74,613</u>                        | <u>66,732</u>          | <u>9,911</u>                                 | <u>151,256</u> |
| <b>NET BOOK VALUES</b> |                                      |                        |  |                |
| As at 28 February 2003 | <u>80,831</u>                        | <u>11,558</u>          | <u>4,216</u>                                 | <u>96,605</u>  |
| As at 28 February 2002 | <u>87,049</u>                        | <u>11,668</u>          | <u>4,960</u>                                 | <u>103,677</u> |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 2003

| 5. DEBTORS              | 2003 | 2002  |
|-------------------------|------|-------|
| Due within one year     |      |       |
|                         | £    | £     |
| Other debtors           | -    | 3,497 |
| Prepayments             | 932  | 1,912 |
| Total per Balance Sheet | 932  | 5,409 |

6. CREDITORS:

Due within one year

|                              |        |        |
|------------------------------|--------|--------|
| Bank Loan Repayments         | 2,079  | 2,079  |
| Trade Creditors              | 181    | 598    |
| Taxes & Social Security Cost | 4,277  | 4,505  |
| Other Creditors              | 5,564  | 6,758  |
| Total per Balance Sheet      | 12,101 | 13,940 |

Included in Other Creditors are amounts received from Grants and Donations to provide financial assistance in cases of hardship that have not been allocated as at the date of the Balance Sheet £2,753 (2002 £3,380)

7. CREDITORS

Amounts falling due in more than one year

Repayable by instalments in 2-5 years

|           |       |       |
|-----------|-------|-------|
| Bank loan | 8,315 | 8,315 |
|-----------|-------|-------|

Repayable by instalments in more than 5 years

|           |        |        |
|-----------|--------|--------|
| Bank Loan | 2,102  | 3,014  |
|           | 10,417 | 11,329 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 2003

8. ACCUMULATED RESERVES

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total    |
|--|-----------------------|---------------------|----------|
|  | £                     | £                   | £        |
| Balance as at 1 March 2002                   | 44,247                | 114,736             | 158,983  |
| Social Club Contribution to<br>major repairs |                       | (14,736)            | (14,736) |
| Retained surplus for year                    | (26,809)              | -                   | (26,809) |
| Balance as at 28 February 2003               | 17,438                | 100,000             | 117,438  |

The Restricted Funds represent an advance from the Sports Council towards the construction of the leasehold premises which was utilised in 1999 to pay off £100,000 of the Bank Loan.

9. FINANCIAL COMMITMENTS

At 28 February 2003, the Company had annual commitments under non-cancellable operating leases as follows:

|                    | Land & Buildings |       |
|--------------------|------------------|-------|
|                    | 2003             | 2002  |
| Expiry Date        | £                | £     |
| In over five years | 5,950            | 5,950 |