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METRO CENTRE LIMITED

ANNUAL REPORT & ACCOUNTS

YEAR ENDED 31st MARCH 2007

23 JAN 2008

WATERMAN BROWN ASSOCIATES LTD
Chartered Accountants & Registered Auditors
Lyncombe Hill
Bath

METRO CENTRE LIMITED

A PRIVATE COMPANY LIMITED BY GUARANTEE
WITHOUT SHARE CAPITAL
COMPANY REGISTRATION NO. 2716101
CHARITY REGISTRATION NO. 1070582

REPORT OF THE TRUSTEE DIRECTORS' FOR THE YEAR ENDED 31 MARCH 2007

The trustees, who are also directors of the charity for the purposes of the Companies Act present their report and the audited financial statements for the year ended 31 March 2007. The statements appear in the format required by the Statement of Recommended Practice for the Accounting and Reporting by Charities (revised March 2005). The report and statements also comply with the Companies Act 1985 as the charity is incorporated by guarantee.

The trustees serving during the year and since the year end, to the date of signing this report, were as follows:

G Punt (resigned 7/09/07)	A Smith (appointed 7/09/07)
S Shergill (resigned 12/06/07)	G Hose (appointed 7/09/07)
L Trenchard (resigned 19/07/07)	D Cooper (appointed 7/09/07)
A Whittingham (resigned (10/07/07)	A Harris Cartwright (appointed 7/09/07)
J Semlyen (resigned 7/09/07)	C Pereira (appointed 7/09/07)
R Grant (resigned 19/07/07)	
M Soncul (appointed 7/09/07)	

Co-Opted trustees: N Noone (co-opted 11/09/07, resigned 07/10/07)

Chief Executive Officer (appointed 20 August 2003 as Director) M McLaughlin

SECRETARY, PRINCIPAL & REGISTERED OFFICE

G Punt / G Hose
Norman House, 101-114 Norman Road, London SE10 9QJ
Unit 401, 49 Greenwich High Road, London SE10 8JL

AUDITORS

Waterman Brown Associates Limited
Lyncombe Hill, Bath BA2 4PQ

BANKERS

Cooperative Bank
151 Lewisham High Street, London SE13 6AA

SOLICITORS

Russell Cooke Solicitors
2 Putney Hill, London SW15 6AB

METRO CENTRE LIMITED

YEAR ENDED 31ST MARCH 2007

TRUSTEE DIRECTORS' REPORT cont.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Metro Centre Ltd. is a company limited by guarantee governed by its Memorandum and Articles of Association dated 1998. It is registered as a charity with the Charity Commission. Any lesbian, gay man or bisexual person over the age of 18 may become a member of the Company and there are currently 22 members, each of whom have paid £1 to register for one year's membership. There is a provision for Associate Membership, without voting rights, which may be held by community partners, however there are currently no community partners.

Appointment of Trustees

As set out in the Articles of Association all trustees must retire and, if they wish, stand for re-election at the Annual General Meeting with nominations put in writing, signed by a nominator and a seconder and by the nominee as an indication of willingness to stand.

Two members may be co-opted in any year up to the maximum membership of 12. When considering co-opting trustees the Board has regard to the requirement for any specialist skills needed.

Trustee Induction and Training

New trustees currently undergo a recruitment process involving a written application against a trustee role description and person specification and skills audit, the taking up of two satisfactory written references and a standardised interview. The trustee induction process now includes a one-day generic organisational induction along with other new Metro volunteers where key employees and areas of the organisation's work are introduced and a specialist one-day Trustee induction programme including the issuing of Good Trustee Guides for future reference as well as briefings regarding Trustee's legal obligations under charity and company law, the role of governance including the full content of the Memorandum and Articles of Association, key organisational policies, business and strategic plans and a financial report. Specialist training sessions are organised annually in consultation with the Trustees according to specific need, as are team-building events.

Organisation

The board of trustees, which can have up to 12 members, administers the charity. The board meets monthly and there are sub committees covering finance and human resources which meet quarterly. Other temporary or on-going working parties or sub committees may be formed as needed. The Chief Executive Officer has been appointed by the trustees to carry duties to manage the day to day operation of the charity. To facilitate effective operations, the CEO is given delegated authority for operational matters including finance, income generation including fundraising and contract negotiation, employment and service delivery.

Related Parties

The Metro Centre Ltd. has close working relationships with a number of statutory, voluntary and ad hoc community organisations including Greenwich Teaching Primary Care Trust, Lewisham Primary Care Trust, the Borough Councils of: Greenwich, Lewisham, Bexley and Tower Hamlets, Oxleas NHS Foundation Trust, South London & Maudsley NHS Foundation Trust, Elton John Aids Foundation, City Parochial Foundation, Bridge House Trust, Greenwich DAAT & CAMHS, SRB 6, Queen Elizabeth Hospital, The Metropolitan Police, GALOP, the Harbour Trust, AHEAD, Volunteer Centre Greenwich, Greenwich Council for Racial Equality, Greenwich Picture House and local venues: Rose & Crown, George & Dragon, and the Powder Monkey.

METRO CENTRE LIMITED

YEAR ENDED 31ST MARCH 2007

TRUSTEE DIRECTORS' REPORT cont.

Risk Assessment

The trustees are currently overseeing a risk management strategy which includes:

- a rolling risk register maintained by the Chief Executive Officer
- monthly review at trustee meetings of key risks the charity may face
- the establishment of systems and procedures to mitigate those risks identified in the register and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

A previously identified risk regarding the redevelopment of the site where the Metro Centre Ltd. was located for 10 years resulted in the creation of the Property and Relocation Reserve Fund to be used in 2007/08.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are:

- to work with self-identified lesbian/gay/bisexual people and those who cannot express their sexuality due to homophobia and heterosexism.
- to provide services including support, advice, information, events, education, training, and infrastructure to empower both the individual and the community.

The Metro Centre Ltd. believes that there are various social, cultural, political and economic constructs which directly and indirectly affirm discrimination by society towards those who have a self-identified sexual identity which is other than heterosexual.

It is committed to an holistic approach using community development, service delivery, and advocacy as methods of working. We aim to identify specific need and to reflect on our achievements in consultation with the local community and our diverse membership.

It aims for all its work to be underpinned by values of co-operation, respect and careful evaluation.

Key developmental priorities have included:

- 1) The continued expansion of sexual health services offered by the Pitstop Clinic for gay and bisexual men with an additional weekly clinic on Saturday.
- 2) The provision of rapid HIV testing facilities and staff to community partner AHEAD offering services to the rapidly expanding African community within the London Borough of Greenwich
- 3) Including work with HIV + people in south east London (an historic omission in the Metro Centre's work) as well as diversifying services focused on HIV prevention and sexual health.
- 4) Winning a prestigious King's Fund Impact Award and a £20,000 prize from Glaxo Smith Klein given for innovation in community health services. The Award focused on the Metro's 'Metrosafe' project created last year as well as overall organisational excellence (see 7 below)
- 5) An agreed restructure of the Metro Centre Ltd. with the creation of two departmental, operational 'arms' of the organisation: Clinical Services and Outreach and Community Development. Upgrades were awarded for Directors of both departments along with the upgrading of the Director post to Chief Executive, to commence at the start of next year.

METRO CENTRE LIMITED

YEAR ENDED 31ST MARCH 2007

TRUSTEE DIRECTORS' REPORT cont.

OBJECTIVES AND ACTIVITIES (continued)

- 6) The creation of a targeted counselling service for people under 26, based on the organization's very successful model for adult services.
- 7) The London-wide extension of the 'Metrosafe' programme made possible by an Elton John Aids Foundation grant. Metrosafe is the Metro's award winning peer mentoring programme originally aimed at empowering local men who self-identify or are referred to the programme due to high-risk sexual behaviour by offering self reflective tools via a mentor.
- 8) A focus on staff and volunteer development including a 2 day whole staff team-building and strategic planning event, participation in the 2nd annual National LGBT Health Summit, an update of the Metro's Trustee induction programme, increased attendance at volunteer induction events, specialist departmental training events (e.g. for counsellors or outreach workers)
- 9) The participation of our young service users in local Youth Opportunity fundraising and implementation of events when successful.
- 10) The initiation of a major and comprehensive survey of the needs and experiences of LGTB youth in south east London.
- 11) A new service offering advice and advocacy services to service users across the organisation including the empowerment of service users to gain rightful benefits and services.

The following activities continue as on-going service provision of the Metro Centre Ltd. including:

- A youth work programme including one to one counselling services, schools liaison work and 5 youth groups for targeted age groups in Greenwich (2), Tower Hamlets, Bromley and Bexley.
- A mental health programme including a weekly drop-in session, a crisis support service, a one-to-one adult counselling service, as well as consultation and diversity training for statutory and community partners.
- A family therapy service offering support to young people questioning their sexuality or coming out and resulting impact on parents, extended family and carers. Other service users to benefit from the service included married couples with one partner coming out as lesbian or gay and the resulting impact on a heterosexual partner, children and wider family as well as conflict resolution between adult LGBT children and their LGBT parents and other family members.
- An HIV prevention and sexual health/community development programme including outreach work with commercial gay venues, a free condoms in the post scheme, the twice-weekly Pitstop Clinic, and a wide variety of opportunities for volunteers.

FINANCIAL REVIEW

Overall incoming resources are up again this year due to the fact that the Metro Centre has extended its key HIV services. Incoming resources totalled £623,266 in 2006/7, up from £553,405 in 2005/6. A multiplicity of statutory, voluntary and individual funders is a feature of the Metro Centre in the 21st century with the organization needing to remain flexible regarding the potential of shrinkage as well as growth to different parts of the organisation. The Metro Centre Limited is very grateful to its major funders who have supported and shared the vision of the Metro's work as the organization moves towards 25 years of service provision in Greenwich. The Metro extends a heart-felt thanks to those individuals who support the organisation with their own money as Friends of the Metro.

METRO CENTRE LIMITED

YEAR ENDED 31ST MARCH 2007

TRUSTEE DIRECTORS' REPORT cont.

FINANCIAL REVIEW (continued)

Donations to services remained steady this year continuing to demonstrate how much these services are valued by the service users. These donations provide very useful unrestricted funds for the organisation. The increase in voluntary income in the current year relates to the £20,000 prize awarded by the King's Fund.

The Metro continues to be supported by initiatives in the local lesbian, gay and bisexual community through events and project activities. Community events also facilitate the promotion of Metro services to hard-to-reach groups and to individuals just coming out or just moved into the local community.

The Charity made a surplus in 2006/07 of £70,888 before the annual transfer of £26,000 to the Property & Relocation Reserve (see below). The surplus in 2005/06 was £33,472, again stated before the transfer between reserves. The surplus increased this year mainly due to the £20,000 award from the King's Fund mentioned above, which was received on the last day of the financial year.

The Metro financial statements include two designated funds, established by the trustees. The Greenwich TPCT designated fund accounts for the main annual performance related service level agreement for safe sex initiatives in the South East London area. The Property & Relocation Reserve was established by the trustees in 2003 to fund the costs of relocation, property and re-equipping of the Metro Centre when the licence at the current premises expires. Currently there is £164,000 available for the relocation of the Charity. The annual transfer of £26,000 to the Property & Relocation Reserve is only possible because the current Metro Centre's assets are fully amortised.

The time is drawing near for the Metro's relocation reserve to be used for organisational relocation as the lease at No49 Greenwich High Road SE10 comes to an end. This fund will be vitally important to ensure continuity of service provision next year.

Reserves Policy

The Metro Centre currently has reserves of £338,700 of which £164,000 has been designated by the trustees to be used for the Charity's imminent relocation. The remaining £174,700 represents just 28% of annual incoming resources (equivalent to 3 months funding). Of the £174,700, £3,567 is deemed restricted and £135,911 designated by the trustees for Metro's main activities in South East London.

The Board of Trustees aims to have unrestricted reserves amounting to a minimum of 3 months (and preferably a maximum of 6 months) of annual incoming resources. The Charity requires this level of unrestricted reserves because:

- 1) Much of the charity's funding is by performance related service level agreements and grants, which are often only paid once it can be shown that the performance targets have been met or simply paid quarterly in arrears. The Charity must therefore have sufficient funds to cover these 'peaks and troughs' of cashflow.
- 2) The trustees must ensure that there are sufficient free reserves to cover an orderly winding down of the charity's services in the event of a significant drop in ongoing funding. This would include redundancy costs, property dilapidation costs and servicing on-going commitments.

Investment Powers and Policy

The trustees do not currently involve the organisation in investments with the exception of bank interest generated from cash on deposit.

METRO CENTRE LIMITED

YEAR ENDED 31ST MARCH 2007

TRUSTEE DIRECTORS' REPORT cont.

PLANS FOR FUTURE PERIODS

It will be necessary in the new year to relocate permanently or on a temporary basis while new buildings are built in Greenwich High Road by our current landlord.

As a developmental priority, funds are being sought to extend mental health resources with the creation of a therapeutic group service for adults. While current funders acknowledge the quality and importance of the services the Metro provides, funding for mental health services for the LGBT community remain hard to find.

The Metro Centre will look to continue youth and schools liaison work in the borough of Greenwich. Metro youth funding for Greenwich for three years has come from SRB 6 ending on 31 March. The Metro provides youth groups for young LGBT residents (and those questioning their sexuality) through our own efforts and other sources of funding.

TRUSTEES RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

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 then apply them consistently;
- Make sound judgments and estimates that are reasonable and prudent; and
- Prepare the financial statements on an going concern basis unless it is appropriate to presume that the charity will not continue in business.

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 taking reasonable steps for the prevention of fraud and other irregularities and to this end have an agreed financial protocol in place which is reviewed annually.

Auditors

A resolution will be proposed at the Annual General Meeting that Waterman Brown Associates Ltd. be re-appointed as auditors to the charity for the ensuing year.

BY ORDER OF THE TRUSTEES



Dale Cooper (Chairman)

8 January 2008

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
METRO CENTRE LIMITED
YEAR ENDED 31ST MARCH 2007**

We have audited the financial statements of The Metro Centre Limited for the year ended 31st March 2007 which comprise the Statement of Financial Activities, Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of The Metro Centre Ltd for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Trustees' Report is consistent with the financial statements. We also report to you if, in our opinion, the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Charity's affairs as at 31st March 2007, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

Waterman Brown Associates Ltd.

WATERMAN BROWN ASSOCIATES LTD

Chartered Accountants & Registered Auditors

Date: 11 January 2008

Lyncombe Hill, Bath

METRO CENTRE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31ST MARCH 2007

	Notes	UNRESTRICTED FUNDS 2007	RESTRICTED FUNDS 2007	TOTAL FUNDS 2007	TOTAL FUNDS 2006
		£	£	£	£
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income	5	26,585	-	26,585	6,144
Activities for generating funds	5	4,220	-	4,220	6,588
Investment income	5	4,455	-	4,455	2,048
Incoming resources from charitable activities					
Grants receivable	6	240,515	347,491	588,006	538,625
TOTAL INCOMING RESOURCES		275,775	347,491	623,266	553,405
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income		10	-	10	-
Charitable activities		206,703	319,781	526,484	498,206
Governance costs	8	8,741	17,143	25,884	21,727
TOTAL RESOURCES EXPENDED	7	215,454	336,924	552,378	519,933
NET INCOMING RESOURCES FOR YEAR BEFORE TRANSFERS		60,321	10,567	70,888	33,472
TRANSFERS BETWEEN FUNDS	10	-	-	-	-
NET MOVEMENT IN FUNDS		60,321	10,567	70,888	33,472
FUNDS BROUGHT FORWARD AT 1ST APRIL		274,812	(7,000)	267,812	234,340
FUNDS CARRIED FORWARD AT 31ST MARCH		335,133	3,567	338,700	267,812

The only recognised surplus or deficit for the year under review was the reported surplus of £70,888 (2006 surplus of £33,472). All the surplus relates to continuing operations. The charity has made no other gains or losses other than those shown above.

The notes on pages 11 to 18 form part of these financial statements.

METRO CENTRE LIMITED
INCOME & EXPENDITURE ACCOUNT
YEAR ENDED 31ST MARCH 2007

	Notes	Year ended 31st March 2007		Year ended 31st March 2006	
		£	£	£	£
INCOME					
Grants receivable	6		588,006		538,625
Income from generated funds	5		30,805		12,732
			<hr/>		<hr/>
TOTAL INCOME			618,811		551,357
EXPENDITURE					
Charitable activities		526,484		498,206	
Costs of raising voluntary income		10		-	
Governance costs	8	25,884		21,727	
	7		<hr/>	<hr/>	
			552,378		519,933
			<hr/>	<hr/>	
OPERATING SURPLUS			66,433		31,424
INTEREST RECEIVABLE & SIMILAR INCOME	5		4,455		2,048
			<hr/>	<hr/>	
SURPLUS OF INCOME OVER EXPENDITURE (Profit for the year on ordinary activities before taxation)			70,888		33,472
TAXATION OF PROFIT ON ORDINARY ACTIVITIES	16		-		-
			<hr/>	<hr/>	
SURPLUS FOR THE YEAR AFTER TAXATION			70,888		33,472
			<hr/>	<hr/>	

The only recognised surplus or deficit for the year under review was the reported surplus of £70,888 (2006 surplus of £33,472). All the surplus relates to continuing operations. The charitable company has made no other gains or losses other than those shown above.

The notes on pages 11 to 18 form part of these financial statements.

METRO CENTRE LIMITED
BALANCE SHEET
AS AT 31ST MARCH 2007

	Notes	2007		2006	
		£	£	£	£
FIXED ASSETS	11		28,392		32,324
CURRENT ASSETS					
Debtors & prepayments	12	94,352		34,029	
Cash at bank & in hand		299,850		225,913	
			<u>394,202</u>		<u>259,942</u>
CREDITORS, AMOUNTS FALLING DUE WITHIN ONE YEAR	13	83,894		24,454	
NET CURRENT ASSETS			<u>310,308</u>		<u>235,488</u>
TOTAL NET ASSETS		£	<u>338,700</u>	£	<u>267,812</u>
<i>Financed by:</i>					
UNRESTRICTED FUNDS	10				
General Funds			35,222		-
Designated Funds			299,911		274,812
			<u>335,133</u>		<u>274,812</u>
RESTRICTED FUNDS	10		3,567		(7,000)
TOTAL FUNDS		£	<u>338,700</u>	£	<u>267,812</u>

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

Approved by the Trustee Directors and signed on their behalf on 8 January 2008 by:


 TRUSTEE DIRECTOR


 TRUSTEE DIRECTOR

The notes on pages 11 to 18 form part of these financial statements.

METRO CENTRE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31ST MARCH 2007****1) ACCOUNTING POLICIES**

The principal accounting policies adopted in the preparation of the financial statements are set out below, and have been consistently applied within the accounts.

a) Basis of accounting

The financial statements have been prepared under the Historical Cost Convention. The effect of events relating to the year ended 31st March 2007 before the date of approval to the financial statements by the Board of Directors, have been included in the statements to the extent required to show a true and fair view of the state of affairs at 31st March 2007 and of the results for the year ended on that date. The charity's financial statements are prepared in accordance with the Statement of Recommended Practice for Accounting by Charities, SORP 2005 and the Companies Act 1985.

b) Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the company qualifies as a small company.

c) Incoming Resources/ Income

Incoming resources are recognised on an accruals basis, except that donations and legacies are recognised only upon receipt unless the donor advises otherwise. Grants are treated as income for the period to which the grantor assigns the grant and deferred as necessary. Service contracts or grants where the grantor stipulates performance targets and does not specify that a surplus is retrievable, are regarded as unrestricted once the performance targets are achieved.

d) Resources Expended/ Expenditure

i) Charitable activities relate to expenses incurred in providing training to counsellors and education for relevant groups as well as telephone expenses. It includes safer sex materials and literature provided by the charity. The salary costs of trained outreach workers are included under direct charitable costs. A proportion of the cost of support workers is also apportioned to each project. As one of the company's objectives is to provide a safe centre for the gay, lesbian and bisexual community, the accommodation costs of the centre are also included in this category. Other service costs, office consumables and items like depreciation are apportioned to specific projects according to the related cost of direct charitable salaries.

ii) Cost for generating voluntary income comprise the costs of advertising the charity's activities in the press purely for fund-raising purposes. Media costs to publicise outreach services and educational work for the community or staff recruitment are included in expenditure on charitable activities.

iii) Governance costs include an element of support & managerial staff costs which relate to administration; management meetings and AGM costs; and statutory costs like audit, legal and professional fees. All expenditure classes, where appropriate, include irrecoverable Value Added Tax.

e) Fixed Assets & Depreciation

Fixed assets are capitalised at cost and depreciation is provided to write off the cost of the assets over their useful economic lives. Office equipment, furniture & fittings is written off at a rate of 20% per annum on a reducing balance basis unless a grant provider allocates specific funds for capital expenditure to be written off over a shorter period. Small capital items and replacements are written off as incurred. Short term property leases and leasehold improvement costs are amortised over the length of the lease on a straight line basis. Motor Cars are written off at a rate of 25%.

f) Stocks of materials & literature

Stocks of safe sex materials and literature are written off as incurred.

g) Volunteers

The value of services provided by volunteers is not included within these financial statements.

h) Going concern basis

The accounts have been prepared on a going concern basis.

i) Fund Accounting

Unrestricted funds are available for the use in the furtherance of the charity's objectives.

Restricted funds are subject to restrictions imposed by donors as set out in the notes to the accounts.

METRO CENTRE LIMITED**NOTES TO THE ACCOUNTS****YEAR ENDED 31ST MARCH 2007****2) FUNDING****a) GENERAL FUND**

These include all donations, prizes and grants received where the donor makes no restriction on the way the funds are to be applied. It also includes receipts from services rendered by Metro staff (e.g. training fees) and from the profits from sale of goods, bank interest and fund-raising activities. Donations to Metro arise from service users, volunteers, charitable foundations, the 'Friends of Metro' giving scheme and from the General Public.

b) Greenwich Teaching Primary Care Trust (Greenwich TPCT)

Greenwich Teaching Primary Care Trust funds a safer sex programme to the communities in the London Boroughs of Greenwich and Bexley as well as Lambeth, Southwark and Lewisham. Lambeth, Southwark and Lewisham Primary Care Trust also makes a contribution via the grant received from Greenwich TPCT. The Metro services are accessible to all groups affected by includes HIV prevention campaigning; managing a database from sexual health surveys; a peer support HIV and AIDS in Greenwich and Bexley particularly people from high prevalence African countries and /or gay and bisexual men. The service program targetting HIV negative men whose HIV testing patterns indicate a risk of sero-conversion called 'Metro safe'; conducting innovative HIV prevention and sexual health promotion outreach work; strengthening partnership work with other local HIV agencies & charities; developing a 'condom mail out service'; providing training to Metro Centre workers and volunteers and to support young gay men via youth and group work. The fund also includes individual donations, fund-raising and investment income from prior accounting periods.

RESTRICTED FUNDS**METRO CORE FUND**

The Core Fund of the Metro Centre records the Funders who have had a long association with the Charity. Their grants ensure that the Core Services are provided to LGB communities in the South East London area and that the core costs of running the Metro Centre are covered. These services are explained below:

c) Greenwich TPCT - Pitstop+ Clinic

Greenwich TPCT has provided funding to develop an in-house sexual health clinical service. A Sexual Health Nurse has been recruited to run this GUM service, primarily for gay and bisexual men. The purpose of this clinic is to provide a safe environment for this community to access GUM services and as an alternative to other local GUM facilities.

d) London Borough of Greenwich Social Inclusion & Justice

This grant from London Borough of Greenwich funds the provision of strategic and managerial services at the Metro Centre. It principally funds part of the Chief Executive Officer's post who directs Metro staff and develops strategies for service development. The CEO also oversees the securing of additional funding; develops quality standards in service provision, reviews work and consults with stakeholders.

e) Oxleas NHS Foundation Trust

Oxleas NHS Trust funds a Drop-In and Crisis Support Service for the provision of Mental Health Counselling and Advice to Lesbian, Gay and Bisexual people and those questioning their sexuality in the London Borough of Greenwich.

f) Lewisham Social Services

Lewisham Social Services funds an Adult Counselling Service for Lesbian, Gay and Bisexual people and those questioning their sexuality and who are experiencing mental distress in the South East London area. The service offers both short term (up to 8 weeks) and longer term (up to one year) counselling.

SPECIFIC SMALLER PROJECTS

The following grants fund specific projects run from the Metro Centre. They tend to be over a shorter period of up to three years and with varying levels of restriction.

g) London Borough of Greenwich SRB6 Anchor Project

The grant funds a suicide prevention & youth counselling service. It was provided from the Single Regeneration Budget Challenge Fund by the Health Benefits Partnership Board. The project concluded at 31st March 2007.

h) Bridge House Trust

The Bridge House Trust provided £75,000 over a two and a half year period for the establishment of a Family Therapy Service for the LGB Community in South East London area. This funding ceased at 31st March 2007.

METRO CENTRE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

2) FUNDS & FUNDING cont.

- i) Drug & Alcohol Action Team
This funding was provided by the Primary Care Trust for a service to provide education, advice and counselling against drug and alcohol misuse amongst young LGB people and those questioning their sexuality. The grant was matched by the funder below.
- j) London Borough of Greenwich - CAMHS
This match funding was provided by the London Borough of Greenwich to provide education, advice and counselling against drug and alcohol misuse amongst young LGB people and those questioning their sexuality. The grant was matched by the funder above
- k) London Borough of Tower Hamlets Connexions
The Connexions Service in the London Borough of Tower Hamlets provides a grant for a two day per week sexuality support service within Tower Hamlets. Staff from the Metro attend an interagency group 'Step Out'; provide a one to one support service for young people; provide training and advocacy on sexuality issues in schools and youth services.
- l) London Borough of Lewisham Connexions
The Connexions Service at the London Borough of Lewisham Children and Young Person's Directorate provides a grant a sexuality support service for young people within Lewisham. Staff from Metro offer one to one support in a schools environment to allow young people to deal with issues of emerging sexuality and allow them to focus on their academic attainment; to provide training to staff regarding LGB issues and the impact of bullying and to provide workshops on sex and relationship education with a focus on sexually transmitted diseases and HIV/AIDS prevention.
- m) City Parochial Foundation
The City Parochial Foundation has provided three year funding commencing in 2006/07 for an Advocacy and Advice Worker at the Metro Centre.
- n) Elton John Foundation
The Elton John Foundation provided a grant towards the Metrosafe program, a Peer Support Program targeting HIV negative and bisexual men whose HIV testing patterns indicate a risk of sero-conversion.
- o) Youth Groups in London Boroughs of Bexley & Bromley
The London Borough of Bexley and Bromley NHS Primary Care Trust provided funds to run two youth groups, Bromley SNAP and Bexley VIBE as well as youth outreach projects in these areas. The services provide support and information to young people who are Lesbian, Gay or Bisexual or are questioning their sexuality. It provides a referral point for LGB young people to access services for their physical and mental health and their social care. Other youth grants were received from London Borough of Bexley Youth Service in 2007 and Bromley Transforming Youth for Bromley Tribe youth group in 2006.
- p) London Borough of Greenwich - Healthy Schools
This was a one-off grant to fund a screening at a local cinema for young LGB people.
- q) Other Grants
The grants included under this category either ceased in the previous financial year and are included in the 2006 comparatives (for example monies were received from Healthy Greenwich Network, which funded outreach and support for older LGB people) or a grant was received just prior to the 2007 year end and the grant has been deferred as the service will be provided in the following financial year.

3) NET OPERATING SURPLUS/(DEFICIT)

	2007	2006
The net operating surplus/(deficit) of income over expenditure is stated after charging:		
	£	£
Staff costs (note 4)	371,411	358,112
Depreciation of equipment & loss on disposal	7,503	6,794
Auditors' remuneration - Audit fee	4,442	4,259
Auditors' remuneration - Other services	-	-
	<hr/>	<hr/>

4) STAFF COSTS

	2007	2006
Staff costs for the year were as follows:	£	£
Salaries	339,463	326,792
Social security costs	31,708	31,320
Pensions Costs	240	-
	<hr/>	<hr/>
	371,411	358,112

The average number of persons employed by the charitable company in the year was 12 persons (2006 - 13)
No member of staff was paid more than £60,000.

METRO CENTRE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

5) INCOMING RESOURCES FROM GENERATED FUNDS

	TOTAL 2007		TOTAL 2006	
	£	£	£	£
UNRESTRICTED FUNDS				
GENERAL FUND				
Voluntary Income				
Donations from individuals	6,585		6,144	
King's Fund - Impact Award	20,000		-	
		26,585		6,144
Activities for generating funds				
Fund-raising activities	1,019		2,622	
Training & other income	3,201		3,966	
		4,220		6,588
Investment Income				
Interest receivable		4,455		2,048
		35,260		14,780

6) ANALYSIS OF GRANTS

	GRANTS Rec'd in year	Opening Debtors	Closing Debtors	Deferred Income movement	TOTAL	
	£	£	£	£	2007 £	2006 £
UNRESTRICTED FUNDS						
Greenwich Teaching PCT	240,515	-	-	-	240,515	242,023
RESTRICTED FUNDS						
METRO CORE FUND						
Greenwich Teaching PCT - Pitstop Clinic	24,000	-	43,700	(43,700)	24,000	-
LB Greenwich Social Inclusion & Justice	35,037	-	-	-	35,037	30,587
Oxleas NHS Trust	45,990	-	-	-	45,990	45,238
Lewisham Social Services	31,519	-	-	-	31,519	31,510
METRO CORE FUND SUB-TOTAL	136,546	-	43,700	(43,700)	136,546	107,335
SPECIFIC SMALLER PROJECTS						
Greenwich SRB6 Anchor Project	57,864	(13,082)	26,964	-	71,746	52,599
Bridge House Trust	23,000	-	-	-	23,000	22,000
DAAT	19,719	-	-	-	19,719	19,956
CAHMS	19,287	-	-	-	19,287	19,956
Tower Hamlets Connexions	18,854	-	-	-	18,854	18,315
Lewisham Connexions	10,851	(5,500)	4,750	-	10,101	8,000
City Parochial Foundation	11,250	-	-	(2,500)	8,750	-
Elton John Foundation	8,000	-	-	-	8,000	-
Bromley NHS PCT - Bromley Snap Youth	12,369	(4,750)	4,869	-	12,488	9,500
LB Bexley Connexions - Vibe Youth	10,000	-	-	-	10,000	8,000
LB Bexley - Youth Service	-	-	8,000	-	8,000	-
Bromley Transforming Youth - Bromley Tribe	2,497	(2,497)	-	-	-	7,000
LB Greenwich Healthy Schools	1,000	-	-	-	1,000	-
London Probation Service	5,000	(5,000)	-	-	-	5,000
LB Greenwich Youth Residential/other	9,158	-	-	(9,158)	-	18,941
TOTAL RESTRICTED FUNDS	345,395	(30,829)	88,283	(55,358)	347,491	296,602
TOTAL RESTRICTED & RESTRICTED	585,910	(30,829)	88,283	(55,358)	588,006	538,625

Deferred income is funding received in advance for service activities not planned for in the current year and where the funder has assigned the funding to a future period. Note 6 records the movement on deferred income during the current year and the total deferred income carried forward at the financial year end is recorded at note 13, creditors falling due within one year.

METRO CENTRE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

7) TOTAL RESOURCES EXPENDED	Outreach salaries & support £	Premises & centre running costs £	Service provision & resources £	Support Costs £	TOTAL	
					2007 £	2006 £
SERVICE AREA						
Safe Sex services	120,869	20,567	33,584	10,448	185,468	171,003
HIV and GUM clinical service	23,482	3,335	4,278	1,729	32,824	-
Mental Health Drop-in & Crisis Support	32,133	5,601	5,368	2,904	46,006	44,022
Adult Counselling service	28,356	4,943	6,198	2,562	42,059	40,126
Suicide prevention youth counselling	28,275	6,961	24,740	2,555	62,531	67,404
Family therapy service	14,468	3,685	2,432	1,307	21,892	23,783
Drug & alcohol misuse youth counselling	26,096	3,914	4,616	2,358	36,984	39,656
Youth sexuality support services	20,797	3,079	1,765	1,789	27,430	28,185
Advocacy & advice service	6,243	1,022	575	490	8,330	-
Youth Groups	14,241	4,335	5,962	1,283	25,821	25,324
Other	692	-	308	-	1,000	23,919
Management & administration	20,417	4,707	9,623	27,276	62,023	56,511
Fund-raising	-	-	10	-	10	-
TOTAL RESOURCES EXPENDED	336,069	62,149	99,459	54,701	552,378	519,933

Support costs reflect the cost of worker time spent supporting the delivery of charitable services and distinct from the costs incurred on governance or fund-raising issues.

8) GOVERNANCE COSTS

	TOTAL	
	2007 £	2006 £
Staff salaries & consultants	18,252	14,554
Audit & accountancy	4,442	4,259
Legal & professional	2,281	2,005
AGM & trustees meetings	452	444
Bank charges	457	465
	25,884	21,727

9) PRIOR YEAR ADJUSTMENT

During 2006/07 a review was made of the composition of the Metro Core Fund and the Trustee Directors decided that the service contract with Greenwich TPCT was performance led and, therefore, it was more appropriate to show this as a designated unrestricted fund.

	Greenwich TPCT Designated Unrestricted	Metro Core Fund Restricted
At 31st March 2006 as previously stated	-	136,812
Prior Year Adjustment	136,812	(136,812)
At 31st March 2006 restated	136,812	-

METRO CENTRE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

10) MOVEMENT ON FUNDS IN YEAR

	Note	Opening Balance at 1/4/2006	Incoming Resources (notes 5 & 6) £	Outgoing Resources £	Transfers between funds £	Closing Balance at 31/3/2007 £
UNRESTRICTED FUNDS						
General Fund	2a	-	35,260	38	-	35,222
Designated Funds:						
Greenwich Teaching PCT	2b	136,812	240,515	215,416	(26,000)	135,911
Property & Relocation Reserve		138,000	-	-	26,000	164,000
		<u>274,812</u>	<u>275,775</u>	<u>215,454</u>	<u>-</u>	<u>335,133</u>
RESTRICTED FUNDS						
<i>METRO CORE FUND</i>						
Greenwich Teaching PCT - Pitstop Clinic	2c	-	24,000	24,000	-	-
LB Greenwich Social Inclusion & Justice	2d	-	35,037	35,037	-	-
Oxleas NHS Trust	2e	-	45,990	45,990	-	-
Lewisham Social Services	2f	-	31,519	31,519	-	-
		<u>-</u>	<u>136,546</u>	<u>136,546</u>	<u>-</u>	<u>-</u>
<i>METRO CORE FUND SUB-TOTAL</i>						
<i>SPECIFIC SMALLER PROJECTS</i>						
Greenwich SRB6 Anchor Project	2g	(7,000)	71,746	64,746	-	-
Bridge House Trust	2h	-	23,000	23,000	-	-
DAAT	2i	-	19,719	19,719	-	-
CAHMS	2j	-	19,287	19,287	-	-
Tower Hamlets Connexions	2k	-	18,854	18,854	-	-
Lewisham Connexions	2l	-	10,101	10,101	-	-
City Parochial Foundation	2m	-	8,750	8,750	-	-
Elton John Foundation	2n	-	8,000	8,000	-	-
Bromley NHS PCT - Bromley Snap Youth	2o	-	12,488	12,488	-	-
LB Bexley Connexions - Vibe Youth	2o	-	10,000	10,000	-	-
LB Bexley - Youth Service	2o	-	8,000	4,433	-	3,567
Bromley Transforming Youth - Bromley Tribe	2o	-	-	-	-	-
LB Greenwich Healthy Schools	2p	-	1,000	1,000	-	-
LB Greenwich Youth Residential/other	2q	-	-	-	-	-
		<u>(7,000)</u>	<u>347,491</u>	<u>336,924</u>	<u>-</u>	<u>3,567</u>
TOTAL RESTRICTED FUNDS						
TOTAL UNRESTRICTED & RESTRICTED						
		<u>267,812</u>	<u>623,266</u>	<u>552,378</u>	<u>-</u>	<u>338,700</u>

Notes regarding the transfers between funds:

The Property and Relocation Reserve was established by the Trustee Directors in 2003 as a designated fund for the costs of relocation, property and re-equipping the Metro Centre when the Charity needed to relocate its main services from Greenwich High Road. The lease on the current Metro Centre had expired and the conversion costs and leasehold improvements were fully amortised at that stage.

Since 2003 the charity has been in the fortunate position of paying rent at its current site at under market rate. This has enabled the Trustee Directors to transfer an annual sum that would otherwise have been incurred as rent and property costs, to the property and relocation reserve.

To fulfill the Metro main services on an on-going basis, the charity must ensure that it sets aside sufficient funds to continue for the foreseeable future and plan for its certain relocation. The current reserve will now go along way to the anticipated costs of the relocation of the Centre.

METRO CENTRE LIMITED

NOTES TO THE ACCOUNTS

YEAR ENDED 31ST MARCH 2007

11) FIXED ASSETS	Leasehold Property		Office	Motor car	TOTAL
	Metro Centre <i>Annex</i>	<i>Main Site</i>	Equipm't Unrestricted	for Outreach	
<i>Cost</i>			£	£	£
Brought forward	3,735	59,886	89,664	6,495	159,780
Additions	-	-	3,571	-	3,571
Disposals	-	-	-	-	-
As at 31st March 2007	3,735	59,886	93,235	6,495	163,351
<i>Depreciation</i>					
Brought forward	3,735	59,886	63,835	-	127,456
Charge for year	-	-	5,879	1,624	7,503
On disposals	-	-	-	-	-
As at 31st March 2007	3,735	59,886	69,714	1,624	134,959
<i>Net Book Value</i>					
As at 31st March 2007	-	-	23,521	4,871	28,392
As at 31st March 2006	-	-	25,829	6,495	32,324

All the equipment and the leasehold premises are used for direct charitable purposes.

The charitable company held a five year lease on the main site. The lease expired in September 2001 but the charity with the agreement of the landlord, has continued to occupy the site on the same terms. The Trustees consider that the lease has no commercial value and the capitalised costs relate only to improvements made to the building prior to occupation. Various annexes were also acquired on one year licences and the charity continues to occupy these on the same terms. All costs of refurbishment of the additional space have been written off.

12) DEBTORS, amounts falling due within one year	2007	2006
	£	£
Grants receivable	88,283	30,829
Other debtors & prepayments	3,093	2,162
Interest receivable	2,976	1,038
	94,352	34,029
13) CREDITORS, amounts falling due within one year	2007	2006
	£	£
Other taxation & social security	10,405	8,763
Deferred income	57,495	2,137
Other creditors & accruals	15,994	13,554
	83,894	24,454

METRO CENTRE LIMITED**NOTES TO THE ACCOUNTS****FOR THE YEAR ENDED 31ST MARCH 2007****14) CAPITAL COMMITMENTS**

In August 2007 the landlord of the Metro Centre served the Charity notice to vacate the premises. The Trustees have secured new premises at a nearby location and are in negotiations on a ten year lease at an annual rent of approximately £70,000. Project Managers have been appointed to oversee the refit of the premises as a modern community centre with meeting rooms, counselling rooms and a purpose-built clinical area for the Pitstop+ service. The cost of this refit will be met by the Property & Relocation Reserve and the Charity is launching an appeal towards any shortfall and the costs of necessary new equipment.

15) TRUSTEE DIRECTORS' REMUNERATION & EXPENSES

None of the trustee directors received any remuneration either directly or indirectly in the year. The Charity made no re-imburements for trustee directors expenses. £445 (2006 - £417) was spent on trustee meetings.

16) TAXATION

No corporation tax was due on the surplus or investment income in 2007 because the company has been established by charitable means and for the public benefit. It has not engaged in any trading activities as defined by the Income and Corporation Taxes Act 1988.

17) GOING CONCERN & FUTURE FUNDING

The charity is dependent on the continued support of its main funders, the Greenwich TPCT and the Metro Core Fund. These funders have continued to support the Metro Centre for many years and they ensure the provision of its main services and the fulfilling of its main aims and objectives.

18) STATUS & CONNECTED CHARITIES

The company is incorporated by charitable means and is limited by guarantee without share capital. The company is not part of any group or specifically connected with any other charity or group.

19) ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted	Unrestricted	Total
	£	£	£
Tangible Fixed Assets		28,392	28,392
Current Assets	88,283	305,919	394,202
Interfund Account	(9,561)	9,561	-
Creditors	(75,155)	(8,739)	(83,894)
	3,567	335,133	338,700