

Charity Registration No. 1067329

Company Registration No. 3258337 (England
and Wales)

**WEST NORTHFIELD COMMUNITY ASSOCIATION
LIMITED**

**DIRECTORS' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2003**



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WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors

Sir R Knowles
Cllr S Bedser
Cllr L Lawrence
Cllr J Lines
J Drinkwater
C Lowe
R Burden MP
Alderman S Banting
J Bonney
J Fellows
Rev D James
L Ingram
Cllr R Fello
Cllr G Green
Rev C Mansley

Secretary

J Slowey

Charity number

1067329

Company number

3258337

Registered office

Hollymoor Centre
Manor Park Road
Northfield
Birmingham
B31 5ER

Auditors

Clement Keys
Dartmouth House
Sandwell Road
West Bromwich
B70 8TH
West Midlands

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

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WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2003

The directors present their report and financial statements for the year ended 31 March 2003.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Association's governing document, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Objects of the charity

The Association is a registered charity and a company limited by guarantee. The Association's objects are ;

-to advance the education and training of the inhabitants of Birmingham to enable their conditions of life to be improved

-to provide or assist in the provision of recreational facilities for the inhabitants of Birmingham who by reason of their youth, age, infirmity, disability, poverty or social and economic circumstances have a need for such facilities and with the object of improving their conditions of life

-the promotion of any charitable purpose and in particular charitable purposes directed to the benefit of people suffering through unemployment, the advancement of education and the relief of poverty and for these purposes (but without prejudice to the generality of the foregoing) to provide advice, assistance and consultancy services to individuals, charities and communities in necessitous circumstances

Review of activities

The Association continued to occupy an area of the Hollymoor Centre including the Old Chapel, which was hired to charitable, non-profit-making organisations in the South West Birmingham area, in pursuit of the objectives outlined above.

The Association continued to pursue their aims & objectives of developing as a voluntary sector intermediary organisation for groups operating in the South West Birmingham area.

There has been a positive growth of community development and empowerment activities managed by the Association due to new funding streams attracted. The Association has positively pursued partnerships relating to their widened strategic remit, which bring with them further opportunities for growth and sustainability. There has also been recognition by regional strategic agencies such as the Birmingham & Solihull Learning & Skills Council who are supporting the Association's role as the Voluntary Sector Development Agency for South West Birmingham.

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

Directors

The Directors, who are also the directors for the purpose of company law, who served during the year were:

Sir R Knowles	
Cllr S Bedser	
Cllr L Lawrence	
Cllr J Lines	
J Drinkwater	
C Lowe	
R Burden MP	
Alderman S Banting	
E Freeman	(Resigned November 2002)
J Bonney	
J Fellows	
Rev D James	
L Ingram	
Rev C Mansley	
D Flood	(Resigned November 2002)
Cllr R Ffello	(Appointed May 2002)
Cllr G Green	(Appointed May 2002)

Review of financial position

The directors consider the financial position at the balance sheet date to be satisfactory.

As reported in 2002, the hire agreement in respect of the media equipment was terminated with effect from August 2002. Termination of these arrangements led to a one off loss on disposal amounting to £290,745 which has been included in Media Centre charitable expenditure in the Statement of Financial Activities. This outflow of funds has eliminated the restricted fund relating to the assets but has not affected unrestricted funds.

The directors continue to seek funds from other sources and remain confident that the Association will have sufficient funds to fulfill its objectives and meet its obligations.

Reserves policy

It is the policy of the Association that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Association's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk factors

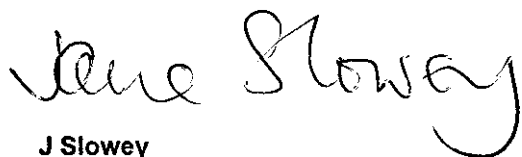
The directors are aware of the need to assess the major risks to which the Association is exposed and to satisfy themselves that systems are in place to mitigate exposure to the major risks.

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

Auditors

Clement Keys were appointed auditors to the company and in accordance with section 385 of the Companies Act 1985, a resolution proposing that they be re-appointed will be put to the Annual General Meeting.

A handwritten signature in cursive script, appearing to read 'J Slowey', is written over the printed name.

J Slowey

Director

Dated: 16 July 2003

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

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.

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

We have audited the financial statements of West Northfield Community Association Limited on pages 0 to 11 for the year ended 31 March 2003. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As described in the statement of directors' responsibilities on page 3 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 March 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


Clement Keys

Chartered Accountants
Registered Auditor
Dated: 16 July 2003

Dartmouth House
Sandwell Road
West Bromwich
B70 8TH

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2003

	Notes	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Incoming resources					
Grants received		19,343	13,905	33,248	34,689
Activities in furtherance of the charity's objectives	2	52,393	-	52,393	220,549
Activities for generating funds		4,165	-	4,165	7,467
Investment income		461	-	461	-
Total incoming resources		76,362	13,905	90,267	262,705
Resources expended					
Costs of generating funds					
Trading costs		44,552	-	44,552	129,309
Fundraising and publicity costs		958	-	958	9,080
Charitable expenditure					
Media centre		56	291,348	291,404	177,068
Community groups		-	994	994	2,493
Management and administration		61,486	-	61,486	70,925
Total resources expended	3	107,052	292,342	399,394	388,875
Net expenditure for the year/ Net movement in funds		(30,690)	(278,437)	(309,127)	(126,170)
Fund balances at 1 April 2002		141,725	292,303	434,028	560,196
Fund balances at 31 March 2003		111,035	13,866	124,901	434,026

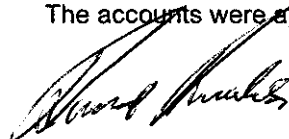
The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985.

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

BALANCE SHEET AS AT 31 MARCH 2003

	Notes	2003 £	£	2002 £	£
Fixed assets					
Tangible assets	5		1,710		290,744
Current assets					
Debtors	6	108,597		126,972	
Cash at bank and in hand		120,001		106,207	
		<u>228,598</u>		<u>233,179</u>	
Creditors: amounts falling due within one year	7	<u>(105,407)</u>		<u>(89,897)</u>	
Net current assets			<u>123,191</u>		<u>143,282</u>
Total assets less current liabilities			<u><u>124,901</u></u>		<u><u>434,026</u></u>
Income funds					
Restricted funds			13,866		292,303
Unrestricted funds			111,035		141,723
			<u><u>124,901</u></u>		<u><u>434,026</u></u>

The accounts were approved by the Board on 16 July 2003



Sir R Knowles
Director

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2003

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention, and in accordance with the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

The Association has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small Association.

1.2 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	20% straight line
Fixtures, fittings & equipment	25% to 33.33%, reducing balance and straight line

1.3 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Activities in furtherance of the charity's objectives

	Unrestricted funds £	Restricted funds £	Total 2003 £	Total 2002 £
Rental income	31,506	-	31,506	124,860
Room bookings	14,468	-	14,468	17,917
Diner sales	6,419	-	6,419	14,740
Service charges rechargeable	-	-	-	63,032
	<u>52,393</u>	<u>-</u>	<u>52,393</u>	<u>220,549</u>

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

3 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2003 £	Total 2002 £
Costs of generating funds:					
Trading costs	2,300	-	42,252	44,552	129,309
Fundraising and publicity	-	-	958	958	9,080
Charitable expenditure:					
Media centre	-	291,404	-	291,404	177,068
Community groups	-	-	994	994	2,493
Management and administration	43,273	-	18,213	61,486	70,925
	<u>45,573</u>	<u>291,404</u>	<u>61,423</u>	<u>399,394</u>	<u>388,875</u>

Management and administration costs includes payments to the auditors of £1,750 (2002 - £3,000) for audit fees and £1,000 (2002 - £10,125) for other services.

4 Employees

Number of employees

The average monthly number of employees during the year was:

	2003 Number	2002 Number
	<u>4</u>	<u>4</u>
Employment costs	2003 £	2002 £
Wages and salaries	43,189	76,209
Social security costs	2,384	4,040
	<u>45,573</u>	<u>80,249</u>

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

5 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Total
	£	£	£
Cost			
At 1 April 2002	768,244	163,382	931,626
Additions	-	2,369	2,369
Disposals	(768,244)	(163,382)	(931,626)
At 31 March 2003	-	2,369	2,369
Depreciation			
At 1 April 2002	505,758	135,123	640,881
On disposals	(505,758)	(135,123)	(640,881)
Charge for the year	-	659	659
At 31 March 2003	-	659	659
Net book value			
At 31 March 2003	-	1,710	1,710
At 31 March 2002	262,486	18,014	280,500

6 Debtors

	2003 £	2002 £
Trade debtors	108,554	126,972
Other debtors	43	-
	108,597	126,972

7 Creditors: amounts falling due within one year

	2003 £	2002 £
Trade creditors	102,045	83,951
Taxes and social security costs	-	2,058
Other creditors	352	831
Accruals	3,010	3,057
	105,407	89,897

WEST NORTHFIELD COMMUNITY ASSOCIATION LIMITED

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2003

8 Analysis of net assets between funds

	Unrestricted fund £	Restricted fund £	Total £
Fund balances at 31 March 2003 are represented by:			
Tangible fixed assets	349	1,361	1,710
Current assets	216,093	12,505	228,598
Creditors: amounts falling due within one year	(105,407)	-	(105,407)
	<u>111,035</u>	<u>13,866</u>	<u>124,901</u>