

THE WATERSIDE CENTRE, KINGS LANGLEY

(A Company Limited by Guarantee)

Report and Unaudited Financial Statements

Year ended 31 March 2005

Charity no: 1001330

Company no: 2543708



HOWARD WILSON

Chartered Accountants and Reporting Accountants

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Legal and administrative information

Trustees / Directors

Mrs. P. M. L. Jennings (Chair - from 8 November 2004)
Mr. P. J. Spriggs (Chair - until resigned 8 November 2004)
Mr. R. J. P. Miers (resigned 30 September 2004)
Mrs. C. Appleby
Cllr. G. Angiolini (appointed 9 May 2005)
Mrs. A. Burgar
Mrs. D. Castro
Mrs. P. Waters

Company Secretary

Mrs. T. Manfield

Registered Office

63 The Waterside, Kings Langley, Herts. WD4 8HE

Bankers

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

Reporting Accountants

Howard Wilson, 36 Crown Rise, Watford, Herts. WD25 0NE

REPORT OF THE MANAGEMENT COMMITTEE

The Management Committee present their annual report and financial statements for the year ended 31 March 2005.

Principal Activity

The principal activity of the charitable company is to provide Educational Training and Leisure Activities for Adults with learning difficulties.

Committee of Management

The Management Committee are Directors for Companies Act purposes and Trustees for Charity Law purposes. There is no maximum number of Directors/Trustees 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.

Committee Members and Their Interests

The charitable company having no share capital, the question of shares held by the members of the Management Committee does not apply.

Manager

The Manager is appointed by the Committee of Management and is responsible for the day to day management of the Centre and is remunerated at such terms as agreed by the Committee.

Aims and Objectives

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.

Meeting the Objectives

We continue to maintain an experienced staff team; our staff to client ration 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.

Review of Activities

The age range of clients attending the Centre in the last year was between 23 and 81. At the end of March 2005 client numbers were 60 (53 in 2004) and weekly places were 129 (123 in 2004).

Through our activities we aim to offer a person-centred service and clients are encouraged to choose the activities they pursue. For some individuals this is not easy and it is necessary for staff to offer support and encouragement.

We continue to provide a wide range of activities and these are offered in a safe and relaxed environment

REPORT OF THE MANAGEMENT COMMITTEE (continued)

Review of the Charity's Financial Affairs

The year to 31 March 2005 yielded an operating surplus of £4,207 (2004 - deficit £19,693) which was reduced by fundraising and donations of £12,441 (2004 - £13,805). This fundraising helped finance capital purchases of £12,982 (2004 - £9,252).

The excellent outcome for the year was achieved whilst maintaining, if not improving, our service level to our clients. This was backed up by the enthusiastic effort and commitment of our fundraising team which, over the years, has contributed significantly to the solid financial position that we find ourselves in at the end of this year.

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.

Risk Management Policy

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

- (a) the building lease comes up for renewal 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 are covered. Our lease renewal depends upon the building continuing to be fit for purpose for the renewal period.
- (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 Management Committee Responsibilities

Company law requires the Committee Members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and its surplus or deficit for that period.

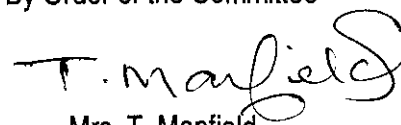
In preparing those financial statements the Committee Members are required to select suitable accounting policies and then apply them consistently, make judgements and estimates that are reasonable and prudent and prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

63 The Waterside,
Kings Langley,
Herts. WD4 8HE

Date: 5 September 2005

By Order of the Committee



Mrs. T. Manfield
Company Secretary

**ACCOUNTANTS REPORT TO THE MEMBERS ON THE UNAUDITED FINANCIAL
STATEMENTS OF THE WATERSIDE CENTRE, KINGS LANGLEY**

We report on the financial statements for the year ended 31 March 2005 which comprise the Income and Expenditure Account, Balance Sheet and Related Notes.

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: 5 September 2005

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £	2004 £
INCOME AND EXPENDITURE			
Incoming resources			
Donations and gifts		7,405	8,880
Local authority contracts		184,024	155,677
Investment income		840	608
Other income		18,182	17,981
Total incoming resources		<u>210,451</u>	<u>183,146</u>
Resources expended			
Cost of generating funds			
Fundraising and publicity	4	<u>364</u>	<u>602</u>
Charitable expenditure			
Costs in furtherance of the charity's objects	5	197,646	188,905
Management and administration	6	<u>8,775</u>	<u>8,779</u>
		<u>206,421</u>	<u>197,684</u>
Total resources expended	7	<u>206,785</u>	<u>198,286</u>
Net incoming resources / (resources expended) before transfers		3,666	(15,140)
Transfers between funds	10	<u>3,000</u>	<u>3,000</u>
Net incoming resources / (resources expended) after transfers (Net income for the year)		666	(18,140)
Fund balances brought forward at 1 April		80,703	98,843
Fund balances carried forward at 31 March		<u>£ 81,369</u>	<u>£ 80,703</u>

Note

All the Charitable Company's operations are classed as continuing.

There are no gains or losses other than the surplus / (deficit) for the year.

The accompanying notes form an integral part of this Statement of Financial Activities

BALANCE SHEET AT 31 MARCH 2005

	Notes	2005 £	2004 £
CURRENT ASSETS			
Debtors	8	18,690	16,071
Short term deposits		37,418	36,578
Cash at bank and in hand		48,039	44,489
		<u>104,147</u>	<u>97,138</u>
CREDITORS: amounts falling due within one year	9	4,778	1,435
NET ASSETS		<u>£ 99,369</u>	<u>£ 95,703</u>
FUNDS			
Unrestricted		81,369	80,703
Designated	10	18,000	15,000
		<u>£ 99,369</u>	<u>£ 95,703</u>

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.

These financial statements were approved by the board on 5 September 2005 and signed on its behalf.



Mrs. P. M. L. Jennings
Trustee

The accompanying notes form an integral part of this Balance Sheet

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2005

1 COMPANY STATUS AND MEMBERS LIABILITY

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

2 TITLE

The Centre has exemption under section 30(5) of the Companies Act 1985 from using "Limited" in the title.

3 ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

Incoming Resources

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

Expenditure

All expenditure is accounted for gross, and when incurred.

Direct charitable expenditure includes the direct costs relating to the activities. Where such costs relate to more than one category, they have been apportioned on a percentage basis.

Unrestricted Funds

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

Designated Funds

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes 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 2005 there were capital purchases of £12,982 (2004: £9,252) written off.

Material Stocks

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 against net income/(expenditure) on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2005 (continued)

4 FUNDRAISING AND PUBLICITY	2005	2004
Advertising	£ 364	£ 602
	<u>£ 364</u>	<u>£ 602</u>
5 COSTS IN FURTHERANCE OF THE CHARITY'S OBJECTS	2005	2004
Staff costs	158,022	154,033
Materials	4,936	5,240
Canteen	7,670	7,178
Activities and outings	1,618	2,118
Services (Heat, light, insurance, telephone, repairs and maintenance)	12,418	11,084
Capital purchases (including software)	12,982	9,252
	<u>£ 197,646</u>	<u>£ 188,905</u>
6 MANAGEMENT AND ADMINISTRATION OF THE CHARITY	2005	2004
Staff costs	6,000	6,000
Equipment hire	886	886
Accountancy	1,028	999
Staff training	100	110
Legal and professional	761	784
	<u>£ 8,775</u>	<u>£ 8,779</u>
7 TOTAL RESOURCES EXPENDED	2005	2004
Total resources expended are stated after charging the following:		
Staff Costs:		
Wages and salaries	153,200	149,366
Social security costs	10,822	10,667
	<u>£ 164,022</u>	<u>£ 160,033</u>

No employee earned more than £50,000 p.a.

The average number of employees analysed by function, was:

	2004/05		2003/04	
	Full time	Part time	Full time	Part time
Management	1	1	1	1
Administration	1	-	1	-
Tutors	-	8	-	8
Cook/Tutor	-	1	-	1
General Assistants	-	3	-	3

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2005 (continued)

8 DEBTORS	2005	2004
Local authority sponsorship	18,002	15,161
Other debtors	688	910
	<u>£ 18,690</u>	<u>£ 16,071</u>
9 CREDITORS	2005	2004
Amounts falling due within one year		
Other creditors	<u>£ 4,778</u>	<u>£ 1,435</u>
10 DESIGNATED FUNDS	2005	2004
Building maintenance fund		
Balance brought forward	15,000	9,000
Transfer from unrestricted funds	3,000	6,000
Balance carried forward	<u>£ 18,000</u>	<u>£ 15,000</u>

The building maintenance 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 lease renewal date in late 2005 and for operations beyond that date. Provisions will be made to the Fund in future to ensure that the level of the Fund meets the Centre's needs.

11 OPERATING LEASE COMMITMENTS

At 31 March 2005 the company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings	
	2005	2004
Operating leases which expire :		
Within one year	2,750	-
Between one and two years	<u>-</u>	<u>2,750</u>