

The Waterside Centre, Kings Langley

(A Company Limited by Guarantee)

Report and Unaudited Financial Statements

Year ended 31 March 2006

Charity no: 1001330

Company no: 2543708



Contents	Page
Legal and administrative information	1
Annual Report of the trustees	2 to 4
Report of the Reporting Accountants	5
Statement of financial activities	6
Balance sheet	7
Notes forming part of the financial statements	8 to 11

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 (appointed October 2005)

Mr. A. Donovan (appointed January 2006)

Centre Manager and Company Secretary

Mrs. T. Manfield

Registered Office

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

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 2006.

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.

The average weekly attendance during the past year has increased to 62 clients per week and weekly places were 132.

Financial review

The growth in the level of income, with a resulting surplus for the year, has enabled the Trustees to designate additional funds to a contingency fund to help safeguard the future of the charity.

Plans for future periods

The charity aims to maintain the level of service at the existing level, whilst looking for ways of enhancing the service for clients. Staff are being supported in undertaking qualifications in National Vocational Qualifications in Social Care.

Annual Report of the Trustees (cont'd)

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 2006 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.

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.

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

Annual Report of the Trustees (cont'd)

Volunteers

We have six volunteers who support staff either in group sessions or work with individuals. Our team of volunteers are very reliable and also support our social and fundraising events.

Reporting Accountants

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

By order of the Trustees



Mrs. T. Manfield
Company Secretary

Date: 4 September 2006

Accountants Report to the Trustees on the Unaudited Financial Statements of

The Waterside Centre, Kings Langley
(A Company Limited by Guarantee)

We report on the unaudited financial statements for the year ended 31 March 2006 which comprise the Statement of Financial Activities, the Balance Sheet, Cash Flow Statement 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
Chartered Accountants and Reporting Accountants
36 Crown Rise,
Watford,
Herts.
WD25 0NE

Date: 4 September 2006

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2006

	Notes	Unrestricted Funds £	Designated Funds £	2006 Total Funds £	2005 Total Funds £
Incoming Resources					
Incoming resources from generated funds					
Voluntary income	4	212,664	-	212,664	191,429
Activities for generating funds	5	5,882	-	5,882	5,036
Investment income	6	871	-	871	840
Incoming resources from charitable activities		12,910	-	12,910	12,782
Total incoming resources		<u>232,327</u>	<u>-</u>	<u>232,327</u>	<u>210,087</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	7	740	-	740	-
Charitable activities	8	202,747	-	202,747	205,393
Governance costs		1,058	-	1,058	1,028
Total resources expended	9	<u>204,545</u>	<u>-</u>	<u>204,545</u>	<u>206,421</u>
Net incoming resources before transfers		27,782	-	27,782	3,666
Gross transfers between funds	14	(20,000)	20,000	-	-
Net movement in funds	14	<u>7,782</u>	<u>20,000</u>	<u>27,782</u>	<u>3,666</u>
Reconciliation of Funds					
Total funds brought forward	14	81,369	18,000	99,369	95,703
Total funds carried forward	14	<u>89,151</u>	<u>38,000</u>	<u>127,151</u>	<u>99,369</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 2006

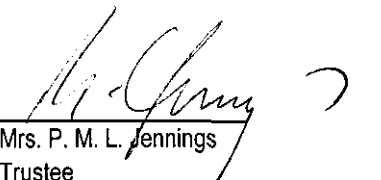
	Notes	2006 £	2005 £
Current Assets			
Debtors	11	16,853	18,691
Short term deposits	12	38,289	37,418
Cash at bank and in hand		74,030	48,038
Total current assets		<u>129,172</u>	<u>104,147</u>
Liabilities			
Creditors: Amounts falling due within one year	13	<u>2,021</u>	<u>4,778</u>
Net current assets		<u>127,151</u>	<u>99,369</u>
Total assets less current liabilities		<u><u>127,151</u></u>	<u><u>99,369</u></u>
FUNDS			
Unrestricted income funds			
General funds	14	89,151	81,369
Designated funds	14	<u>38,000</u>	<u>18,000</u>
Total charity funds		<u><u>127,151</u></u>	<u><u>99,369</u></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.

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 Statement of Financial Activities, Balance Sheet and Related Notes, were approved by the trustees on 4 September 2006 and signed on their behalf by:


Mrs. P. M. L. Jennings
Trustee

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2006

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 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 accounting standards and the Companies Act 1985. The company has followed the Financial Reporting Standard for Smaller Entities (effective January 2005). The 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.

Incoming Resources

The Charity'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 2006 there were capital purchases of £1,470 (2005: £12,982) 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 against net income/(expenditure) on a straight line basis over the period of the lease.

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2006 (continued)

4 VOLUNTARY INCOME	2006	2005
	£	£
Sponsorship income	203,186	184,024
Donations	9,478	7,405
	<u>212,664</u>	<u>191,429</u>
5 ACTIVITIES FOR GENERATING FUNDS	2006	2005
	£	£
Fundraising events	5,882	5,036
6 INVESTMENT INCOME	2006	2005
	£	£
Bank interest receivable	871	840
7 COSTS OF GENERATING VOLUNTARY INCOME	2006	2005
	£	£
Fundraising costs	740	-
8 CHARITABLE ACTIVITIES	2006	2005
	£	£
Staff salaries and national insurance	170,766	164,022
Material costs	4,817	4,936
Lunches	8,652	7,670
Rent	3,129	2,750
Light, heat and water	3,123	3,311
Repairs and renewals	1,889	1,641
Printing, postage and stationery	225	162
Telephone	630	698
Insurance	2,917	2,930
Equipment hire	1,864	886
Staff training	300	100
Legal and professional	792	761
Activities and outings	1,185	1,618
Sundry expenses	988	926
Capital purchases (including software)	1,470	12,982
	<u>202,747</u>	<u>205,393</u>

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2006 (continued)

9 TOTAL RESOURCES EXPENDED

	Staff Costs (£)	Other Direct Costs (£)	Other Allocated Costs (£)	2006 £	2005 £
Costs of generating voluntary income	-	740	-	740	-
Charitable activities	170,766	31,981	-	202,747	205,393
Governance costs	-	1,058	-	1,058	1,028
Total resources expended	170,766	33,779	-	204,545	206,421

Other direct costs and Other allocated costs include:

	2006 £	2005 £
Reporting accountants' remuneration		
Fees in respect of being reporting accountant	1,058	1,028
Operating lease rentals - Land and buildings	3,129	2,750

10 STAFF COSTS, NUMBERS AND TRUSTEES REMUNERATION

	2006 £	2005 £
Salaries	159,488	153,200
Social security costs	11,278	10,822
	170,766	164,022

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:

	2006 Full time	2006 Part time	2005 Full time	2005 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 (2005: £nil).

11 DEBTORS

	2006 £	2005 £
Local authority sponsorship	15,922	18,003
Other debtors	931	688
	16,853	18,691

12 SHORT TERM DEPOSITS

	2006 £	2005 £
Market value and historical cost		
Cash on deposit	38,289	37,418

13 CREDITORS

	2006 £	2005 £
Amounts falling due within one year		
Other creditors	2,021	4,778

NOTES TO THE FINANCIAL STATEMENTS
AT 31 MARCH 2006 (continued)

14 STATEMENT OF FUNDS	At 01 April 2005 £	Income £	Expenditure £	Transfers £	At 31 March 2006 £
General Reserve	81,369	232,327	204,545	(20,000)	89,151
Designated Reserve					
Contingency fund	18,000	-	-	20,000	38,000
Total unrestricted funds	99,369	232,327	204,545	-	127,151
Total funds	99,369	232,327	204,545	-	127,151

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 2006 are represented by:			
Current assets	91,172	38,000	129,172
Current liabilities	2,021	-	2,021
Total net assets	89,151	38,000	127,151

16 FINANCIAL COMMITMENTS

At 31 March 2006 the charity has annual commitments under non-cancellable leases as follows:

	2006		2005	
Expiry date:	Land and buildings £	Other £	Land and buildings £	Other £
Over five years	3,500	-	-	-
	3,500	-	-	-