

RJC  
ROCHDALE GATEWAY LEISURE LIMITED

(A COMPANY LIMITED BY GUARANTEE)

REGISTERED NUMBER - 02774692

CHARITY NUMBER - 1048950

ENGLAND AND WALES

DIRECTORS REPORT AND ACCOUNTS

FOR THE YEAR ENDED

5 APRIL 1998

WYATT, MORRIS, GOLLAND & CO.,

CHARTERED ACCOUNTANTS,

PARK HOUSE,

200 DRAKE STREET,

ROCHDALE,

LANCASHIRE.

OL16 1PJ



ROCHDALE GATEWAY LEISURE LIMITED

DIRECTORS ANNUAL REPORT FOR THE YEAR ENDED 5 APRIL 1998

LEGAL AND ADMINISTRATIVE INFORMATION

STATUS

The charity is a company limited by guarantee, its governing document being its Memorandum and Articles of Association.

DIRECTORS

The charity directors (trustees) during the year were:-

<u>Members serving</u> <u>throughout the year</u>	<u>Note</u>	<u>Resigned</u> <u>26 June 1997</u>	<u>Note</u>	<u>Appointed</u> <u>26 June 1997</u>	<u>Note</u>
Mr. W. Hughes	AFGHJ	Miss A. Greenwood	DJ	Mrs. D. Leavers	
Mr. P. Scanlon	DJ	Mr. D. Orton		Mr. J. W. Leavers	
Ms. C. Appleby		Miss P. Smith	DJ	Ms. J. E. Marsh	
Ms. P. McDonald	BC	Ms. R. Haslingden		Ms. B. Bramwell	
Ms. J. Stewart	AB	Mrs. T. Clegg		Mrs. T. Dawson	
Mr. F. Iannidinardi					
Mr. K. Buxton	ABD				
Ms. R. Hyland	E				

The note reference relates to the various sub committees on which members served as follows:-

A - Finance	F - Information service
B - Personnel and training	G - Volunteer service
C - EDI	H - Respite holidays
D - Rainbows	J - Harry Smith Gateway Club
E - Fundraising	

The directors are appointed according to the articles of association and are referred to as the 'Management Committee'.

REGISTERED OFFICE:-      2 Kenion Street  
ROCHDALE  
Lancashire  
OL16 1SN

BANKERS:-                National Westminster Plc  
ROCHDALE  
Town Hall Square  
ROCHDALE  
Lancashire  
OL16 1LL

AUDITORS:-              Wyatt, Morris, Golland & Co  
Park House  
200 Drake Street  
ROCHDALE  
Lancashire  
OL16 1PJ

## DIRECTORS ANNUAL REPORT OF ROCHDALE GATEWAY LEISURE LIMITED (Continued)

### PRINCIPAL OBJECTIVE

The charity's principal objective as set out in its Memorandum of Association is to develop and support opportunities for people with learning disabilities to participate in their communities.

### POLICIES

The following policies have been adopted in order to further the company's principal objective:-

- Provision of respite care holidays to increase the individuals range of experiences.
- Provision of EDI care to allow individuals the opportunity for stimulation tailored to their particular needs.
- Provision of a community centre for general use by the beneficiaries.

There have been no material changes in the policies adopted by the company over the last year.

### ORGANISATION

The Management Committee are in overall control of the company and the individual activities are monitored by various sub committees. All the committees meet on a regular basis between 4 and 8 weekly. The day to day management is undertaken by paid employees who report to the various committees.

### ACTIVITIES AND ACHIEVEMENTS

During the year the company has continued to seek to increase peoples awareness of the need to provide opportunities for people with learning disabilities. In particular further funding was received to increase the number of EDI places from 4 to 6.

### INTANGIBLE INCOME

During the year the company benefited from the receipt of intangible income where facilities and services have been received free or substantially below market value. Such intangible income comprises:-

- i) A licence to occupy the premises on Kenion Street on a rent free basis. The directors do not feel able to value this benefit as there are no comparable premises to use as a bench mark.
- ii) The company received a minibus for use by the beneficiaries again the directors are unable to estimate the true value to the company as the minibus has been specially adapted. However based on the age of the minibus they estimate that the market value is in the region of £600 with a useful life of 3 years. It has been included in the accounts at this valuation.

In addition the organisation receives the services of a number of volunteers.

### REVIEW OF THE TRANSACTIONS AND FINANCIAL POSITION OF THE CHARITY

The directors consider the financial position of the company to be satisfactory. The surplus for the year has been added to reserves. The directors intend that where possible general reserves are increased in order to provide working capital to meet the company's liabilities and to enable it to continue its charitable objectives.

The directors are pleased that the company has continued to provide services to the beneficiaries and the future plans include extending the services to a different part of the borough and to increase the services on offer. However all services provided are dependant on the relevant funding being made available.

The directors confirm that the company's assets are available and adequate to fulfil the present obligations of the company.

DIRECTORS ANNUAL REPORT OF ROCHDALE GATEWAY LEISURE LIMITED (Continued)

DIRECTORS' RESPONSIBILITIES

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 year. 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; follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts; and prepare the accounts on a 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 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 and other irregularities.

POLITICAL AND CHARITABLE CONTRIBUTIONS

There were no political or charitable contributions made during the year.

AUDITORS

Messrs. Wyatt, Morris, Golland & Co., Chartered Accountants, have intimated their willingness to continue in office as auditors to the company and will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the  
board of directors

.....*R Hyland*.....

Secretary

Approved by the board: 21 July 1998

Registered office:-

2 Kenion Street,  
ROCHDALE,  
Lancashire.  
OL16 1SN

REPORT OF THE AUDITORS TO THE MEMBERS OF ROCHDALE GATEWAY LEISURE LIMITED

We have audited the accounts on pages 5 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 3, the directors who also act as trustees for the charitable activities of the association are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those 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 significant estimates and judgements made in the preparation of the 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 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 accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs at 5 April 1998 and of its incoming resources and application of resources, including its income and expenditure for the year ended on that date and have been properly prepared in accordance with the Companies Act 1985.

*Wyatt Morris Golland & Co*

WYATT, MORRIS, GOLLAND & CO.  
CHARTERED ACCOUNTANTS AND  
REGISTERED AUDITORS

*21 July 1998*

Park House,  
200 Drake Street,  
ROCHDALE,  
Lancashire.  
OL16 1PJ

ROCHDALE GATEWAY LEISURE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 5 APRIL 1998

	Notes	Unrestricted funds	Restricted funds	Total funds 1998	Total funds 1997
		£	£	£	£
<u>Income and expenditure</u>					
<u>Incoming resources:-</u>					
Grants and allowances		55,230	173,843	229,073	189,456
Rents receivable		2,485	-	2,485	15,657
Coffee bar receipts		12,283	-	12,283	5,952
Pool table, photocopier, etc.		235	-	235	386
Donations and subscriptions		-	600	600	668
Fundraising efforts		1,161	-	1,161	688
Investment income		250	-	250	1,229
Other receipts		6,524	-	6,524	17,859
Total incoming resources		78,168	174,443	252,611	231,895
<u>Resources expended:-</u>					
Direct charitable expenditure	2	14,457	124,562	139,019	124,878
Fund raising and publicity	3	-	-	-	512
Management and administration of the charity		52,459	45,620	98,079	91,222
Total resources expended	4	66,916	170,182	237,098	216,612
<u>Net incoming resources before transfers</u>		11,252	4,261	15,513	15,283
Transfer between funds	6	(112)	112	-	-
<u>Net incoming resources for the year</u>		11,140	4,373	15,513	15,283
Balances brought forward at 6 April 1997		43,047	1,147	44,194	28,911
Balances carried forward at 5 April 1998		54,187	5,520	59,707	44,194
		=====	=====	=====	=====

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit or loss for the above two financial years.

THE NOTES ON PAGES 7 TO 11 FORM PART OF THESE ACCOUNTS.

ROCHDALE GATEWAY LEISURE LIMITED

BALANCE SHEET AS AT 5 APRIL 1998

	<u>Notes</u>	<u>1998</u>	<u>1997</u>
		£	£
<u>FIXED ASSETS</u>			
Tangible fixed assets	7	14,369	13,648
<u>CURRENT ASSETS</u>			
Stocks		100	655
Debtors	8	8,710	10,588
Cash at bank and in hand		60,311	30,634
		<u>69,121</u>	<u>41,877</u>
<u>CREDITORS</u> - Amounts falling due within one year	9	(23,783)	(11,331)
<u>NET CURRENT ASSETS</u>		<u>45,338</u>	<u>30,546</u>
Net assets		<u>59,707</u> =====	<u>44,194</u> =====
<u>FUNDED BY:-</u>			
<u>Unrestricted funds</u>			
General reserve		54,187	43,047
<u>Restricted funds</u>	10	<u>5,520</u>	<u>1,147</u>
		<u>59,707</u> =====	<u>44,194</u> =====

The accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the directors

..... *R. Hyland* ..... Director -  
 ..... *J. Marsh* ..... Director -

Approved by the board: 21 July 1998

THE NOTES ON PAGES 7 TO 11 FORM PART OF THESE ACCOUNTS.

# ROCHDALE GATEWAY LEISURE LIMITED

## NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 1998

### 1. ACCOUNTING POLICIES

#### Basis of accounting

The accounts have been prepared under the historical cost convention and in accordance with appropriate accounting standards and the Statement of Recommended Practice, Accounting by Charities.

#### Cash flow

The accounts do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'.

#### Income

The accounts include income on the following basis:-

Grants received are credited over the period to which they relate. Where grants are not period based but are for a specific purpose they are credited in the year in which the expenditure is incurred.

Rents are credited to income when receivable.

Donations of non-cash items are included at the directors estimate of the market value.

#### Expenditure

The accounts include expenditure on the following basis:-

Charitable expenditure relates to expenditure which can be separately identified to a particular project.

Management and Administration expenditure is that expenditure necessarily incurred in operating the company. It is allocated between the various restricted funds and the unrestricted funds on the director's best estimate of the proportion of general overheads the project used.

#### Tangible fixed assets

Depreciation is provided, at the following annual rates in order to write off each asset over its estimated useful life:-

Improvements to property	- 20% on cost
Fixtures and fittings	- 15% on net book value
Minibus	- 33 1/3% on cost
Specialised equipment	- 25% on cost

#### Taxation

The company is a registered charity and as such is entitled to the exemption from tax to the extent that the income received falls within section 505 I.C.T.A. 1988 and section 256 C.G.T.A. 1992 and is applied to charitable purposes only.

#### Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profit as incurred.

#### Pensions

Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme.

#### Fund Accounting

Separate asset accounts are not maintained to represent each fund if a better return is obtained by consolidating the assets. However, there should always be sufficient net assets to represent the total funds and the assets should be readily accessible dependant on the fund involved. The directors intend that where a surplus is generated in any year this increases general reserves which are available to fund the charities future requirements should future funding not be available.



ROCHDALE GATEWAY LEISURE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 1998

(Continued)

2. DIRECT CHARITABLE EXPENDITURE

	<u>Unrestricted funds 1998</u>	<u>Restricted funds 1998</u>	<u>Total funds 1998</u>	<u>Total funds 1997</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Provision of services:-				
EDI		103,295	103,295	93,261
Day care (1998 in support costs)	-	-	-	16,057
Respite holidays	-	12,741	12,741	15,560
Aasyana	-	1,377	1,377	-
Information services	-	4,029	4,029	-
Voluntary services	-	2,541	2,541	-
Youth club	-	579	579	-
Support costs:-				
Salaries	9,524	-	9,524	-
Catering	4,933	-	4,933	-
	<u>14,457</u>	<u>124,562</u>	<u>139,019</u>	<u>124,878</u>
	=====	=====	=====	=====

3. FUND RAISING AND PUBLICITY

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total funds 1998</u>	<u>Total funds 1997</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Advertising	-	-	-	512
	=====	=====	=====	=====

4. TOTAL RESOURCES EXPENDED

	<u>Staff costs</u>	<u>Depreciation</u>	<u>Other costs</u>	<u>Total 1998</u>	<u>Total 1997</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Direct charitable expenditure	101,786	-	37,233	139,019	124,878
Fundraising and publicity	-	-	-	-	512
Management and administration of the charity	60,198	4,927	32,954	98,079	91,222
	<u>161,984</u>	<u>4,927</u>	<u>70,187</u>	<u>237,098</u>	<u>216,612</u>
	=====	=====	=====	=====	=====

ROCHDALE GATEWAY LEISURE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 1998

(Continued)

4. TOTAL RESOURCES EXPENDED (Continued)

	<u>1998</u>
	<u>£</u>
Staff costs:-	
Wages and salaries	147,334
Social security costs	13,050
Pension costs	1,600
	<hr/>
	161,984
	=====
Other costs:-	
Audit	950
Loss on sale of fixed assets	246
Harry Smith - Gateway Club	6,551
General - re premises	62,440
	<hr/>
	70,187
	=====

No employee earned £40,000 per annum or more.

The average number of employees, during the year was 13.

For part of the year two beneficiaries served as company directors. However, as this precluded them from receiving remuneration from the charity for other services they resigned as directors. Amounts paid to them whilst they held office amounted to £330.

The comparative figures for 1997 are not available as the Statement of Recommended Practice Accounting by Charities was not fully implemented in that year.

5. ANALYSIS OF MOVEMENTS ON RESTRICTED FUNDS

	<u>Income</u>	<u>Direct</u>	<u>Management</u>	<u>Net</u>
	<u>£</u>	<u>charitable</u>	<u>and admin-</u>	<u>£</u>
	<u>£</u>	<u>expenditure</u>	<u>istration</u>	<u>£</u>
Special Care (EDI)	141,026	(103,295)	(37,637)	94
Respite holidays	16,874	(12,741)	(4,245)	(112)
Aasyana	3,600	(1,377)	(1,021)	1,202
Information services	5,645	(4,029)	(903)	713
Voluntary services	3,698	(2,541)	(699)	458
Youth Group	3,000	(579)	(343)	2,078
Minibus	600	-	(772)	(172)
	<hr/>	<hr/>	<hr/>	<hr/>
	174,443	(124,562)	(45,620)	4,261
	=====	=====	=====	=====

6. TRANSFER BETWEEN FUNDS

The transfer between funds relates to the shortfall on respite holidays met by general funds.

ROCHDALE GATEWAY LEISURE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 1998

(Continued)

7. TANGIBLE FIXED ASSETS

	Improvements to property	Fixtures and fittings	Minibus	Equipment	Total
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Cost</u>					
At 6 April 1997	12,426	6,562	-	1,975	20,963
Additions	3,406	455	600	1,433	5,894
Disposals	-	(340)	-	-	(340)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 5 April 1998	15,832	6,677	600	3,408	26,517
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>					
At 6 April 1997	4,769	2,052	-	494	7,315
Charge for the year	3,166	708	200	853	4,927
Disposals	-	(94)	-	-	(94)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 5 April 1998	7,935	2,666	200	1,347	12,148
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book values</u>					
At 5 April 1998	7,897	4,011	400	2,061	14,369
	=====	=====	=====	=====	=====
At 5 April 1997	7,657	4,510	-	1,481	13,648
	=====	=====	=====	=====	=====

The company has a licence to occupy a property owned by Rochdale Metropolitan Borough Council provided it continues to use the property in furtherance of its charitable objectives.

8. DEBTORS

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Trade debtors	1,665	2,872
Prepayments and accrued income	7,045	7,716
	<hr/>	<hr/>
	8,710	10,588
	=====	=====

ROCHDALE GATEWAY LEISURE LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 5 APRIL 1998

(Continued)

9. CREDITORS - Amounts falling due within one year

	<u>1998</u>	<u>1997</u>
	<u>£</u>	<u>£</u>
Accruals and income in advance	23,783	11,331
	=====	=====

10. RESTRICTED FUNDS

	<u>At 5 April 1997</u>	<u>Movement in year</u>	<u>At 5 April 1998</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Minibus	1,147	(172)	975
Special Care (EDI)	-	94	94
Aasyana	-	1,202	1,202
Information services	-	713	713
Voluntary services	-	458	458
Youth group	-	2,078	2,078
	-----	-----	-----
	1,147	4,373	5,520
	=====	=====	=====

11. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	<u>Unrestricted funds</u>	<u>Restricted funds</u>	<u>Total funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>
Net movement in funds for the year	11,140	4,373	15,513
Net increase in tangible fixed assets:-			
For direct charitable purposes	-	400	400
For other purposes	321	-	321
	-----	-----	-----
Net movement in funds available for future activities	10,819	3,973	14,792
	=====	=====	=====

12. CONTINGENT LIABILITIES

There are no contingent liabilities of a material amount for which provision has not been made in the accounts.

13. COMMITMENTS

Capital commitments

There were no capital commitments at 5 April 1998 (1997 - £Nil).

Pension commitments

The company operates a defined contribution pension scheme on behalf of certain employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The annual commitment under this scheme is for contributions of £1,600 (1997 - £960).

14. MANAGEMENT COMMITTEE REMUNERATION

No remuneration was paid to any person who was a member of the management committee.