

Report of the Directors and

Financial Statements

for the Year Ended 31 July 1999

for .

Waterfront-Student Union Services Ltd



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Waterfront - Student Union Services Ltd

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for the Year Ended 31 July 1999

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Waterfront-Student Union Services Ltd

Company Information
for the Year Ended 31 July 1999

DIRECTORS:

C R Sanderson
C Matheson
P Waugh
A Marriott
L Eldrett
C Kober

SECRETARY:

A Pott

REGISTERED OFFICE:

Union House
University Plain
University of East Anglia
Norwich
Norfolk
NR4 7TJ

REGISTERED NUMBER:

2834353 (England and Wales)

AUDITORS:

Newman Ruddock Sumpter
Registered Auditors
Chartered Accountants
104 Victoria Road
Diss
Norfolk
IP22 3JG

Waterfront - Student Union Services Ltd

Chairman's Statement

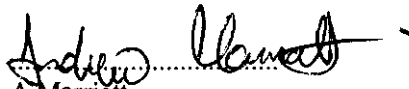
The company aims to provide a variety of events which reflect the ever changing and expanding cultural life of the city and its surrounding area in a safe and positive social environment and at affordable prices.

In 1998/9 the Waterfront hosted a total of 194 public evening events encompassing live shows with local, national and international touring bands as well as a variety of club nights. One notable event was a benefit for the victims of the Nicaraguan hurricane which featured local artists and raised money for the Norwich El Viego link which was forwarded to Nicaragua via the Lord Mayor's office.

Educational use of the building increased significantly with 68 individual events including continuing collaboration with Community Music East, Glyndebourne Touring Opera and Access to Music and new courses run in collaboration with Norfolk Community Dance.

The Waterfront hosted the Annual General Meeting of the Norwich Aids Helpline in partnership with the Norfolk Health Authority.

The company is most grateful for the continued support that it receives from Norwich City Council without which it would be operating at a loss.


A Marriott
Chairman

Report of the Directors
for the Year Ended 31 July 1999

The directors present their report with the financial statements of the company for the year ended 31 July 1999.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the provision of musical entertainment.

DIRECTORS

The directors during the year under review were:

L D Fitzgerald	- resigned 15.9.98
C R Sanderson	
N Fox	- appointed 1.8.98
T Connors	- appointed 1.8.98
C White	- appointed 1.8.98
K Fixter	- appointed 1.8.98
C Matheson	- appointed 28.7.99
P Waugh	- appointed 28.7.99

The directors holding office at 31 July 1999 did not hold any beneficial interest in the issued share capital of the company at 1 August 1998 (or date of appointment if later) or 31 July 1999.

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.

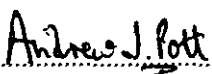
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

AUDITORS

The auditors, Newman Ruddock Sumpter, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

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

ON BEHALF OF THE BOARD:


A Pott - SECRETARY

Dated: 8th December 1999

Report of the Auditors to the Shareholders of
Waterfront-Student Union Services Ltd

We have audited the financial statements on pages five to eleven which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999), under the historical cost convention and the accounting policies set out on page nine.

Respective responsibilities of directors and auditors

As described on page three 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 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 July 1999 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Newman Ruddock Sumpter
Registered Auditors
Chartered Accountants
104 Victoria Road
Diss
Norfolk
IP22 3JG

Newman Ruddock Sumpter

Dated: 8/12/99.

Waterfront - Student Union Services Ltd

Profit and Loss Account
for the Year Ended 31 July 1999

		31.7.99		31.7.98	
	Notes	£	£	£	£
TURNOVER	2		678,453		617,182
Cost of sales			267,938		217,859
GROSS PROFIT			<u>410,515</u>		<u>399,323</u>
<u>Operational expenses:</u>					
Employment Costs		234,931		213,778	
Premises Costs		60,916		54,997	
Depreciation		12,837		7,381	
Administration Expenses		151,668		160,104	
			<u>460,352</u>		<u>436,260</u>
			(49,837)		(36,937)
Other operating income	3		49,766		51,764
OPERATING (LOSS)/PROFIT	4		<u>(71)</u>		<u>14,827</u>
Interest received and similar income	5		6,338		6,526
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION			<u>6,267</u>		<u>21,353</u>
Tax on profit on ordinary activities	6		1,900		4,368
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION			<u>£4,367</u>		<u>£16,985</u>
SURPLUS ALLOCATED TO:					
Asset Replacement Fund	16		12,837		7,381
Accumulated Fund	15		(8,470)		9,604
			<u>£4,367</u>		<u>£16,985</u>

The notes form part of these financial statements

Waterfront-Student Union Service Ltd

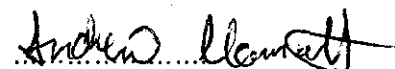
Balance Sheet

31 July 1999

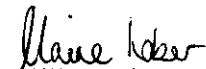
		31.7.99		31.7.98	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	7		23,140		21,543
CURRENT ASSETS:					
Stocks	8	6,324		7,837	
Debtors	9	17,004		9,577	
Cash at bank and in hand		158,526		155,786	
		181,854		173,200	
CREDITORS: Amount falling					
Due within one year	10	73,309		67,425	
NET CURRENT ASSETS:			108,545		105,775
TOTAL ASSETS LESS CURRENT					
LIABILITIES:			£131,685		£127,318
CAPITAL AND RESERVES:					
Called up share capital	11		4		4
Accumulated Fund	15		103,484		111,954
Asset Replacement Fund	16		28,197		15,360
			£131,685		£127,318

These financial statements have been prepared in accordance with the special provision of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective March 1999).

ON BEHALF OF THE BOARD:



A Marriott - DIRECTOR



C Kober - DIRECTOR

Approved by the Board on 8th December 1999

These notes form part of these financial statements

Waterfront-Student Union Services Ltd

Cash Flow Statement
for the Year Ended 31 July 1999

		31.7.99	31.7.98
	Notes	£	£
Net cash inflow from operating activities	1	15,204	25,522
Returns on investments and servicing of finance	2	6,338	6,526
Taxation		(4,368)	(7,084)
Capital expenditure	2	(14,434)	(7,259)
Increase in cash in the period		<u>£2,740</u>	<u>£17,705</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Increase in cash in the period		<u>2,740</u>	<u>17,705</u>
Change in net funds resulting from cash flows		<u>2,740</u>	<u>17,705</u>
Movement in net funds in the period		<u>2,740</u>	<u>17,705</u>
Net funds at 1 August 1998		<u>155,786</u>	<u>138,081</u>
Net funds at 31 July 1999		<u>£158,526</u>	<u>£155,786</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 31 July 1999

1. **RECONCILIATION OF OPERATING (LOSS)/PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.7.99 £	31.7.98 £
Operating (loss)/profit	(71)	14,827
Depreciation charges	12,837	7,381
Decrease/(Increase) in stocks	1,513	(1,332)
(Increase)/Decrease in debtors	(7,427)	17,612
Increase/(Decrease) in creditors	8,352	(12,966)
Net cash inflow from operating activities	<u>15,204</u>	<u>25,522</u>

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.7.99 £	31.7.98 £
Returns on investments and servicing of finance		
Interest received	6,338	6,526
Net cash inflow for returns on investments and servicing of finance	<u>6,338</u>	<u>6,526</u>
Capital expenditure		
Purchase of tangible fixed assets	(14,434)	(7,259)
Net cash outflow for capital expenditure	<u>(14,434)</u>	<u>(7,259)</u>

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.8.98 £	Cash flow £	At 31.7.99 £
Net cash:			
Cash at bank and in hand	155,786	2,740	158,526
	<u>155,786</u>	<u>2,740</u>	<u>158,526</u>
Total	<u>155,786</u>	<u>2,740</u>	<u>158,526</u>
Analysed in Balance Sheet			
Cash at bank and in hand	155,786		158,526
	<u>155,786</u>		<u>158,526</u>

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 31 July 1999

1. **ACCOUNTING POLICIES**

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective March 1999).

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Equipment - 25% on cost

Stocks

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

Deferred taxation

Provision is made at current rates for taxation deferred in respect of all material timing differences except to the extent that, in the opinion of the directors, there is reasonable probability that the liability will not arise in the foreseeable future.

2. **TURNOVER**

The turnover and profit before taxation are attributable to the principal activity of the company.

3. **OTHER OPERATING INCOME**

	31.7.99	31.7.98
	£	£
Sundry Receipts	6,952	7,530
Grants Received	26,775	28,687
Rebates	16,039	15,547
	<u>49,766</u>	<u>51,764</u>

4. **OPERATING (LOSS)/PROFIT**

The operating loss (1998 - operating profit) is stated after charging:

	31.7.99	31.7.98
	£	£
Depreciation - owned assets	12,837	7,381
Auditors' remuneration	2,000	2,000
	<u>-</u>	<u>-</u>
Directors' emoluments and other benefits etc	-	-

5. **INTEREST RECEIVABLE AND SIMILAR INCOME**

	31.7.99	31.7.98
	£	£
Deposit Account Interest	<u>6,338</u>	<u>6,526</u>

Notes to the Financial Statements
for the Year Ended 31 July 1999

6. **TAXATION**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.7.99	31.7.98
	£	£
UK corporation tax	<u>1,900</u>	<u>4,368</u>

UK corporation tax has been charged at 20% (1998 - 21%).

7. **TANGIBLE FIXED ASSETS**

	Equipment
	£
COST:	
At 1 August 1998	36,903
Additions	<u>14,434</u>
At 31 July 1999	<u>51,337</u>
DEPRECIATION:	
At 1 August 1998	15,360
Charge for year	<u>12,837</u>
At 31 July 1999	<u>28,197</u>
NET BOOK VALUE:	
At 31 July 1999	<u>23,140</u>
At 31 July 1998	<u>21,543</u>

8. **STOCKS**

	31.7.99	31.7.98
	£	£
Bar Stocks	<u>6,324</u>	<u>7,837</u>

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.99	31.7.98
	£	£
Trade Debtors	13,375	5,444
Other Debtors	-	4,133
Prepayments & Accrued Income	<u>3,629</u>	-
	<u>17,004</u>	<u>9,577</u>

Notes to the Financial Statements
for the Year Ended 31 July 1999

**10. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	31.7.99	31.7.98
	£	£
Trade Creditors	62,283	48,289
Other Creditors	2,945	2,124
V.A.T.	3,181	8,644
Taxation	1,900	4,368
Accrued Expenses	3,000	4,000
	<u>73,309</u>	<u>67,425</u>

11. CALLED UP SHARE CAPITAL

Authorised:				
Number:	Class:	Nominal	31.7.99	31.7.98
		value:	£	£
100	Ordinary	£1	<u>100</u>	<u>100</u>
Allotted, issued and fully paid:				
Number:	Class:	Nominal	31.7.99	31.7.98
		value:	£	£
4	Ordinary	£1	<u>4</u>	<u>4</u>

The share capital of the company is held in trust by D.H.P. Trustee company on behalf of the Union of UEA Students.

12. ULTIMATE PARENT COMPANY

The ultimate controlling body of the company is the Union of UEA Students.

13. RELATED PARTY DISCLOSURES

The following organisations are deemed to be related parties under the definition given within FRS 8.

1. Norwich City Council

- Whilst the entire share ownership of the company resides with the Union of UEA Students, Norwich City Council have the right to appoint a director to the company and to influence policy. This right is confirmed through the memorandum and articles of association and through a formal memorandum of agreement. This agreement has now expired and is in the process of renegotiation.

- During the year to 31.07.99, the company received grants & rebates of £42,814 from Norwich City Council.

2. Union of UEA Students

- Management charges of £22,422 were paid to the Union of UEA Students.

14. RESERVES

The company's memorandum and articles of association place a restriction on the use of reserves in that no distributions may be made from reserves to shareholders, except in the case of a winding up.

Waterfront-Student Union Services Ltd

Notes to the Financial Statements
For the Year Ended 31 July 1999

15. ACCUMULATED FUND

	31.7.99	31.7.98
	£	£
At 1 August 1998	111,954	110,329
Transfer to Asset Replacement Fund	-	(7,979)
	<hr/> 111,954	<hr/> 102,350
Transfer to/from Profit & Loss Account	(8,470)	9,604
	<hr/> 103,484	<hr/> 111,954
	=====	=====

16. ASSET REPLACEMENT FUND

	31.7.99	31.7.98
	£	£
At 1 August 1998	15,360	-
Transfer from Accumulated Fund	-	7,979
	<hr/> 15,360	<hr/> 7,979
Transfer from Profit & Loss Account	12,837	7,381
	<hr/> 28,197	<hr/> 15,360
	=====	=====

The Asset Replacement Fund is not transferable to other group members.

Waterfront-Student Union Services LtdTrading and Profit and Loss Account
for the Year Ended 31 July 1999

	31.7.99		31.7.98	
	£	£	£	£
Income:				
Bar Sales	338,073		297,349	
Ticket Sales	333,877		319,833	
Games Machine Income	6,503		-	
		678,453		617,182
Cost of sales:				
Opening Stock	7,837		6,505	
Bar Purchases	115,746		108,176	
Games Machine Rental	4,038		-	
Cost of Events	146,641		111,015	
	274,262		225,696	
Closing Stock	(6,324)		(7,837)	
		267,938		217,859
GROSS PROFIT		410,515		399,323
Other income:				
Sundry Receipts	6,952		7,530	
Grants Received	26,775		28,687	
Rebates	16,039		15,547	
Deposit Account Interest	6,338		6,526	
		56,104		58,290
		466,619		457,613
Expenditure:				
Employment Costs	234,931		213,778	
Telephone	3,792		3,314	
Post & Stationery & Adverts	4,955		6,240	
Advertising	25,681		24,287	
Performing Rights Fees	7,556		6,762	
Hire of Equipment	2,158		2,950	
Service Contract & Renewals	16,652		14,128	
Bar Consumables	5,523		6,566	
Ticket Costs	2,446		1,890	
Purchases of Small Equipment	318		857	
Sundry Expenses	2,378		5,201	
Auditors Remuneration	2,000		2,000	
Accountancy	550		1,025	
Legal Fees	5,865		9,491	
Bad Debts	-		97	
Rent	38,250		38,250	
Rates & Water	22,666		16,748	
Cleaning Costs	25,121		23,439	
Insurance	3,600		4,292	
Light & Heat	14,897		14,692	
Security	1,023		2,829	
Refuse Collection	3,365		2,687	
		423,727		401,523
Carried forward		42,892		56,090

This page does not form part of the statutory financial statements

Waterfront-Student Union Services Ltd

Trading and Profit and Loss Account
for the Year Ended 31 July 1999

	31.7.99		31.7.98	
	£	£	£	£
Brought forward		42,892		56,090
Finance costs:				
Bank Charges	1,366		1,840	
Service Charge	<u>22,422</u>		<u>25,516</u>	
		23,788		27,356
		19,104		28,734
Depreciation:				
Equipment		<u>12,837</u>		<u>7,381</u>
NET PROFIT		<u>£6,267</u>		<u>£21,353</u>

This page does not form part of the statutory financial statements

Waterfront - Student Union Services Ltd

Profit and Loss Accounts Summary
for the Year Ended 31 July 1999

	31.7.99	31.7.98
	£	£
Page		
16 Bars – Contribution	153,411	128,550
17 Entertainments – Contribution	(47,237)	(3,272)
18 Games machine – Contribution	2,465	-
	<hr/>	<hr/>
NET CONTRIBUTION	108,639	125,278
Deduct: Administration costs (page 19)	(79,950)	(78,409)
Management charge payable to the Union	(22,422)	(25,516)
	<hr/>	<hr/>
NET PROFIT FOR THE YEAR	£6,267	£21,353
	=====	=====

This page does not form part of the statutory financial statements

Waterfront – Student Union Services Ltd

Bars Contribution Summary

For the Year Ended 31 July 199

	31.7.99		31.7.98	
	£	£	£	£
Sales		338,073		297,349
Deduct: Opening stock	7,837		6,505	
Purchases	115,746		108,176	
Less: Closing stock	(6,324)		(7,837)	
		117,259		106,844
GROSS PROFIT		220,814		190,505
Add: Miscellaneous income		85		-
		220,899		190,505
EXPENSES				
Employment costs	56,764		50,412	
Bar Consumables	5,523		6,566	
Hire of equipment	720		80	
Repairs & maintenance	672		527	
Stocktakers fees	790		780	
Security	243		1,239	
Printing & stationery	-		258	
Small equipment	-		105	
Depreciation	2,776		1,988	
		67,488		61,955
CONTRIBUTION		£153,411		£128,550
		=====		=====

This page does not form part of the statutory financial statements

Waterfront – Student Union Services Ltd

Entertainments Contribution Summary
For the Year Ended 31 July 1999

	31.7.99	31.7.98
	£	£
Sales	333,877	319,833
Deduct: Cost of Events	146,641	111,015
	<hr/>	<hr/>
GROSS PROFIT	187,236	208,818
EXPENSES		
Employment costs	178,167	163,366
Printing , stationery & telephone	8,747	9,296
Advertising	25,681	24,287
Performing rights fees	7,556	6,762
Ticket costs	2,446	1,890
Hire of equipment	155	1,200
Repairs & maintenance	2,241	627
Small equipment	318	194
Sundries	969	542
Depreciation	8,193	3,926
	<hr/>	<hr/>
	234,473	212,090
	<hr/>	<hr/>
CONTRIBUTION	£(47,237)	£(3,272)
	=====	=====

This page does not form part of the statutory financial statements

Waterfront – Student Union Services Ltd

Games Machine Contribution Summary
For the Year Ended 31 July 1999

	31.7.99	31.7.98
	£	£
Income	6,503	-
Less: Rental of machines	4,038	-
	<hr/>	<hr/>
GROSS CONTRIBUTION	<u>£2,465</u>	<u>£-</u>

This page does not form part of the statutory financial statements

Waterfront – Students Union Services Ltd

Administration Costs Summary
For the Year Ended 31 July 1999

	31.7.99		31.7.98	
	£	£	£	£
SUNDRY INCOME				
Bank deposit interest		6,338		6,526
Grants received		26,775		28,687
Rebates		16,039		15,547
Miscellaneous		6,867		7,530
		<hr/>		<hr/>
		56,019		58,290
 EXPENSES				
Hire of equipment	1,283		1,670	
Repairs & maintenance	13,740		12,973	
Audit & accountancy	2,550		3,025	
Legal fees	5,075		8,711	
Rent	38,250		38,250	
Rates	22,666		16,748	
Cleaning costs	25,121		23,439	
Insurance	3,600		4,292	
Light & heat	14,897		14,692	
Security	780		1,591	
Refuse collection	3,365		2,687	
Bank charges	1,366		1,840	
Sundries	1,408		4,660	
Small equipment	-		557	
Bad debts	-		97	
Depreciation	1,868		1,467	
	<hr/>		<hr/>	
		135,969		136,699
 NET ADMINISTRATION COSTS FOR YEAR		<hr/>		<hr/>
		£79,950		£78,409
		=====		=====

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