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THE SELBY CENTRE
(A Company limited by guarantee and not having a share capital)
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 1997

Trustees' Responsibilities

The Charities Acts 1992 and 1993 require the trustees 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 and loss for that period. In preparing those financial statements, we 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 a going concern basis unless it is inappropriate to presume that the company will continue in business.

We are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable us to ensure that the financial statements comply with the Companies Act 1985. We are also responsible for safeguarding the assets of the company and hence taking responsible steps for the prevention and detection of fraud and other irregularities.

Directors

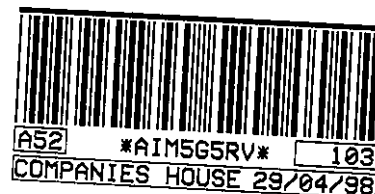
Manoj Ambasna
Katherine Martin
Osman Hassan (Appointed 18th March 1997)
Lucy Craig
Kyriakos Fiakkas
Alfred Airenda
Raj Doshi
Peter Mellors
Vural Saydam (Appointed 18th March 1997)
Bobby Joseph (Appointed 18th March 1997)

Secretary

Katherine Martin

Registered Office

Selby Road
London N17 8JL



Review of Business

The principle activity of the Company continues to be that of provision of office lettings and sports and leisure facilities.

The state of the Company is not considered satisfactory as there is now a small deficit in the Revenue reserves.

Your directors are concerned that subsequent events post the year end date have shown that the financial position of the Trust has further deteriorated so as to threaten the Trusts viability as a going concern.

THE SELBY CENTRE
(A Company limited by guarantee and not having a share capital)
DIRECTORS' REPORT (CONT)
FOR THE YEAR ENDED 31 MARCH 1997

Future Developments

Your directors have therefore commenced an immediate programme to alleviate this problem by introducing a regime for rigorous collection of monies owed by debtors, economising in staff and building maintenance costs and increasing rental income from letting office space.

The Trustees are satisfied that these measures in total will result in a stabilisation of the financial position within a few months and that the Trust's obligation will be fully met.

Results

The results of the year's trading, the financial position of the company and the transfer to reserves are shown in the annexed accounts.

The company's deficit for the year, before taxation, amounted to £8563 (1996 Deficit: £7,552).

Directors' Interest

The Trustees who served as Directors of the Company during the year are shown on page 1. and their liability is limited to £1.00 each.

Auditors

The Auditors, SHEARS SCHRYER CARLTON & CO., have indicated their willingness to accept re-appointment under Section 385(2) of the Companies Act 1985.

The report of the directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Board

Katherine Martin
.....

Date: 22/4/98

KATHERINE MARTIN
(COMPANY SECRETARY)

AUDITORS' REPORT TO THE MEMBERS OF
THE SELBY CENTRE

We have audited the financial statements contained in pages 4 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

Respective Responsibilities of Directors and Auditors

As described on page 1, 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 conduct 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 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.

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.

Fundamental Uncertainty

In forming our opinion, we have considered the adequacy of the disclosure made in note 1 of the financial statements concerning the ability of the Trust to carry on its operations. The financial statements have been prepared on a going concern basis, the validity of which depends upon future funding being available. The financial statements do not include any adjustments that would result from a failure to obtain funding. Our opinion is not qualified in this respect.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1997 and of its deficit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Shears Schryer Carlton & Co
Registered Auditors and Accountants

28/4/98

1 - 3 St James Chambers

North Mall

Edmonton Green

LONDON N9 0HY

THE SELBY CENTRE

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 1997

		<u>1997</u>	<u>1996</u>
	<u>Notes</u>	£	£
TURNOVER		476,335	436,448
Administration expenses		484,898	444,000
		-----	-----
Deficit for the financial year	3	(8,563)	(7,552)
Prior year adjustment		-	(6,144)
		-----	-----
Retained Deficit for the year		(8,563)	(13,696)
Retained Surplus brought forward		7,259	20,955
		-----	-----
Retained (Deficit)/Surplus Carried forward		===== (£1,304)	===== £7,259

The accompanying notes are an integral part of these financial statements

THE SELBY CENTRE
(A Company limited by guarantee and not having a share capital)
BALANCE SHEET
AS AT 31 MARCH 1997

	<u>Notes</u>	<u>1997</u>		<u>1996</u>	
		£	£	£	£
FIXED ASSETS					
Tangible Assets	4		28,094		25,322
CURRENT ASSETS					
Stock	5	1,539		1,414	
Debtors	6	36,916		62,186	
Cash at Bank	7	42,837		54,922	
Cash in Hand		534		31	
		-----		-----	
		81,826		118,553	
		-----		-----	
CREDITORS:					
Amounts falling due within one year	8	51,497		76,889	
		-----		-----	
NET CURRENT ASSETS			30,329		41,664
			-----		-----
TOTAL ASSETS LESS CURRENT LIABILITIES			£58,423		£66,986
			=====		=====
<u>CAPITAL AND RESERVE</u>					
Capital Reserve	9		59,727		59,727
Revenue Reserve			(1,304)		7,259
			-----		-----
			£58,423		£66,986
			=====		=====

The financial statements have been prepared in accordance with special provision of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on22/4/98.....

.....*Peter Mellors*..... Peter Mellors Director

.....*Manoj Ambasna*..... Manoj Ambasna Director

.....*Katherine Martin*..... Katherine Martin Director

The accompanying notes are an integral part of these financial statements

THE SELBY CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1997

1. Accounting policies

The accounts have been prepared under the historical conventions.

(a) Going Concern

The continuation of the Trust's activities is dependent on the ability of the the trustees to generate adequate income to meet all ongoing and current obligations. By January 1998 the situation of the Trust has deteriorated so as to threaten its future viability and the following action has been commenced to redress the situation..

Your directors have introduced a regime for rigorous collection of monies owed by debtors, economising in staff and building maintenance costs and increasing rental income from letting office space.

Your directors believe in addition to the above, continued support will be available from the local authority and major creditors to enable the Trust to carry on operating with sufficient working capital to enable the Trust to realise their plans.

Your directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. On this basis, they consider that it is appropriate to prepare the financial statements on a going concern basis. This assumes that the directors will be successful in their plans. The financial statements do not include any adjustments that would result if this assumption does not materialise.

(b) Turnover

Turnover comprises net receipts from customers and grants received

(c) Depreciation

Depreciation is calculated on the net book value to write off each category of assets over its estimated useful life.

Building Improvement	20% reducing balance method
Computer Equipment	20% reducing balance method
Equipment	20% reducing balance method
Lease	20% straight line

(d) Stock

Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

(e) Cash Flow Statement

The company has taken advantage of the exemption provided by Financial Reporting Standards 1 from producing a Cash flow statement.

(f) Grant

Grant from London Borough of Haringey comprises £55,000, being circular funding in respect of rent and therefore no money is received or paid. And £33,000 in respect of ground maintenance which again is an offset.

2. Share Capital

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

THE SELBY CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1997

3. <u>Operating Profit</u>	<u>1997</u>	<u>1996</u>
This is stated after charging:		
Depreciation	£7,023	£6,329
Audit Fees	£2,500	£2,200
Equipment leasing	£1,804	£1,416
Consultancy fees	£1,405	£11,292
Non-Claimable VAT	£20,074	£7,784

4. <u>Tangible Assets</u>	<u>Building</u>	<u>Computer</u>	<u>Equipment</u>	<u>Lease</u>	<u>Total</u>
<u>Cost</u>	<u>Improvement</u>	<u>Equipment</u>	<u>Equipment</u>		
At 1 April 1996	18,273	17,468	3,911	-	39,652
Additions	-	2,910	2,954	3,931	9,795
At 31 March 1997	£18,273	£20,378	£6,865	£3,931	£49,447
<u>Depreciation</u>					
At 1 April 1996	7,533	5,726	1,071	-	14,330
Charge for year	2,148	2,930	1,159	786	7,023
At 31 March 1997	£9,681	£8,656	£2,230	£786	£21,353
<u>Net Book Value</u>					
At 31 March 1997	£8,592	£11,722	£4,635	£3,145	£28,094
At 31 March 1996	£10,740	£11,742	£2,840	-	£25,322

	<u>1997</u>	<u>1996</u>
5. <u>Stocks</u>	<u>£</u>	<u>£</u>
Bar Stock	£1,539	£1,414
6. <u>Debtors</u>		
Office Lettings	34,446	19,006
HCAP	-	48
Vat Control Account	251	-
Prepayment	2,219	5,493
London Borough of Haringey	-	37,639
	£36,916	£62,186

THE SELBY CENTRE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1997

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
7. <u>Cash at Bank</u>		
Current Account	3,652	-
Bank Deposit Account	39,185	54,922
	-----	-----
	£42,837	£54,922
	=====	=====
8. <u>Creditors</u>		
Amounts falling due within one year		
	<u>1997</u>	<u>1996</u>
		<u>£</u>
Bank overdraft	-	28,629
Trade Creditors	19,390	3,441
Deposit Held	11,183	4,297
Vat Control Account	-	4,978
PAYE and NIC	4,201	5,159
Accruals	16,723	30,385
	-----	-----
	£51,497	£76,889
	=====	=====
	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
9. <u>Capital Reserve</u>		
Pre-incorporation profit	£59,727	£59,727
	=====	=====

THE SELBY CENTRE
(A Company limited by guarantee and not having a share capital)
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 MARCH 1997

	<u>1997</u>	<u>1996</u>
<u>GRANTS</u>	<u>£</u>	<u>£</u>
London Borough of Haringey	143,000	138,185
City Parochial Grant	-	10,000
Staff Training Grant	1,700	-
Consultancy Grant	16,104	-
Other Income	315,531	288,263
	<u>476,335</u>	<u>436,448</u>
<u>LESS EXPENDITURES</u>		
Rent	55,000	55,000
Salaries, Wages and National Insurance	197,178	214,613
Building Repairs and Maintenance	55,198	26,460
Equipment Repairs and Maintenance	3,967	1,092
Building Services and Supplies	29,491	10,341
Administration Services and Supplies	1,842	1,849
Printing and Stationery	3,357	4,299
Telephone	3,771	4,083
Electricity	17,907	20,012
Gas	9,483	16,346
Water Rates	1,580	1,233
Sports Equipment	2,494	3,073
Ground Maintenance	33,000	33,000
Audit and Accountancy	2,500	2,200
Bank Charges	62	132
Legal and Professional	427	321
Insurance	10,287	3,158
PAYE Administration	780	775
Licences	4,187	4,514
Equipment leasing	1,804	1,416
Publicity and Marketing	1,167	2,880
Travelling	416	780
Staff Training	1,172	414
Playscheme	9,536	5,758
Miscellaneous	750	367
Depreciation	7,023	6,329
Bad Debts	8,549	3,841
Non-Claimable VAT	20,074	7,784
Subscriptions	371	378
Sports Competition	120	260
Consultancy fees	1,405	11,292
	<u>484,898</u>	<u>444,000</u>
DEFICIT FOR THE YEAR	<u>(8,563)</u>	<u>(7,552)</u>

THE SELBY CENTRE
YEAR ENDED 31 MARCH 1997
ADDITIONAL INFORMATION

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>OTHER INCOME</u>		
Office Lettings	174,246	163,890
Main Hall	43,142	42,469
Kitchen Hire	900	1,500
Meeting Room Hire	7,292	7,678
Rehearsal Room Hire	9,334	7,862
Training Room Hire	10,463	6,862
Sports Hall	28,269	21,325
Pitches Hire	2,888	7,782
After School Club	54	189
Playscheme	12,175	4,844
Telephone	1,634	1,348
HCT Mini Bus	1,272	1,281
Sauna	237	363
Gymnasium	2,681	3,824
Pavilion Room Hire	135	1,398
Bank Deposit and Current Account Interest Received	2,377	2,505
Bar Corkage	2,098	3,395
Net Profit from Bar	11,782	8,337
Miscellaneous	1,808	330
Sports Competition	285	537
TV Room Hire	1,301	544
Bar Room Hire	267	-
Dance Studio	188	-
Equipment Hire	703	-
	-----	-----
	315,531	288,263
	-----	-----

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
<u>BAR ACCOUNT</u>		
Sales	30,541	24,684
<u>COST OF SALES</u>		
Stock at 1.4.1996	1,414	1,103
Purchases	17,013	15,408
	-----	-----
	18,427	16,511
Less Stock 31.3.1997	1,538	1,414
	-----	-----
	16,889	15,097
	-----	-----
GROSS PROFIT	13,652	9,587
Less Wages	1,870	1,250
	-----	-----
NET PROFIT	11,782	8,337
	=====	=====