

**HARROW SCHOOL OF GYMNASTICS LIMITED**  
**(Limited by Guarantee)**

**REPORT OF THE DIRECTORS  
AND FINANCIAL STATEMENTS**

**YEAR TO 28 FEBRUARY 1997**



2585823

HARROW SCHOOL OF GYMNASTICS LIMITED  
(LIMITED BY GUARANTEE)

REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 1997

Weeden, Hattersley, Mead & Co.  
Chartered Certified Accountants

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Company No. 2585823 (England and Wales)

**HARROW SCHOOL OF GYMNASTICS LIMITED**  
**(LIMITED BY GUARANTEE)**

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**REPORT AND FINANCIAL STATEMENTS**  
**YEAR TO 28 FEBRUARY 1997**

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COMPANY INFORMATION  
YEAR TO 28 FEBRUARY 1997

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Professional Advisers and Key Personnel

Company  
Secretary : David Westley

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 1997**

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**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:

|                 |                     |
|-----------------|---------------------|
| Sandra Butters  |                     |
| John Copp       |                     |
| Kay Darling     |                     |
| Gordon Gullen   | (resigned 01.10.96) |
| Peter Hale      | (resigned 19.08.97) |
| Sue Harrison    | (resigned 31.03.97) |
| Mary Houreld    |                     |
| Ronald Powell   | (resigned 01.11.96) |
| Phillip Smith   | (resigned 01.10.96) |
| Andrew Thompson | (resigned 01.12.96) |
| Stephen Tucker  | (resigned 01.11.96) |
| David Westley   |                     |

The Directors are elected at a full Directors' 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 1997 are set out on pages 6 - 12. Giving consideration to the Health & Safety Regulations, the Directors have incurred expenditure in providing foam matting and other safety features in the floor area during the year to 28 February 1997.

The actual expenditure in 1996-97 was £38,973. This expenditure has been met from current income and retained reserves.

DIRECTORS' REPORT  
YEAR TO 28 FEBRUARY 1997

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**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.

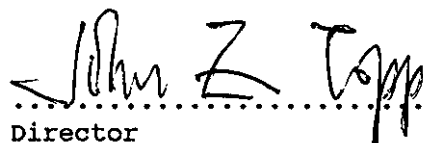
Designated reserves are invested in a separate Account with Halifax Building Society.

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.

Approved by the Board of the Directors at its meeting on 27 November 1997  
and signed on its behalf by:

  
.....  
Director

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**  
**YEAR TO 28 FEBRUARY 1997**

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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 profit or loss 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)**

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We have audited the Accounts on pages 6 - 14.

**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**

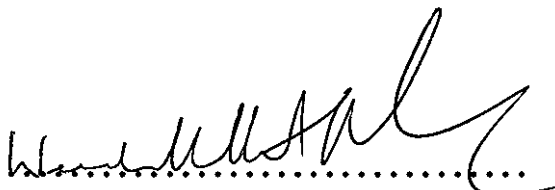
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the judgements made by the Directors in the preparation 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 1997 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.

27 November 1997

  
.....  
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 1997

|   | Notes    | Unrestricted Funds |                |
|---|----------|--------------------|----------------|
|   |          | 1997               | 1996           |
|   |          | £                  | £              |
| <b>INCOMING RESOURCES</b>                         |          |                    |                |
| Fees Receivable                                   | 2        | 206,599            | 191,211        |
| Other Income                                      |          | 10,259             | 45,483         |
| Bank and Building Soc. Interest                   |          | 8,837              | 9,150          |
| <b>TOTAL INCOMING RESOURCES</b>                   |          | <b>225,695</b>     | <b>245,844</b> |
| <b>RESOURCES USED</b>                             |          |                    |                |
| <b>Direct Charitable Expenditure:</b>             |          |                    |                |
| Coaching Costs                                    |          | 129,659            | 122,647        |
| Direct Expenses                                   |          | 56,077             | 20,853         |
| Premises Costs                                    |          | 39,763             | 32,203         |
| Support Costs                                     |          | 20,113             | 20,104         |
|   |          | <b>245,612</b>     | <b>195,807</b> |
| <b>Other Expenditure:</b>                         |          |                    |                |
| Management & Administration of the Trust          |          | 1,410              | 1,410          |
| Bank Loan Interest                                |          | 9,815              | 11,724         |
| <b>TOTAL RESOURCES EXPENDED</b>                   |          | <b>256,837</b>     | <b>208,941</b> |
| <b>NET INCOMING/(OUTGOING) RESOURCES</b>          | <b>3</b> | <b>(31,142)</b>    | <b>36,903</b>  |
| Balance brought forward<br>as at 1 March 1996     |          | <b>58,593</b>      | <b>21,690</b>  |
| Balance carried forward<br>as at 28 February 1997 |          | <b>27,451</b>      | <b>58,593</b>  |

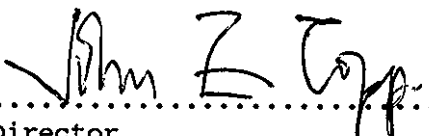
There were no recognised gains and losses for 1997 or 1996 other than those included in the Statement of Financial Activities.

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

**BALANCE SHEET AS AT 28 FEBRUARY 1997**

|  | Notes | 1997              | 1996              |
|--|-------|-------------------|-------------------|
|  |       | £                 | £                 |
| <b>FIXED ASSETS</b>                          |       |                   |                   |
| Tangible Assets                              |       |                   |                   |
| School's Land & Buildings                    | 4     | 163,462           | 172,701           |
|  |       | <u>          </u> | <u>          </u> |
| <b>CURRENT ASSETS</b>                        |       |                   |                   |
| Stock  |       | 1,750             | 1,750             |
| Debtors                                      | 5     | 8,541             | 6,387             |
| Cash at Bank                                 |       | 120,501           | 155,683           |
|  |       | <u>          </u> | <u>          </u> |
|  |       | 130,792           | 163,820           |
| <b>CREDITORS:</b>                            |       |                   |                   |
| Due within one year                          | 6     | 51,602            | 53,948            |
|  |       | <u>          </u> | <u>          </u> |
| <b>NET CURRENT ASSETS</b>                    |       | 79,190            | 109,872           |
|  |       | <u>          </u> | <u>          </u> |
| <b>TOTAL ASSETS LESS CURRENT LIABILITIES</b> |       | 242,652           | 282,573           |
| <b>CREDITORS:</b>                            |       |                   |                   |
| Due after one year                           | 7     | 115,201           | 123,980           |
|  |       | <u>          </u> | <u>          </u> |
| <b>TOTAL NET ASSETS</b>                      |       | 127,451           | 158,593           |
|  |       | <u>          </u> | <u>          </u> |
| <b>ACCUMULATED RETAINED RESERVES</b>         | 8     | 27,451            | 58,593            |
| <b>RESTRICTED FUNDS</b>                      | 8     | 100,000           | 100,000           |
|  |       | <u>          </u> | <u>          </u> |
|  |       | 127,451           | 158,593           |
|  |       | <u>          </u> | <u>          </u> |

The Directors have taken advantage, in the preparation of these financial statements, of special exemptions applicable to small companies on the grounds that the company qualifies as a small company by virtue of section 247 of the Companies Act 1985. The financial statements were approved by the Board on 27 November 1997 and signed on its behalf.

  
.....  
Director

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

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 1997

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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 Company 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 company.

(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 1997 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 1997

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3. SURPLUS ON ORDINARY ACTIVITIES BEFORE INTEREST

| The surplus on ordinary activities before<br>interest is stated after charging: | 1997   | 1996   |
|---|--------|--------|
|   | £      | £      |
| Depreciation of Tangible Fixed Assets   |        |        |
| Owned by the Company  | 11,286 | 10,429 |
| Directors Emoluments  | -      | -      |
| Auditors Remuneration (inclusive of VAT)  | 1,410  | 1,410  |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 1997

4. TANGIBLE FIXED ASSETS

|                        | Land & Bldgs<br>(Short<br>Leasehold) | Gymnasium<br>Equipment | Fixtures<br>Fittings &<br>other<br>Equipment | Total   |
|------------------------|--------------------------------------|------------------------|--|---------|
|                        | £                                    | £                      | £  | £       |
| <b>COSTS</b>           |                                      |                        |  |         |
| As at 1 March 1996     | 155,444                              | 69,783                 | 8,195  | 233,422 |
| Additions              | -                                    | 2,047                  | -  | 2,047   |
| Disposals              | -                                    | -                      | -  | -       |
| As at 28 February 1997 | 155,444                              | 71,830                 | 8,195  | 235,469 |
| <b>DEPRECIATION</b>    |                                      |                        |  |         |
| As at 1 March 1996     | 18,782                               | 38,053                 | 3,886  | 60,721  |
| Charge for year        | 3,885                                | 6,755                  | 646  | 11,286  |
| As at 28 February 1997 | 22,667                               | 44,808                 | 4,532  | 72,007  |
| <b>NET BOOK VALUES</b> |                                      |                        |  |         |
| As at 28 February 1997 | 132,777                              | 27,022                 | 3,663  | 163,462 |
| As at 28 February 1996 | 136,662                              | 31,730                 | 4,309  | 172,701 |

Depreciation Policy

- (a) Leasehold Property : Straight line over life of lease (i.e. £3,885 pa)  
Gymnastic Equipment: 20% reducing balance  
Fixtures & Fittings: 15% reducing balance
- (b) 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 1997

|   |         |         |
|---|---------|---------|
| 5. DEBTORS                                | 1997    | 1996    |
| Due within one year                       | £       | £       |
| Prepayments                               | 8,541   | 6,387   |
| Total per Balance Sheet                   | 8,541   | 6,387   |
| 6. CREDITORS:                             |         |         |
| Due within one year                       |         |         |
| Sports Council Loan                       | -       | 1,000   |
| Bank Loan Repayments                      | 18,594  | 18,594  |
| Trade Creditors                           | 10,256  | 10,266  |
| Taxes & Social Security Cost              | 1,237   | 2,052   |
| Other Creditors                           | 21,515  | 22,036  |
| Total per Balance Sheet                   | 51,602  | 53,948  |
| 7. CREDITORS                              |         |         |
| Amounts falling due in more than one year |         |         |
| Repayable in more than five years:        |         |         |
| Bank Loan                                 | 115,201 | 123,980 |
|   | 115,201 | 123,980 |

NOTES TO THE FINANCIAL STATEMENTS  
YEAR TO 28 FEBRUARY 1997

8. ACCUMULATED RESERVES

|                                | Unrestricted<br>Funds | Restricted<br>Funds | Total          |
|--------------------------------|-----------------------|---------------------|----------------|
|                                | £                     | £                   | £              |
| Balance as at 1 March 1996     | 58,593                | 100,000             | 158,593        |
| Retained surplus for year      | (31,142)              | -                   | (31,142)       |
| Balance as at 28 February 1997 | <u>27,451</u>         | <u>100,000</u>      | <u>127,451</u> |

The Restricted Funds represent an advance from the Sports Council towards the construction of the leasehold premises.

9. FINANCIAL COMMITMENTS

At 28 February 1997, the Company had annual commitments under non-cancellable operating leases as follows:

|                    | Land & Buildings |              |
|--------------------|------------------|--------------|
|                    | 1997             | 1996         |
|                    | £                | £            |
| EXPIRY DATE        |                  |              |
| In over five years | <u>5,950</u>     | <u>5,950</u> |