



**ROY ALDER
CHAIRMAN OF THE LONDON BOARD**

I have the pleasure of introducing my first Annual report as Chairman of CSSC London.

The year 2003 saw a number of important changes to the CSSC administration of Sport & Leisure in London and I have to say I am delighted I accepted the offer to be Chairman of the newly appointed London Management Board (LMB). Details of an eventful year are highlighted in the following paragraphs. I hope you will agree with me that the dedication of willing Board members, volunteer organisers and hard working staff has given CSSC London a fresh approach to Sport & Leisure in the capital and a springboard to greater success in the future.

Last year saw a considerable increase in the numbers of entries to our sporting competitions. Quite possibly this increase was due to the introduction of the 'Barbados Challenge' and the opportunity for competition winners to represent CSSC London in Barbados against the Barbados Civil Service. It has certainly stirred a lot of interest and this in turn has encouraged the LMB to take a decision to repeat the venture in 2005. We are grateful to the Departmental Associations for the advertising they have given to this event and for passing on the mountain of information, posters etc produced by the CSSC London Team.

If we are to keep our existing members and attract new ones we need to be imaginative in devising our Sports & Leisure programme and dynamic in its delivery. Perhaps our biggest challenge however is in creating awareness of what we have to offer, in this respect we are fortunate in having an excellent website that gets better by the day and provides us with an excellent communication tool. In addition to the website we advertise our facilities in the CSSC London Leisure Scene magazine copies of which are sent to members home addresses.

With the many Members' Offers currently available and our staff continually looking to extend them, the future for Civil Servant participation in London looks very bright indeed.

The LMB can feel greatly encouraged by its performance in 2003, it will be up to me to see that this success is built upon in 2004 and beyond. I welcome this challenge.

THE 1ST ANNUAL REPORT OF CSSC LONDON

The introduction of the London Management Board (LMB) coincided with a transfer to the LMB of overall management responsibility for the London Clubs at Chiswick, Eltham and Chadwick Street and an alteration to the licensing status of the clubs at Chiswick and Chadwick Street. These two clubs took on the status of 'Proprietary' Clubs having previously been 'Registered Members' clubs. (Full details of the CSSC London Review and an open letter from the Chief Executive of CSSC explaining the

organisational changes were advertised on the CSSC London website (www.cssc-london.org.uk). Eltham retained its 'member' club status but in December 2003 the LMB took the decision to close this club w.e.f. 5 April 2004. The Management Committee of Chadwick Street continued to operate within the new structure up until August 2003.

The year 2003 saw significant staff changes at managerial level, Ray Collins succeeded Tim Constantinou as Manager of the Civil Service Recreation Centre, Chadwick Street and Brian Carrick succeeded John Butterfield as Manager of the Civil Service Sports Club/Ground at Chiswick. In addition to their managerial responsibilities Ray took on the title of Health & Safety Officer and Brian that of London Finance Officer. John Butterfield was appointed overall London Manager and Mick Evans continued in his role as Sports & Leisure Executive. Finance responsibilities were transferred to Chiswick.

The LMB worked to a comprehensive Business Plan and for guidance to staff and board members produced a 'CSSC London Handbook'. There may have been one or two exceptions but generally the LMB achieved the targets it set itself and details of a successful first year are highlighted in the following paragraphs.

REFURBISHMENT OF CHADWICK STREET RECREATION CENTRE (CSRC)

There were many unseen changes to CSRC in the early part of the year, the restructuring of the general office, the creation of a new staff room, introduction of new till and computer systems to name a few. Members will have noticed and welcomed the complete refurbishment of the bar and bar and catering areas and the introduction of new 'real ale' lines. The ability for customers to order food at the bar as well as at the restaurant counter was a positive step forward.

The introduction of new menus and wine lists have given our members plenty of choice when arriving for lunch, dinner or even an afternoon meal should they prefer. The Christmas 'Buddy' deal (introduce a colleague to membership of CSSC and eat lunch at Chadwick Street for a week **free**) was successful and will be repeated.

BARBADOS CHALLENGE

Numerous competitions were held throughout the year, the reward to many winning teams and individuals would be the opportunity to travel to Barbados in Oct 2004 at a heavily subsidised rate, to represent CSSC London in a challenge competition against the Barbados Civil Service. With so much at stake the finals of the competitions had tremendous significance but all credit must go to the competing teams for their excellent conduct and discipline.

More than 80 competitors and sports organisers qualified for the 2004 trip, many of them attended a Barbados presentation held in November. We are grateful to the Barbados Board of Tourism for their support on this excellent evening and subsequent events.

SUMMER SPORTS DAY

The first CSSC London Sports Day was held at Chiswick in July, events included mixed netball, mixed rounders, mixed volleyball, mens and ladies tennis, ladies 6 a side soccer, target golf, giant jenga and skittles. There were lots of activities for the kids to have a go at including pony riding, kiddies races and of course the bouncy castle. Fortunately the weather was excellent and this helped to ensure the day was very enjoyable for spectators as well as for those who were taking an active part. The success of the day can be attributable to the hard work of the full time staff and numerous volunteers, congratulations to all involved with the organisation and congratulations to all the winners who qualified for Barbados 2004.

INDOOR SPORTS COMPETITION

This was held at Chadwick Street on Saturday 18 October and events included darts, dominoes, pool, dry triathlon and cribbage. The competition was very relaxed and supported throughout the day with music from a caribbean steel band and later on by a disco. Once again the fortunate winners of the various competition qualified to represent CSSC London in Barbados.

CSSC LONDON WEBSITE

We are proud of the London website, our 24 hour communication tool. Throughout the year our dedicated webmaster, David Pearson, produced some excellent work on behalf of the London publicity group and we can feel comfortable in the knowledge that everyone who visited the site will have found it informative and an enjoyable experience.

CSSC GAMES

In April most of the London Departments were represented at the 1st CSSC Games held at Millfield School in Somerset. Feedback from Departments, full time staff and London Board members has indicated that the event was a very worthwhile experience and one that should be repeated in 2005.

THE ESTATE

CSSC London had overall responsibility for the operations at Chadwick Street, Chiswick and Eltham. Whilst CSSC usage of Chadwick Street and Chiswick increased throughout the year the same could not be said for the facilities at Eltham where participation in sport by CSSC members was negligible and a cause for concern.

In December the LMB took a decision to close Eltham for business w.e.f. 5 April '04.

COMMUNICATION

Numerous meetings were held with our Departmental contacts in an effort to identify the best way of advertising our facilities throughout London offices. In many cases the difficulty in 'spreading the word' is shared by our Departmental colleagues who have their own departmental information to distribute.

The issue of Sir Andrew Turnbills' 'Working with You' leaflet was very helpful in bringing the advantages of having a healthy, active workforce to Heads of Departments.



CSSC London

Report and Financial Statements

Year Ended
31 December 2003

ABC

BDO Stoy Hayward
Chartered Accountants

CSSC LONDON

Annual report and financial statements for the year ended 31 December 2003

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CSSC LONDON

Report of the management board and statement of responsibilities for the year ended 31 December 2003

The management board presents its first report in respect of the CSSC London for the year ended 31 December 2003.

Formation of CSSC London

The CSSC and comprises of the former bodies, namely The London Grounds Committee and the Civil Service Recreation Centre.

The comparative figures presented in respect of the year ended 31 December 2002 represent the combined results and balance sheets of the two bodies noted above from their audited financial statements in respect of that year.

Board members

Board members as at 31 December 2003 were as follows:

Roy Alder – Chairman
Ian Hughes – Vice Chairman
John Butterfield
Stephanie Brimble
David Graham
Nigel Harris
Steve Jones
Shan Lawrence
David Pearson
Roger Tartufo

Management board responsibilities

Legislation requires the management board to prepare accounts for each financial year which give a true and fair view of the Civil Service Sports Council London's state of affairs at the end of the year and of its income and expenditure for that period. In preparing those accounts the management board is 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, subject to any material departures disclosed and explained in the accounts ; and
- prepare the accounts on the going-concern basis unless it is inappropriate to assume that the CSSC London will continue in business.

The management board is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the CSSC London. It is also responsible for maintaining a satisfactory system of control over the books of account, its assets, its cash holding and its receipts and remittances and must also take adequate precautions to guard against falsification and facilitate its discovery.

Signed on behalf of the management board

Date

CSSC LONDON

Report of the independent auditors

To the management board of the CSSC London

We have audited the financial statements of the CSSC London for the year ended 31 December 2003 on pages 3 to 8 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of management committee and auditors

The management board's responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out on page 1.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and if, in our opinion the management board has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

Our report has been prepared for the members of the management board and for no other purpose. No person is entitled to rely on this report unless such a person has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the management committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the CSSC London'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 financial statements 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 financial statements.

Opinion

In our opinion the accounts give a true and fair view of the state of the CSSC London's affairs as at 31 December 2003 and of its income and expenditure for the year then ended.

DRAFT

BDO STOY HAYWARD LLP

*Chartered Accountants
and Registered Auditors*

Date:

CSSC LONDON

Income and expenditure account for the year ended 31 December 2003

	Note	2003 £	2002 £
Income			
Hire and activity receipts		347,382	295,569
Net profit – Bar account (page 4)		27,210	16,285
Net income from machines	2	19,284	20,205
Associate members		11,265	9,740
Miscellaneous		16,054	4,082
		<u>421,195</u>	<u>345,881</u>
Expenditure			
Direct salaries and wages		200,929	201,351
Rates		153,323	134,201
Rent		77,377	102,000
Repairs, maintenance and renewals		122,889	76,881
Heat , light and water		62,260	51,447
General, cleaning and household		61,255	80,277
Insurance		35,387	20,366
Catering cost		12,752	3,966
		<u>726,172</u>	<u>670,489</u>
Administrative and management salaries		257,327	152,329
Administration		60,080	41,188
Development charges		37,491	40,565
Depreciation		38,061	23,965
Irrecoverable VAT input tax		31,995	19,341
Corporation tax		-	350
		<u>424,954</u>	<u>277,738</u>
Total overhead expenses		<u>1,151,126</u>	<u>948,227</u>
Trading deficit for the year		(729,931)	(602,346)
CSSC Grant	7	746,826	706,512
Improvements to CSSC property		(42,949)	(97,060)
(Deficit)/Surplus transferred to accumulated fund		<u>(26,054)</u>	<u>7,106</u>

CSSC LONDON

Bar trading and expenditure account for the year ended 31 December 2003

	2003 £	2002 £
Sales	298,254	271,624
Cost of sales	137,425	129,667
	<hr/>	<hr/>
Gross profit	160,829	141,957
	<hr/> <hr/>	<hr/> <hr/>
Operating costs		
Salaries and wages	108,893	106,656
Stock valuation fees	1,555	2,550
Other	23,171	16,466
	<hr/>	<hr/>
	133,619	125,672
	<hr/>	<hr/>
Net profit on bar account	27,210	16,285
	<hr/> <hr/>	<hr/> <hr/>
Gross profit percentage	53.9%	52.3%

CSSC LONDON

Balance sheet at 31 December 2003

	Note	2003 £	2003 £	2002 £	2002 £
Fixed assets					
Tangible assets	3		136,310		100,408
Current assets					
Stocks	4	15,429		15,133	
Debtors and prepayments		65,602		46,474	
Rents due		41,256		14,041	
CSSC current account		-		66,524	
Cash at bank and in hand		23,892		22,984	
			146,852	165,156	
Creditors: amounts falling due within one year					
Rents received in advance		14,256		3,440	
Trade creditors and accruals		57,449		48,278	
CSSC current account		31,753		-	
Other taxes and social security costs		3,209		11,297	
			106,667	63,015	
Net current assets			40,185		102,141
Net assets			176,495		202,549
Accumulated fund	5		176,495		202,549

The financial statements were approved by the management board on its behalf by:

and signed on

Board member

Board member

The notes on pages 6 to 8 form part of these financial statements

1 Accounting policies

The financial statements have been prepared under the historical cost convention and are in accordance with applicable accounting standards. The following principal accounting policies have been applied:

Turnover

Turnover represents receipts from members and guests less value added tax.

Grants

The Civil Service Sports Council grant is credited to the income and expenditure account in the year to which it relates.

Depreciation

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, evenly over their expected useful lives. It is calculated at the following rate:

Office equipment	- 10%	per annum
Computer equipment	- 33.3%	per annum
Furniture and fittings	- 10%	per annum
Plant and equipment	- 20%	per annum
General equipment	- 15%	per annum

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is the price at which the stock can be realised in the normal course of business.

Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

Pension costs

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

2 Net income from gaming and other machines	2003	2002
	£	£
Receipts	37,113	37,277
Rental and licences	(17,829)	(17,072)
	<hr/>	<hr/>
	19,284	20,205
	<hr/> <hr/>	<hr/> <hr/>

CSSC LONDON

Notes forming part of the financial statements for the year ended 31 December 2003 (*Continued*)

3 Tangible assets

	Plant & Equipment £	Furniture & Fittings £	Office Equipment £	General Equipment £	Total £
<i>Cost</i>					
At 1 January 2003	71,722	38,768	6,028	72,245	188,763
Additions	26,724	34,418	12,821	-	73,963
Disposals	-	-	-	(17,000)	(17,000)
	<u>71,722</u>	<u>38,768</u>	<u>6,028</u>	<u>72,245</u>	<u>188,763</u>
At 31 December 2003	98,446	73,186	18,849	55,245	245,726
<i>Depreciation</i>					
At 1 January 2003	42,743	15,635	5,129	24,848	88,355
Charge for year	15,742	7,319	4,163	10,837	38,061
Disposals	-	-	-	(17,000)	(17,000)
	<u>42,743</u>	<u>15,635</u>	<u>5,129</u>	<u>24,848</u>	<u>88,355</u>
At 31 December 2003	58,485	22,954	9,292	22,685	109,416
<i>Net book value</i>					
At 31 December 2003	39,961	50,232	9,557	36,560	136,310
	<u>39,961</u>	<u>50,232</u>	<u>9,557</u>	<u>36,560</u>	<u>136,310</u>
At 31 December 2002	28,979	23,133	899	47,397	100,408
	<u>28,979</u>	<u>23,133</u>	<u>899</u>	<u>47,397</u>	<u>100,408</u>

4 Stocks

	2003 £	2002 £
Sand and fertiliser	1,100	1,100
Bar stock	14,329	14,033
	<u>1,100</u>	<u>14,033</u>
	15,429	15,133
	<u>15,429</u>	<u>15,133</u>

5 Accumulated fund

	£
Balance at 1 January 2003	202,549
Deficit for the year	(26,054)
	<u>202,549</u>
At 31 December 2003	176,495
	<u>176,495</u>

CSSC LONDON

Notes forming part of the financial statements for the year ended 31 December 2003 (Continued)

6 Operating leases

The commitments for rental payments under operating leases payable during the year are as follows:

	Other operating leases £
Leases expiring between two and five years	1,857

7 Civil Service Sports Council – Grant

Grants from Civil Service Sports Council were received as follows :

Costs incurred on behalf of the CSSC London
for the year ended 31 December 2003

	£	£
Rent	175,358	
Rates - building	77,377	
Other items	179,091	
	<hr/>	431,826
Cash grants – year ended 31 December 2003		315,000
		<hr/>
		746,826
		<hr/>

8 Civil Service Sports Council transactions

The market value of room hire to the Civil Service Sports Council for which no income has been recognised amounted to £785 for the year ended 31 December 2003.