

2897074

**THE CAMDEN GROUNDWORK TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS**

31 MARCH 2001



**HORWATH
CLARK WHITEHILL**

Chartered Accountants

A member of Horwath International

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THE CAMDEN GROUNDWORK TRUST LIMITED
GENERAL INFORMATION
FOR THE YEAR ENDED 31 MARCH 2001

DIRECTORS AND TRUSTEES

Deborah Sacks (Chair to 20 February 2001)
Maria Crichton (appointed 11 July 2000; resigned
25 August 2000)
Prof Jim Croll
Dr Carolyn Harrison
Robin Hirsch (Treasurer)
John Joplin
Andrew Littlewood
Robin Mabey (Chair from 20 February 2001)
Cllr Keith Moffitt(resigned 15 May 2001)
Cllr Nirmal Roy
Stevie Spring (resigned 11 November 2000)

The directors are appointed at the Annual General Meeting

During the year the position of Honorary Treasurer was held by Robin Hirsch. The position of Chair was held by Deborah Sacks and then by Robin Mabey.

**EXECUTIVE DIRECTOR AND COMPANY
SECRETARY**

Catherine Andrews

REGISTERED OFFICE

114 Regents Park Road
London
NW1 8UG

COMPANY NUMBER

02897074

REGISTERED CHARITY NUMBER

1040347

AUDITORS

Horwath Clark Whitehill
25 New Street Square
London EC4A 3LN

BANKERS

The Royal Bank of Scotland plc
Great Ormond Street Branch
28 Great Ormond Street
London WC1N 3G

SOLICITORS

Bates, Wells & Braithwaite
61 Charterhouse Street
London
EC1M 6HA

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2001

The directors who are also the charity trustees have pleasure in presenting their report and financial statements for the year ended 31 March 2001.

Organisation

The Trust is a registered charity and company limited by guarantee and is governed by its memorandum and articles of association.

This is the Trust's 7th year of operation. During the year the Trust secured sponsorship from the DETR and Islington Council and the formal process of amending the legal entity was completed in the first few weeks of 2001/2, enabling the Trust to operate under its new name Groundwork Camden and Islington.

The Trust's *Mission* is to

Work with local people and the public, private and voluntary sectors to make lasting improvements to the shared environment of Camden.

The key purposes for the Trust which are reflected in our programme of work and form the basis of measuring our performance and evaluating the benefits we bring are:

- 1) **People** – to enable local people to improve their own quality of life and take responsibility for regenerating their own local environment. This involves partnerships with businesses, local authority and other statutory agencies, local people and voluntary groups to discover a sense of community involvement.
- 2) **Places** – communities that are most excluded also endure the worst environments. The quality of our everyday environments has a huge impact on quality of life. In partnership with others we will focus on the areas with more than average levels of deprivation, to improve the quality of the inner-city environment, to promote healthy living and regenerate neglected or under-used land for social and economic benefit.
- 3) **Prosperity** – to contribute to local regeneration (through integration of economy and environment) encouraging sustainable economic development and urban regeneration which takes account of environmental impact and promotes better environmental practices, assisting companies to invest in local communities, maximising opportunities for sustainable job creation and training. Attract resources to invest in improving the local environment, and help attract investment in Camden by promoting an environment that is well cared for.
- 4) **Planning and Performance** - to promote a strategically planned approach to assessing environmental improvements and respond to the changing priorities of partners and local communities. In all we do, to set ourselves high standards of business efficiency, quality of service and value for both public and private money.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

For the past three years, our vision has been to achieve the following (see table). However, given the growth in trust size and turnover, we plan to reassess these in 2001/2.

<i>The organisation of Groundwork Camden and Islington</i>	<ul style="list-style-type: none"> • Viable, sustainable, efficient, effective, responsive • Partnership and shared approach with key agencies in Trust area • Higher profile for organisation's activities
<i>Relationship with community</i>	<ul style="list-style-type: none"> • Supporting people to help themselves • Closer working relationships • Acting as an honest broker and helping local people to get access to regeneration agencies etc. • Greater awareness of the environment in the community i.e. higher profile for our message • Increased involvement of the private sector
<i>Equal opportunities and diversity of involvement</i>	<ul style="list-style-type: none"> • More people engaged • Strengthening and supporting diversity of involvement • Give as many as possible a say
<i>Impact on environment of London Borough's of Camden and Islington</i>	<ul style="list-style-type: none"> • Reclaiming open spaces for public use • Camden & Islington healthier and safer • Better quality of environment • Increased resources available to enhance and sustain Camden and Islington's environment

Groundwork will deliver these programmes through effective partnerships, seeking to engage all sections of the communities in which we work.

Groundwork as a Federation is committed to continually improving our performance and work to an agreed set of values and behaviours. We will establish clear priorities, measure our success and share our experience and practice.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

PRINCIPAL ACTIVITIES

Groundwork's approach is to develop and implement programmes which concentrate on three key areas:

- bringing about physical environmental improvements;
- educating and involving the community;
- integrating the economy and the environment

Regionally Groundwork's agenda and organisation is evolving to enable London Trusts to address the strategic agenda of the Greater London Authority. The Trusts have collectively set up the Groundwork London Partnership to work at the highest level with Londonwide agencies and companies, and to secure new income streams to enable Trusts to deliver strategic programmes to all the priority neighbourhood across London.

Locally the aim of strategic Londonwide coverage has been taken forward by the Trust's extension into the London Borough of Islington. The Trust is also beginning to talk to the City of Westminster about the need and scope for the Trusts services.

REVIEW OF ACTIVITIES

The trend of fast but controlled growth has continued in 2000/1, particularly as Islington developments begin to come on stream.

The Trust worked in partnership to undertake an increasing number and range of projects addressing: community recycling, safe play, school grounds improvements, community consultations, defensible space projects on housing estates, mentoring for community members, open space audits, capacity building with disability groups, streetscape safety works, community art, green transport, and training. A pilot Workplace awards scheme was established in partnership with the Health Action Zone and enabled us to begin to outreach to small and medium sized businesses.

On a strategic Londonwide level the successful pan London SRB 6 Changing London, Changing London Lives, programme brought in significant resources to start developing local partnerships with a target neighbourhood in Camden & Islington. The SRB 2 Vital Centres and Greenlinks programme continues to deliver community led regeneration to key neighbourhoods around Camden Town. Likewise the SRB 3 London's Waterway Partnership has generated strategic partnerships and programmes for the Trust in key regeneration areas of the Regents Canal.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

FUTURE DEVELOPMENTS

The key task for the Trust in 2001/2 is to deliver quality programmes in Islington whilst continuing to build on the solid foundation established in Camden. The Trust extension has nearly doubled the *operational area and will lead to an acceleration in growth in the short to medium term. To ensure this continues in a managed way, the Trust proposes to focus its initial Islington activity on five deprived neighbourhoods. This will enable the build up of a holistic programme of sustainable projects, based on strong local relationships. This will also generate local knowledge and expertise which will enable a broader expansion in the medium term.*

Securing a base for the whole Trust is another key activity in 2001/2. The growth in the staff team necessitates a move into a bigger building, it is also the Trusts intention to secure somewhere that is accessible to the communities of Camden and Islington.

FINANCIAL PERFORMANCE

The trust has total incoming resources of £733,888 (2000 £517,830). This continues the pattern of growth set in previous years. This growth has been underpinned by our SRB programmes and our continued successful partnership with London Borough of Camden. We have also increased the level of support from private sector partners.

The nature of the funding for our work has also changed with an increasing number of projects which meet our primary charitable objectives being funded through contracts for services

The net incoming resources for the year is £64,912 (2000 £77,104). Of this, £36,428 is restricted and constitutes funding for specific projects which span more than one year. £28,484 is unrestricted and will be used in accordance with our reserves policy outlined below.

Managed projects, where the Trust provides technical expertise and project management to a partnership, continued to be a significant feature of the Trust's activities. In addition to the income that passed through the Trust's books, staff managed an additional £170,000 of project work.

Equally important are the amounts of time and expertise offered by our partners as "gift in kind". These contributions don't appear in our accounts but they bring immeasurable value to the completion of successful projects. We carefully monitor these contributions and have valued the gift in kind contribution at over £45,000 in the year

RESERVES POLICY

The Trust's unrestricted reserves are £277,020. During the year the Trust transferred £175,585 from restricted to unrestricted reserves. This represents the unspent balance on projects commencing before 1 April 1999 where no further expenditure is required.

The Trust is working towards a target of holding unrestricted reserves equivalent to six months running costs of the Trust, which is expected to be over £600k in 2000/01. The Trustees consider that this level of reserves is prudent to cover such financial requirements as working capital, investment in capital equipment, the short term costs of relocation (due to take place in 2001/02) and the longer term requirement to find permanent accommodation for the Trust. It also takes account of other contingencies, for example, one off staff costs related to sickness and maternity leave.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

AUDITORS

A resolution reappointing Horwath Clark Whitehill as auditors to the company will be put to the Annual General Meeting.

DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements the directors have:-

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- prepared the financial statements on the going concern basis.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements 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.

Approved by the board on 17 July 2001
and signed on its behalf by:

Director/Trustee



**HORWATH
CLARK WHITEHILL**

Chartered Accountants

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London

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**AUDITORS' REPORT
TO THE TRUSTEES OF
THE CAMDEN GROUNDWORK TRUST LIMITED**



We have audited the financial statements on pages 8 to 15 which have been prepared under the accounting policies set out on pages 10 and 11.

Respective Responsibilities of Trustees and Auditors

As described on page 6 the directors who also act as the trustees for the charitable activities of The Camden Groundwork Trust Limited, are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements 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 financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, 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 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 the information in the financial statements.

Unqualified Opinion

In our opinion, the financial statements give a true and fair view of the charitable company's state of affairs at 31 March 2001 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Horwath Clark Whitehill

Chartered Accountants
and Registered Auditors

20 July 2001

THE CAMDEN GROUNDWORK TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2001

INCOME AND EXPENDITURE

	Notes	Unrestricted funds	Restricted funds	Total 2001	<i>Total 2000</i>
		£	£	£	£
Incoming Resources					
Grants and donations	3	116,653	480,817	597,470	509,143
Contracts for service		117,825	-	117,825	-
Interest receivable		12,765	3,900	16,665	8,487
Other income		<u>1,928</u>	<u>-</u>	<u>1,928</u>	<u>200</u>
Total incoming resources	1c	<u>249,171</u>	<u>484,717</u>	<u>733,888</u>	<u>517,830</u>
Resources Expended					
Direct Charitable Expenditure					
Project expenses		152,547	419,676	572,223	364,627
Support costs		11,160	24,693	35,853	25,741
Other expenditure					
Fundraising and publicity		8,550	3,920	12,470	7,529
Management and administration of the charity		<u>48,430</u>	<u>-</u>	<u>48,430</u>	<u>42,829</u>
Total resources expended	4	<u>220,687</u>	<u>448,289</u>	<u>668,976</u>	<u>440,726</u>
Net incoming resources for the year		28,484	36,428	64,912	77,104
Transfer between funds		175,785	(175,785)	-	-
Balances brought forward as at 1 April 2000		<u>72,751</u>	<u>218,125</u>	<u>290,876</u>	<u>213,772</u>
Balances as at 31 March 2001		<u>277,020</u>	<u>78,768</u>	<u>355,788</u>	<u>290,876</u>

The Statement of Financial Activities contains all the gains and losses recognised in the current and preceding year.

The notes on pages 9 to 15 form part of these financial statements.

THE CAMDEN GROUNDWORK TRUST LIMITED
BALANCE SHEET
AS AT 31 MARCH 2001

	Notes	Total 2001 £	Total 2000 £
FIXED ASSETS			
Tangible fixed assets	5	15,776	14,189
CURRENT ASSETS			
Debtors	6	315,398	52,694
Cash at bank and in hand		<u>337,843</u>	<u>365,096</u>
		653,241	417,790
CREDITORS: amounts falling due within one year	7	<u>(295,509)</u>	<u>(112,857)</u>
NET CURRENT ASSETS		357,732	304,933
CREDITORS: amounts falling due after more than one year	8	<u>(17,720)</u>	<u>(28,246)</u>
NET ASSETS	10	<u>355,788</u>	<u>290,876</u>
FUNDS			
Unrestricted:- General		277,020	72,751
Restricted	9	<u>78,768</u>	<u>218,125</u>
		<u>355,788</u>	<u>290,876</u>

Approved by the Board on 17 July 2001
and signed on its behalf by:

 Director/Trustee

The notes on pages 9 to 15 form part of these financial statements.

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES

a) Basis of preparation

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

b) Fund accounting

General funds are available for use at the discretion of the directors in furtherance of the objects of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by sponsors or by the purpose of the appeal.

c) Incoming Resources

All income is accounted for on a receivable basis. Any grants restricted to future accounting periods or where conditions for spending could not be met are deferred and recognised in those accounting periods. Development income is in the form of grants towards the running and development of the trust.

Project income represents grants for specific projects identified and agreed between the partnership sponsors.

d) Resources expended

All expenses are accounted for on an accruals basis. Expenditure incurred in connection with the specific objects of the charity is included under the heading direct charitable expenditure together with an apportionment of the general overheads of the charity. The apportionment has been calculated by analysing staff time spent between direct charitable activities, fundraising and publicity and to the management and administration of the charity. This ratio has then been applied to the overheads to provide a equitable basis for the analysis of expenditure.

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001

1. ACCOUNTING POLICIES (CONTINUED)

e) Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected economic lives as follows:

<i>Fixtures and fittings and office equipment</i>	- 5 years
Computers	- 3 years

f) Pension Costs

The company subscribes to individual portable pensions covering all of its permanent employees. The company's contributions to the scheme are charged in the statement of financial activities as they accrue.

g) Taxation

By virtue of its charitable status the company is exempt from corporation tax and any tax suffered by deduction is recoverable. The Trust is subject to VAT which is partially recoverable.

2. COMPANY STATUS

The trust is a company limited by guarantee. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the company. There are 9 members (2000; 9).

3. GRANTS & DONATIONS

	2001 £	2000 £
Department of Environment Transport and the Regions	85,850	128,669
Single Regeneration Budget	252,157	194,798
Local Authority	144,286	133,765
Private Sector	95,657	51,911
University College London	10,000	-
National Lottery	4,520	-
Landfill tax	5,000	-
	<u>597,470</u>	<u>509,143</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

4. TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Total 2001 £	Total 2000 £
Direct Charitable Expenditure				
Project costs	248,460	323,763	572,223	364,627
Support costs	-	35,853	35,853	25,741
Fundraising and publicity	2,464	10,006	12,470	7,529
Management and administration of the Charity	39,840	8,590	48,430	42,829
	<u>290,764</u>	<u>378,212</u>	<u>668,976</u>	<u>440,726</u>

Staff costs:	2001	2000
	£	£
Wages and salaries	248,342	170,340
Social security costs	22,495	16,638
Pension costs	19,927	14,713
	<u>290,764</u>	<u>201,691</u>

The average number of employees was: 9.7	No.	No.
Direct charitable	7.2	5.7
Management and administration	2.5	2.0
	<u>9.7</u>	<u>7.7</u>

One employee received remuneration between £40,000 and £50,000.

One trustee received reimbursed travel expenses in the year of £171. (2000, Nil)

Other costs:	Direct Charitable Expenditure Project Costs £	Direct Charitable Expenditure Support Costs £	Fundraising & Publicity £	Management & Admin. Charity £	Total 2001 £
Project costs	270,160	-	-	-	270,160
Accommodation	10,314	10,314	-	-	20,628
Administration	18,983	13,565	-	-	32,548
Recruitment & training	5,644	5,644	-	-	11,288
Audit & Legal	-	-	-	8,418	8,418
Consultants	4,024	-	-	-	4,024
Travel	1,575	1,403	-	172	3,150
Depreciation	4,927	4,927	-	-	9,854
Marketing	-	-	10,006	-	10,006
Irrecoverable VAT	8,136	-	-	-	8,136
	<u>323,763</u>	<u>35,853</u>	<u>10,006</u>	<u>8,590</u>	<u>378,212</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

4. RESOURCES EXPENDED CONTINUED

	2001	2000
	£	£
Included within Resources Expended is		
Interest payable	839	839
Auditors' Remuneration	5,150	4,000
Other Services	<u>1,400</u>	<u>-</u>

5. TANGIBLE FIXED ASSETS

	Computers	Office equipment	Fixtures & fittings	Total
	£	£	£	£
Cost				
At 1 April 1999	64,663	10,226	8,797	83,686
Additions	<u>6,104</u>	<u>5,338</u>	<u>-</u>	<u>11,442</u>
31 March 2001	<u>70,767</u>	<u>15,564</u>	<u>8,797</u>	<u>95,128</u>
Depreciation				
At 1 April 2000	50,474	10,226	8,797	69,497
Charge	<u>8,876</u>	<u>979</u>	<u>-</u>	<u>9,855</u>
31 March 2001	<u>59,350</u>	<u>11,205</u>	<u>8,797</u>	<u>79,352</u>
Net book value				
At 31 March 2001	<u>11,417</u>	<u>4,359</u>	<u>-</u>	<u>15,776</u>
At 31 March 2000	<u>14,189</u>	<u>-</u>	<u>-</u>	<u>14,189</u>

6. DEBTORS

	2001	2000
	£	£
Project debtors	311,955	52,694
Prepayments and accrued income	<u>3,443</u>	<u>-</u>
	<u>315,398</u>	<u>52,694</u>

7. CREDITORS: amounts falling due within one year

	2001	2000
	£	£
Project creditors	117,401	8,643
Taxation and social security costs	23,566	4,190
Accruals and deferred income	141,017	89,498
Other creditors	<u>13,525</u>	<u>10,526</u>
	<u>295,509</u>	<u>112,857</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

8. CREDITORS: amounts falling due after more than one year	2001 £	2000 £
Other creditors	<u>17,720</u>	<u>28,246</u>
Other creditors represent: Pensions liabilities which are due to be paid in four equal instalments within the following time periods		
1 - 2 Years	7,193	7,193
2 - 5 Years	<u>7,193</u>	<u>14,386</u>
	14,386	21,579
Loan from Groundwork UK for recruitment costs		
1-2 Years	3,334	3,333
2-5 Years	<u>-</u>	<u>3,334</u>
	3,334	6,667
Total	<u>17,720</u>	<u>28,246</u>

9. MOVEMENT ON RESTRICTED FUNDS

	Funds 1 April 2000 £	Incoming Resource £	Resources Expended £	Transfers £	Funds 31 March 2001 £
Physical Environment Improvements	129,878	231,140	(220,647)	(107,721)	32,650
Education and Community Involvement	73,108	211,750	(206,184)	(55,860)	22,814
Integration of the Economy and the Environment	<u>15,139</u>	<u>41,827</u>	<u>(21,458)</u>	<u>(12,204)</u>	<u>23,304</u>
	<u>218,125</u>	<u>484,717</u>	<u>(448,289)</u>	<u>(175,785)</u>	<u>78,768</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2001

10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets £	Current assets £	Current liabilities £	Liabilities over 1 year £	Total net assets £
Restricted funds					
Physical Environment Improvements	-	182,981	150,331	-	32,650
Education & Community Involvement	-	91,318	68,504	-	22,814
Integration of the Economy and the environment	-	39,093	15,789	-	23,304
	-	313,392	234,624	-	78,768
Unrestricted funds					
General	<u>15,776</u>	<u>339,849</u>	<u>60,885</u>	<u>17,720</u>	<u>277,020</u>
	<u>15,776</u>	<u>653,241</u>	<u>295,509</u>	<u>17,720</u>	<u>355,788</u>