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ALLEGRO CLUB INTERNATIONAL

Profit & Loss

for the period 1st January 2003 to 31st December 2003

Income

Bank charges refunded	7.70
Deposit account interest	251.71
Donations	25.00
Enrolment Fees	642.00
Regalia	787.83
Subscriptions	7,942.50
Used Cars	259.91

Total Income £9,916.65

Expenses

Committee Expenses	899.68
Events	1,304.85
Liability Insurance	433.75
Limited Company	148.20
Photo Copying	143.70
Postage	412.71
Quartic	5,042.40
Spares	695.53
Stationery	229.57
Tax on Deposit A/c Interest	8.02

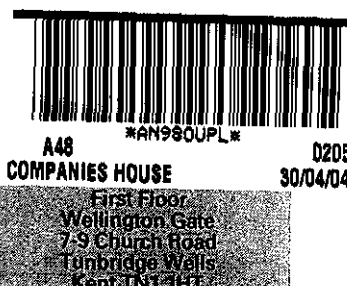
Total Expense £9,318.41

Net Income 598.24

I have examined the bank statements and information supplied and certify that the above figures are a true record:

KG

Roy Gilbert, 20 Stoneleigh Crescent, Stoneleigh, EPSOM, Surrey KT19 0RP



ALLEGRO CLUB INTERNATIONAL

Balance Sheet

for the period 1st January 2003 to 31st December 2003

Assets

Club Officer's Finance Float	50.00
Girobank Current account	4,291.07
Girobank Deposit account	14,505.02
Total Assets	£18,846.09

Liabilities & Equity

Opening Balance Equity	18,247.85
Net Income	598.24
Total Equity	£18,846.09

The last Allegro style car was built in 1982 and spare parts are now becoming increasingly more difficult to obtain. ACI purchases spare parts and sells these to Club members only.

SPARES STOCK IN HAND.

The Spares Secretary has supplied details of Spares held by the Club.
At 31st December 2003 the value was £65,057

REGALIA STOCK IN HAND.

The Regalia Secretary has supplied a list of Regalia held by the Club.
At 31st December 2003 the value was £4,425

The directors have:


- a) taken advantage of the Companies Act 1985 in not having these accounts audited under Section 249A(1) [total exemption]
- b) confirmed that no notice has been deposited under Section 249B(2) of the Companies Act 1985
- c) acknowledged their responsibilities for ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985.
- d) acknowledged their responsibilities for preparing accounts which give a true and fair view of the company and of its profit/loss (which ever is applicable) for the year then ended in accordance with the requirements of Section 226 of the Companies Act 1985 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to this company.



Signature & Date
Director

26th March 2004

Signature & Date
Director



26/3/04

FINANCIAL REPORT TO MEMBERS

Allegro Club International has had a satisfactory year with regards to its financial position, when compared to last year. The Club had anticipated breaking even, by making no gain or loss, but ended up with a surplus of approximately £598.00. This can be compared with a deficit of approximately £2000.00 at the end of last year.

At the beginning of the year, cash flow problems were experienced, and a total of £3,000.00 had to be transferred from the deposit account into the current account to meet accrued debts. By the year-end, this position was reversed, and the reversal has allowed us to transfer £2,000.00 back into the deposit account, thus reversing two-thirds of the earlier transfer. The (current) Government's tax policy is to exempt the first £10,000 earned income per year from corporation tax – and given that the Club is unlikely to earn this amount of income, our corporation tax liability has been reduced to zero for the foreseeable future

Overall, total actual income was only 5% lower than total budgeted income for the year but was approximately 2% higher than the same figure last year. Within this variation, actual enrolment income and interest received were 76% of budget and represent an 11% decrease over the same period last year. Used car income was only one-half of the budgeted figure - this could mean that most members are actually keeping their Allegros rather than selling them, and as a result the Club is loosing income associated with the advertising of Allegros for sale.

Subscription income received was 87.5% of what was budgeted and was 13% up on what was received last year. The number of members leaving the Club has begun to level off while there was a small increase in the number of new members joining. Regalia income received represents 82% of budgeted income, and this reverses a small "net" expense incurred last year. The spares "open day" – held at the barn where the spares stock is stored in Derby - raised approximately £2,000.00, and it is anticipated that this will become an annual event. The majority of Club's spare parts are now located in one central position, and this together with a newly introduced system of ordering spare parts, will make the running of the spares system more efficient.

The number of dishonoured cheques received from members has dropped significantly and this is evident by the fact that bank charges this year totalled £7.70 compared with £20.00 last year. Committee expenses were slightly above budget and in part this was due to the fact that more effort was needed (than anticipated) in preparation for the Club's 30th Birthday Celebrations. As a result, expenses connected with events co-ordination were increased to cover those Celebrations. Limited company expenses were 62% of what was allocated. There were significant increases in the Club's liability insurance over the last 2 years (where we were being asked to pay £698.25 last year), following rapid increases in the number of claims generally in the Insurance Industry. The Club was, however, offered cheaper cover (£433.75) but suffered a reduction in Public/Products Liability indemnity limit from £5,000,000.00 to £1,000,00.00. All other cover remains the same as listed in the notes to the accounts.

Stationery and photocopying costs both represent reductions in budget and the corresponding period last year. Postage costs stayed within the budget, having outstripped its limit last year. Costs associated with the production of Quartic magazines were just above those set. This was mainly because costs of £2,056.00, representing the production of 2 Quartic magazines, which belonged in the 2002 financial year, were not invoiced until this year and therefore those costs were not charged last year.

It is imperative that prudent management efforts and a tight reign over Club finances continues, to ensure the Club's viability into the foreseeable future.

Director's Signature: 

Director's Signature: 

Date: 26th March 2004

Date: 26th March 2004

ALLEGRO CLUB INTERNATIONAL - NOTES TO THE ACCOUNTS

1 Accounting Policies

The Accounts have been prepared under the historical cost convention no modifications have been made (by the revaluation of any of ACI's fixed assets, properties or other investments on the alternative accounting basis).

2 Club Liability Insurance

The above insurance cover relates to : Public & Product Liability Cover with an indemnity limit, plus Employer's Liability and Libel & Slander cover also with an indemnity limit.

3 Limited Company Expenses

The amounts for this heading in the P&L Account refer to : solicitors' fees, ACI's annual return fees and the corporation tax charged on "bank interest" made by the Club.

4 Club Officers Finance Float

A new float was dispensed to an incoming club officer, while another decided to run the office without a float. Provision have been made to dispense a float to this officer if the need arise.

5 Stock Valuation (including Regalia Stock)

Stocks have consistently been valued at resalable value (which is the current market price) including postage costs. These amounts are not shown on the face of the Balance Sheet as including them would give misleading figures for stock valuations.

With regards to stock valuation, there has now been a change in policy. The Spares Secretary will continue to value stocks at resalable but this will be written down by a constant periodic 25% for financial reporting purposes. This will help to ensure that stocks are valued at the lower of cost price and net realisable value (NRV) as per statement of Standard Accounting Practice No. 9.

6 Other Valuations

Subscriptions, Used Cars, Spares & Regalia each generate their own income and expenditure, and only the net amounts have been shown as either income or expenditure accordingly.

7 Quartic costs

The figure of £5,042 relating to Quartic costs includes £1,573 that should have been charged in last year's financial statements. This was because 2 invoices were received in 2003 (for Quartics printed in 2002) and therefore payment were made accordingly

NB *In order to facilitate a proper understanding of the accounts, these notes should be read in conjunction with the financial statements*