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HARROW SCHOOL OF GYMNASTICS LIMITED
(Limited by Guarantee)

REPORT OF THE DIRECTORS
AND FINANCIAL STATEMENTS

YEAR TO 28 FEBRUARY 2001



Company No. 2585823 (England and Wales)

HARROW SCHOOL OF GYMNASTICS LIMITED
(Limited by Guarantee)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

Weeden, Hattersley, Mead & Co.
Chartered Certified Accountants

HARROW SCHOOL OF GYMNASTICS LIMITED
(LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

CONTENTS

	Page
Company Information	1
Directors' Report	2/3
Statement of Directors' Responsibilities	4
Report of the Auditors	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 - 12

COMPANY INFORMATION
YEAR TO 28 FEBRUARY 2001

Professional Advisers and Key Personnel

Company
Secretary : Mrs. Valerie Newman

Office Administrator: Desna Hale

Registered Office : Norfolk House
Norfolk Road
Rickmansworth
Herts. WD3 1RD

Principal Address : 186 Christchurch Avenue
Harrow
Middx. HA3 5BD

Bankers : Natwest Bank Plc
80 Shenley Road
Borehamwood
Herts. WD6 1TY

Auditors : Weeden, Hattersley, Mead & Co.
Norfolk House
Norfolk Road
Rickmansworth
Herts. WD3 1RD

DIRECTORS' REPORT
YEAR TO 28 FEBRUARY 2001

Status and Administration

Harrow School of Gymnastics Limited was founded in 1992. The school is a registered charity number 1002258 and is also a company limited by guarantee, registered company number 2585823.

Directors

The Directors of the Company, who are also the charity trustees and who served during the year were:

Stephen Tucker	Chairman
Valerie Newman	Secretary
Dagmar Jackson	
Duncan Chapman	(resigned 20.04.2000)
Stuart Cella	" 8.12.2000
Mary Griffin	" "
Veronica Chamberlain	(appointed 8.12.2000)
Diana Toolan	" "
Linda Walters	" "
Jean McEnaney	" "

The Directors are elected at the Annual General Meeting. One third of the Directors are required to retire each year and may offer themselves for re-election.

Objects

The object set out in the Memorandum is the provision of gymnastic coaching and facilities.

The Financial Results

The results for the year to 28 February 2001 are set out on pages 6 - 12.

DIRECTORS' REPORT
YEAR TO 28 FEBRUARY 2001

Resources

As stated in Note 8 to the Accounts the Reserves are split between those designated for specific purposes and those available for day to day requirements of the School.

Designated reserves were invested in a separate Account with Halifax Building Society but have now been utilised for the designated purpose.

The School's assets are sufficient to meet its obligations.

Auditors

In accordance with Section 385 of the Companies Act 1985, a Resolution proposing the re-appointment of Weeden, Hattersley, Mead & Co. as Auditors to the Company will be put to the Annual General Meeting.

This report is prepared in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies and was approved by the Board of the Directors at its Meeting on 20 June 2001 and signed on its behalf by:

.....
Jean McEnaney - Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR TO 28 FEBRUARY 2001

The purpose of this statement is to distinguish the directors responsibilities for the accounts from those of the auditors as stated in their report.

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period. In preparing those accounts the directors are required to:

select suitable accounting policies and then apply them consistently;

make judgements and estimates that are reasonable and prudent;

state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;

prepare the accounts on the going concern basis unless it is inappropriate to assume 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 accounts 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 or other irregularities.

HARROW SCHOOL OF GYMNASTICS LIMITED
(LIMITED BY GUARANTEE)

We have audited the Accounts on pages 6 - 12.

Respective responsibilities of the Directors and Auditors

As described on page 4, the Directors who also act as Trustees for the charitable activities of Harrow School of Gymnastics Limited are responsible for the preparation of accounts.

It is our responsibility to form an independent opinion, based on our audit, on the accounts and to report our opinion to you.

Basis of opinion

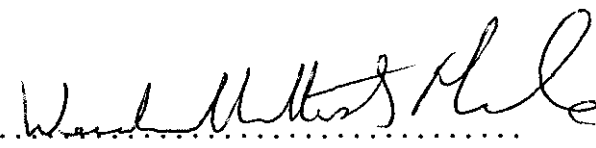
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the judgements made by the Directors in the preparation of accounts and of whether the accounting policies are appropriate to the charitable 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 accounts are free from material mis-statement, 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 accounts.

Opinion

In our opinion, the Accounts give a true and fair view of the state of affairs of the charitable company as at 28 February 2001 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

20 June 2001


.....
Chartered Certified Accountants
and Registered Auditors

Weeden, Hattersley, Mead & Co.
Norfolk House
Norfolk Road
Rickmansworth
Herts. WD3 1RD

STATEMENT OF FINANCIAL ACTIVITIES
YEAR TO 28 FEBRUARY 2001

	Notes	Unrestricted Funds	
		2001	2000
		£	£
INCOMING RESOURCES			
Fees Receivable	2	231,183	218,550
Other Income, Grants & Donations		22,277	16,097
Bank and Building Soc. Interest		1,946	1,435
TOTAL INCOMING RESOURCES		255,406	236,082
RESOURCES USED			
Direct Charitable Expenditure:			
Coaching Costs		193,951	183,600
Premises Costs		35,087	30,133
Support Costs		16,022	14,970
		245,060	228,703
Other Expenditure:			
Audit & Accountancy		1,645	1,645
Employment Tribunal Award and Costs		5,557	-
Bank Loan Interest		1,131	569
Prior year expenditure adjustment		(6,311)	-
TOTAL RESOURCES EXPENDED		247,082	230,917
NET INCOMING/(OUTGOING) RESOURCES	3	8,324	5,165
Balance brought forward as at 1 March 2000		47,000	41,835
Balance carried forward as at 28 February 2001		55,324	47,000

There were no recognised gains and losses for 2001 or 2000 other than those included in the Statement of Financial Activities.

The notes on pages 8 to 12 form part of these financial statements

BALANCE SHEET AS AT 28 FEBRUARY 2001

	Notes	2001	2000
		£	£
FIXED ASSETS			
Tangible Assets	4	<u>113,687</u>	<u>140,126</u>
CURRENT ASSETS			
Stock		3,554	1,750
Debtors	5	2,964	555
Cash at bank & in hand		<u>65,053</u>	<u>55,226</u>
		71,571	57,531
CREDITORS:			
Due within one year	6	<u>16,780</u>	<u>36,554</u>
NET CURRENT ASSETS		<u>54,791</u>	<u>20,977</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		168,478	161,103
CREDITORS:			
Due after one year	7	<u>13,154</u>	<u>14,103</u>
TOTAL NET ASSETS		<u>155,324</u>	<u>147,000</u>
ACCUMULATED RETAINED RESERVES	8	55,324	47,000
RESTRICTED FUNDS	8	<u>100,000</u>	<u>100,000</u>
		155,324	147,000

The Directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies under the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on 20 June 2001 and signed on its behalf.

.....
Jean McShaney - Director

The notes on pages 8 to 12 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

1. **LEGAL STATUS**

The Company is Limited by Guarantee and has no Share Capital. The Memorandum of Association provides that all members are liable to contribute a sum not exceeding £1 in the event of the Company being wound up or within one year of ceasing to be members.

2. **ACCOUNTING POLICIES**

(a) **Basis of preparation**

The Accounts are prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

The financial statements have been prepared in accordance with the financial reporting standard for smaller entities.

(b) **Tangible Fixed Assets**

Depreciation is provided on all tangible fixed assets at rates and bases calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Leasehold Property	-	25 years
Gym Equipment	-	5 years
Fixtures & Fittings	-	6.2/3 years

Other small items are written off as an expense as acquired.

(c) **Fees**

Fees consist of charges for the year ending 28 February 2001 for both recreational and competitive gymnastics.

(d) **Expenditure**

Expenditure is allocated to expense headings either on a direct cost basis, or apportioned according to time spent. The irrecoverable element of VAT is included with the item of expense to which it relates.

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

3. SURPLUS ON ORDINARY ACTIVITIES BEFORE INTEREST

The surplus on ordinary activities before interest is stated after charging:	2001	2000
	£	£
Depreciation of Tangible Fixed Assets		
Owned by the Company	11,583	8,377
Directors Emoluments	-	-
Auditors Remuneration (inclusive of VAT)	1,645	1,645
Employment Tribunal Award and Costs	5,557	-
 Prior Years Expenditure Adjustments		
Depreciation of short Leasehold	21,638	-
Over provision for expenditure	(27,949)	
 Net adjustment	<u>(6,311)</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

4. TANGIBLE FIXED ASSETS

	Land & Bldgs (Short Leasehold)	Gymnasium Equipment	Fixtures Fittings & other Equipment	Total
	£	£	£	£
COSTS				
As at 1 March 2000	155,444	73,878	9,703	239,025
Additions		2,358	4,424	6,782
Disposals	-	-	-	-
As at 28 February 2001	155,444	76,236	14,127	245,807
DEPRECIATION				
As at 1 March 2000	34,322	58,405	6,172	98,899
Charge for year	6,218	3,246	2,119	11,583
Prior year adjustment	21,638	-	-	21,638
As at 28 February 2001	62,178	61,651	8,291	132,120
NET BOOK VALUES				
As at 28 February 2001	93,266	14,585	5,836	113,687
As at 28 February 2000	121,122	15,473	3,531	140,126

Depreciation Policy

- (a) Leasehold Property : Straight line over life of lease (i.e. £6,218 pa)
Gymnastic Equipment: 20% reducing balance
Fixtures & Fittings: 15% reducing balance
- (b) The prior year adjustment relates to depreciation undercharged in previous years in respect of the short Leasehold
- (c) A full years depreciation is charged in the year of acquisition, no depreciation is charged in the year of disposal

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

5. DEBTORS	2001	2000
Due within one year		
	£	£
Other debtors	2,350	-
Prepayments	614	555
	<hr/>	<hr/>
Total per Balance Sheet	2,964	555
	<hr/>	<hr/>
6. CREDITORS:		
Due within one year		
Bank Loan Repayments	2,079	2,079
Trade Creditors	3,578	9,196
Taxes & Social Security Cost	2,025	1,718
Other Creditors	9,098	23,561
	<hr/>	<hr/>
Total per Balance Sheet	16,780	36,554
	<hr/>	<hr/>
7. CREDITORS		
Amounts falling due in more than one year		
Repayable by instalments in 2-5 years		
Bank loan	8,315	8,315
Repayable by instalments in more than 5 years		
Bank Loan	4,839	5,788
	<hr/>	<hr/>
	13,154	14,103
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS
YEAR TO 28 FEBRUARY 2001

8. ACCUMULATED RESERVES

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Balance as at 1 March 2000	47,000	100,000	147,000
Retained surplus for year	8,324	-	8,324
Balance as at 28 February 2001	55,324	100,000	155,324

The Restricted Funds represent an advance from the Sports Council towards the construction of the leasehold premises which was utilised in 1999 to pay off £100,000 of the Bank Loan.

9. FINANCIAL COMMITMENTS

At 28 February 2001, the Company had annual commitments under non-cancellable operating leases as follows:

	Land & Buildings	
	2001	2000
	£	£
EXPIRY DATE		
In over five years	5,950	5,950