

# **The Waterside Centre, Kings Langley**

(A Company Limited by Guarantee)

## **Report and Unaudited Financial Statements**

**Year ended 31 March 2007**

Charity no. 1001330

Company no. 2543708

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**HOWARD WILSON**

Chartered Accountants

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**Legal and administrative information**

**Company Number**  
2543708

**Charity Number**  
1001330

**Directors / Trustees**

Mrs P M L Jennings (Chair)  
Mrs C Appleby  
Cllr G Angiolini  
Mrs A Burgar  
Mrs D Castro  
Mrs P Waters  
Mrs M Cox  
Mr A Donovan

**Company Secretary**  
Mrs T Manfield

**Registered Office**  
63 The Waterside, Kings Langley, Herts WD4 8HE

**Independent Reporting Accountants**  
Howard Wilson, 36 Crown Rise, Watford, Herts WD25 0NE

**Bankers**  
Lloyds TSB Bank plc, 198/200 Marlowes, Hemel Hempstead, Herts HP1 1BH

## **Annual Report of the Trustees**

The Trustees present their annual report and unaudited financial statements for the year ended 31 March 2007

### **Structure, governance and management**

The charitable company is governed by a Memorandum and Articles of Association and was incorporated on 27 September 1990. The Memorandum and Articles of Association was amended by a resolution dated 22 November 1990. The charitable company ("the charity") was registered as a charity by the Charity Commission on 18 December 1990.

The charity is constituted as a company limited by guarantee with a board of Trustees, who are also Directors of the charity for Companies Act purposes. There is no maximum number of Trustees that can be appointed but the minimum number is six. The Trustees meet a minimum of six times per annum to oversee the running of the organisation. Their responsibilities are defined in the Articles of Association. No remuneration is payable to the members of the Management Committee. Suitable candidates are identified and invited to join the Trustee body. Prospective Trustees are invited to attend the Centre and Trustees meetings to acquaint themselves with all aspects of the charity before they are formally invited to become Trustees.

Day to day activities are delegated to the manager and staff team. The Trustees regularly attend the centre and monitor activities.

### **Objectives and activities**

The principal objects of the charity are to advance the education of persons with learning difficulties and to offer opportunities to develop the intellectual capacity and abilities of such persons that they may achieve their full potential both as individuals and members of society.

To meet the aims and objectives of providing Educational and Training opportunities, people with learning disabilities are sponsored by Statutory Services, Charities and other organisations to attend the Centre on specified days each week. The variety of activities offered include needlework, cookery, arts and crafts, woodwork, gardening, singing, basic numeracy, literacy and computer skills, discussion and group work. We also provide a nail and hair care service.

We continue to maintain an experienced staff team, our staff to client ratio is set at a high level at all times. Supported by a team of volunteers, clients participate in activities and individual learning programmes. The size of the group will depend on the activity and where appropriate one-to-one support is given. In line with the recommendations of the Government's White Paper, "Valuing People", we offer a small day service which integrates wherever possible with mainstream community facilities.

### **Achievements and performance**

We aim to provide a safe, relaxed and stimulating environment where individuals can socialise, learn new skills and maintain existing skills. Most important of all is for our clients to enjoy a good quality of life that commands respect, dignity and choice.

The programme of activities we offer changes every four months, in July, November and March. This gives clients the choice to access different activities and staff or remain the same. This approach is based on individual choice and is always accommodated.

In addition to the activities offered within the centre small groups access the community by using local shops, cafes and restaurants. Twice a week clients can go to a local sports centre to play badminton or use the gym.

We have 58 clients on our register with an average daily attendance of 25.

During the last year two members of staff gained level 2 in The National Vocational Qualification in Social Care (NVQ) and we also have a member of staff who is a qualified Assessor. Other staff have also undertaken courses in First Aid, Administration of Medication, Food Hygiene, Food Safety and Management Systems.

Through Hertfordshire Careers Services we have offered work experience to seven pupils from local schools. We continue to provide placements to students who are undertaking Nursing or Social Work training and have a member of staff who is an approved Mentor.

### **Financial review**

With the financial statements showing a virtual breakeven position, the Trustees have not designated additional funds to the contingency fund this year.

## **Annual Report of the Trustees (cont'd)**

### **Plans for future periods**

The charity aims to maintain staffing ratios and skills at the existing level to ensure that a positive and enhancing service is provided to all clients who attend the centre

### **Reserves Policy**

The Trustees policy is to retain sufficient reserves to protect the Centre against the erosion or loss of non-operating income over the next five years. The reserves policy is reviewed on an annual basis.

The Trustees have designated funds to provide for the cost of maintenance that is required to the fabric of the charity's building. The provision exists in order to recognise that the building must be maintained to a "fit for purpose". Provisions will be made to the Fund in future to ensure that the level of the Fund meets the Centre's needs.

The level of reserves held at 31 March 2007 is shown on the Balance Sheet.

### **Investment Powers**

Under the Memorandum and Articles of Association, the charity has the power to make any investment that the Trustees see fit.

### **Directors and Trustees**

The directors of the charitable company ('the charity') are its Trustees for the purpose of charity law and throughout this report are referred to as the Trustees. A list of the Trustees are given on the Legal and Administration page to the financial statements. All of the Trustees named on that page served during the year. The board of Trustees has the power to appoint additional Trustees as it sees fit. Those Trustees appointed during the period plus one third of the existing Trustees must retire by rotation at the next Annual General Meeting. All retiring Trustees are eligible for re-election.

### **Remuneration**

No remuneration is payable to the Trustees.

### **Risk review**

The Trustees have reviewed the risks associated with the business and there are two principal areas as follows:

- (a) the building lease was renewed for a period of 15 years in December 2005. Our insurers have provided advice on certain aspects of the building fabric and we have introduced a specific maintenance provision in these financial statements which will ensure that the appropriate costs of occupying the building are covered.
- (b) in addition to the building we depend upon maintaining a good quality of staff to deal with the varying needs of our clients. We are investing time in training and also ensuring that the staff/client ratios remain favourable. Thus we have procedures in place to monitor remuneration and training levels.

### **Statement of Trustees responsibilities**

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (UK GAAP).

Company law requires the Trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the Trustees are required to

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue its operations.

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

### **Annual Report of the Trustees (cont'd)**

#### **Statement of Trustees responsibilities (continued)**

In so far as the Trustees are aware, there is no relevant accounting information (information needed by the charity's Accountants in connection with preparing their report) of which the charity's Accountants are unaware, and each Trustee has taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant accounting information and to establish that the charity's Accountants are aware of that information

#### **Employee involvement and employment of the disabled**

The Trustees wish to record thanks to all the staff who have contributed to the success of the charity during the year under review

The Trustees are not aware of any staff who are registered as disabled but have the necessary facilities to enable disabled people with the appropriate skills to work for the charity

#### **Volunteers**

The Trustees also wish to record their heartfelt thanks to the many volunteers without whom the charity would be unable to maintain the quality of service at the level of expenditure that is currently enjoyed

#### **Independent Reporting Accountants**

A resolution will be proposed at the forthcoming Annual General Meeting that Howard Wilson, Chartered Accountants, be re-appointed as accountants for the ensuing year

#### **By order of the Trustees**



**Mrs T Manfield**  
**Company Secretary**

Date 3 September 2007

**STATEMENT OF FINANCIAL ACTIVITIES**  
(Incorporating an Income and Expenditure Account)  
**FOR THE YEAR ENDED 31 MARCH 2007**

	Notes	Unrestricted Funds £	Designated Funds £	2007 Total Funds £	2006 Total Funds £
<b>Incoming Resources</b>					
Incoming resources from generated funds					
Voluntary income	4	200,130	-	200,130	212,663
Activities for generating funds	5	6,739	-	6,739	6,878
Investment income	6	933	-	933	871
Incoming resources from charitable activities	7	14,609	-	14,609	11,661
Other incoming resources		102	-	102	253
<b>Total incoming resources</b>		<u>222,513</u>	<u>-</u>	<u>222,513</u>	<u>232,326</u>
<b>Resources expended</b>					
Fundraising costs		886	-	886	740
Charitable activities	9	220,176	-	220,176	202,746
Governance costs		1,058	-	1,058	1,058
<b>Total resources expended</b>	10	<u>222,120</u>	<u>-</u>	<u>222,120</u>	<u>204,544</u>
<b>Net incoming/(outgoing) resources before transfers</b>		393	-	393	27,782
Gross transfers between funds	14	-	-	-	-
<b>Net incoming/(outgoing) resources before other recognised gains and losses</b>		393	-	393	27,782
<b>Net movement in funds</b>	14	<u>393</u>	<u>-</u>	<u>393</u>	<u>27,782</u>
<b>Reconciliation of Funds</b>					
Total funds brought forward	14	89,153	38,000	127,153	99,371
<b>Total funds carried forward</b>	14	<u>89,546</u>	<u>38,000</u>	<u>127,546</u>	<u>127,153</u>

The statement of financial activities includes all gains and losses recognised in the year

All incoming resources and resources expended derive from continuing activities

**BALANCE SHEET AT 31 MARCH 2007**

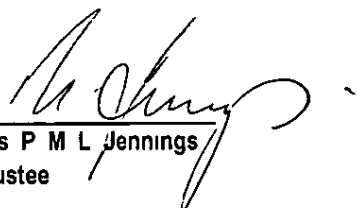
	Notes	2007	2006
<b>Current Assets</b>			
Debtors	12	16,698	16,853
Short term deposits		39,222	38,289
Cash at bank and in hand		74,344	74,032
<b>Total current assets</b>		<b>130,264</b>	<b>129,174</b>
<b>Liabilities</b>			
Creditors Amounts falling due within one year	13	2,718	2,021
<b>Net assets</b>		<b>£ 127,546</b>	<b>£ 127,153</b>
<b>FUNDS</b>			
Unrestricted income funds			
General funds	14	89,546	89,153
Designated funds	14	38,000	38,000
<b>Total charity funds</b>		<b>£ 127,546</b>	<b>£ 127,153</b>

These annual financial statements have not been audited because the charitable company is entitled to the exemption provided by Section 249A(2) of the Companies Act 1985 and no notice under s249B(2) has been deposited at the charitable company's registered office requiring the charitable company to obtain an audit of the financial statements

The trustees acknowledge their responsibilities for ensuring that the charitable company keeps accounting records that comply with s221 Companies Act 1985. The trustees also acknowledge their responsibilities for preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for the financial year in accordance with s226 Companies Act 1985, and which otherwise comply with the requirements of that Act relating to the financial statements, so far as applicable to the charitable company

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2005)

The unaudited financial statements, comprising of the Statement of Financial Activities, the Balance Sheet and Related Notes, were approved by the trustees on 3 September 2007 and signed on their behalf by

  
**Mrs P M L Jennings**  
**Trustee**



**NOTES TO THE FINANCIAL STATEMENTS**  
**AT 31 MARCH 2007**

**1 COMPANY STATUS AND MEMBERS LIABILITY**

The company is a private company limited by guarantee and not having any share capital. The extent of the liability of the members of the company on a winding up is limited to a maximum of one pound each. The company is also a registered charity and accordingly no liability to corporation tax arises on the financial statements.

**2 TITLE**

The charitable company has an exemption under section 30(5) of the Companies Act 1985 from using 'Limited' in the title.

**3 ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

**Accounting Convention**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (revised 2005) (SORP), applicable United Kingdom accounting standards and the Companies Act 1985. The Charitable Company has followed the Financial Reporting Standard for Smaller Entities (effective January 2005). The Charitable Company has taken advantage of the exemptions in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

**Going concern**

The financial statements have been prepared under the going concern principle which assumes that the Charitable Company will continue in operation for the foreseeable future.

**Incoming Resources**

The charitable company's policy is to recognise all incoming resources on a receivable basis.

**Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

**Unrestricted Funds**

Unrestricted Funds are donations and other incoming resources received or generated for the charitable purposes.

**Designated Funds**

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The aim and use of each designated fund is set out in the note to the financial statements.

**Fixed Assets**

Where capital items are acquired through donations received, those assets are written off in the year of purchase. In the year ended 31 March 2007 there were capital purchases of £1,582 (2006: £1,470) written off.

**Taxation**

The activities of The Waterside Centre, Kings Langley are exempt from Corporation Tax under Section 505 of the Income and Corporation Taxes Act 1988 to the extent that they are applied to the organisation's charitable objects.

**Materials Stock**

The value of stock in hand at the accounting date approximated to £300, including materials which had been donated. They have therefore been excluded from the balance sheet.

**Operating Lease Agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA on a straight line basis over the period of the lease.

**NOTES TO THE FINANCIAL STATEMENTS  
AT 31 MARCH 2007**

**4 VOLUNTARY INCOME**

	Unrestricted Funds £	Designated Funds £	2007 £	2006 £
Donations	6,632	-	6,632	9,478
Sponsorship income	193,498	-	193,498	203,185
	<u>200,130</u>	<u>-</u>	<u>200,130</u>	<u>212,663</u>

**5 ACTIVITIES FOR  
GENERATING FUNDS**

	Unrestricted Funds £	Designated Funds £	2007 £	2006 £
Fundraising events	5,742	-	5,742	5,882
Sales	997	-	997	996
	<u>6,739</u>	<u>-</u>	<u>6,739</u>	<u>6,878</u>

**6 INVESTMENT INCOME**

	Unrestricted Funds £	Designated Funds £	2007 £	2006 £
Interest on cash deposits	933	-	933	871

**7 INCOMING RESOURCES  
FROM CHARITABLE  
ACTIVITIES**

	Unrestricted Funds £	Designated Funds £	2007 £	2006 £
Activities and outings	585	-	585	-
Lunch receipts	14,024	-	14,024	11,661
	<u>14,609</u>	<u>-</u>	<u>14,609</u>	<u>11,661</u>

**8 COSTS OF GENERATING  
VOLUNTARY INCOME**

	Unrestricted Funds £	Designated Funds £	2007 £	2006 £
Fundraising costs	886	-	886	740

NOTES TO THE FINANCIAL STATEMENTS  
AT 31 MARCH 2007

9 CHARITABLE ACTIVITIES	Unrestricted Funds	Designated Funds	2007	2006
	£	£	£	£
Staff salaries and national insurance	183,281	-	183,281	170,766
Material costs	6,530	-	6,530	4,817
Lunches	9,483	-	9,483	8,652
Rent	3,313	-	3,313	3,129
Light, heat and water	4,062	-	4,062	3,123
Repairs and renewals	2,241	-	2,241	1,889
Printing, postage and stationery	240	-	240	225
Telephone	325	-	325	630
Insurance	3,218	-	3,218	2,917
Equipment hire	1,695	-	1,695	1,864
Legal and professional	999	-	999	792
Staff training	482	-	482	300
Activities and outings	1,526	-	1,526	1,185
Sundry expenses	1,197	-	1,197	986
Equipment purchases	1,582	-	1,582	1,470
	<u>220,176</u>	<u>-</u>	<u>220,176</u>	<u>202,746</u>

10 TOTAL RESOURCES EXPENDED	Staff Costs (£)	Other Direct Costs (£)	Other Allocated Costs (£)	2007	2006
	£	£	£	£	£
Fundraising costs	-	886	-	886	740
Charitable activities	183,281	36,895	-	220,176	202,746
Governance costs	-	1,058	-	1,058	1,058
<b>Total resources expended</b>	<u>183,281</u>	<u>38,839</u>	<u>-</u>	<u>222,120</u>	<u>204,544</u>

Other direct costs and Other allocated costs include

	2007	2006
	£	£

Reporting accountants' remuneration

Fees in respect of being reporting accountant

Operating lease rentals - Land and buildings

1,058

1,058

3,313

3,129

11 STAFF COSTS, NUMBERS AND TRUSTEES REMUNERATION

	2007	2006
	£	£
Salaries	171,216	159,488
Social security costs	12,065	11,278
	<u>183,281</u>	<u>170,766</u>

None of the employees earned over £60,000 during the period

The average weekly number of staff employed by the Trust during the year was as follows

	2007 Full time	2007 Part time	2006 Full time	2006 Part time
Direct charitable work	-	12	-	12
Management	1	1	1	1
Administrative	1	-	1	-

No remuneration or expenses either directly or indirectly out of the funds of the charity were paid or was payable to trustees or any person(s) known to be connected with them during the period (2006 £nil)

NOTES TO THE FINANCIAL STATEMENTS  
AT 31 MARCH 2007

12 DEBTORS

	2007 £	2006 £
Trade debtors	15,570	15,922
Prepayments and accrued income	1,128	931
	<u>16,698</u>	<u>16,853</u>

13 CREDITORS

Amounts falling due within one year	2007 £	2006 £
Accruals	<u>2,718</u>	<u>2,021</u>

14 STATEMENT OF FUNDS

	At 01 April 2006 £	Income £	Expenditure £	Transfers £	At 31 March 2007 £
Unrestricted Funds	89,153	222,513	222,120	-	89,546
Designated Funds	38,000	-	-	-	38,000
Total unrestricted funds	<u>127,153</u>	<u>222,513</u>	<u>222,120</u>	<u>-</u>	<u>127,546</u>

Designated Reserve

The contingency fund has been established to provide for the cost of maintenance that is required to the fabric of the charity's building. The provision exists in order to recognise that the building must be maintained to a "fit for purpose" level for the period of the lease which was renewed for a period of 15 years during the year. Provisions will be made to the Fund in future to ensure that the level of the Fund meets the Centre's needs.

15 ANALYSIS OF NET ASSETS  
BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Total £
Funds balances at 31 March 2007 are represented by.			
Current assets	86,828	38,000	130,264
Current liabilities	2,718	-	2,718
Total net assets	<u>89,546</u>	<u>38,000</u>	<u>127,546</u>

16 FINANCIAL COMMITMENTS

At 31 March 2007 the charity has annual commitments under non-cancellable leases as follows

	2007		2006	
	Land and buildings £	Other £	Land and buildings £	Other £
Expiry date.				
Over five years	<u>3,500</u>	<u>-</u>	<u>3,500</u>	<u>-</u>

**Accountants Report to the Trustees on the Unaudited Financial Statement of**  
**The Waterside Centre, Kings Langley**  
**(A Company Limited by Guarantee)**

We report on the unaudited financial statements for the year ended 31 March 2007 which comprise the Statement of Financial Activities, the Balance Sheet and the Related Notes. The financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 249A(2) of the Companies Act 1985. Our 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 accountants 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 charitable company and the charitable company's members as a body, for our work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and reporting accountant**

As described in the Trustees Report the charitable company's trustees are responsible for the preparation of the financial statements, and they consider that the charitable company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

**Basis of opinion**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial activities with the accounting records kept by the charitable company, and making such limited enquiries of the officers of the charitable company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

**Opinion**

In our opinion:

- (a) the financial statements are in agreement with the accounting records kept by the company under s221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
  - (i) the financial statements have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act, and
  - (ii) the charitable company satisfied the conditions for exemption from an audit of the financial statements for the year, specified in s249A(4) of the Act as modified by s249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in s249B(1).

*Howard Wilson*

**Howard Wilson**  
Chartered Accountants and Reporting Accountants  
36 Crown Rise,  
Watford,  
Herts  
WD25 0NE

Date 3 September 2007