

**THE CAMDEN GROUNDWORK TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
31 MARCH 2000**



**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 2000

DIRECTORS AND TRUSTEES

Deborah Sacks (Chair)
Prof Jim Croll
Dr Carolyn Harrison
John Joplin
Andrew Littlewood
Robin Mabey
Cllr Keith Moffitt
Cllr Nirmal Roy
Stevie Spring
Robin Hirsch (appointed 30 November 1999)

The directors are appointed at the Annual General Meeting

During the year the position of Honorary Treasurer was held firstly by Robin Mabey and then by Robin Hirsch.

**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 2000

The directors who are also the charity trustees have pleasure in presenting their report and financial statements for the year ended 31 March 2000.

Organisation

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

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.

In five years time we intend to achieve the following

The Trust itself	<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
Relationship with Community	<ul style="list-style-type: none"> • Helping 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

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

<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 of Camden</i>	<ul style="list-style-type: none"> • Reclaiming open spaces for public use • Camden healthier and safer • Better quality of environment • Increased resources available to enhance and sustain Camden's environment

The mission and vision will be reviewed to incorporate the interests and aspirations of our new partners in Islington. This will be undertaken in 2000/1 once formal sponsorship has been agreed.

Groundwork Camden is a member of the Groundwork Federation, which consists of 45 Groundwork Trusts in England, Wales and Northern Ireland and the Federation Office based in Birmingham. The Federation Office is responsible for national co-ordination, Trust support and development and provision of central training and services.

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 changing to accommodate the imminent Greater London Authority. The Mayors strategic priorities for the regeneration of London match some of Groundwork's major themes including community safety and crime, accessible transport, sustainability and the quality of the environment. As a central London Trust we are pleased to support the development of Groundwork London providing a new focus for the combined skills and resources of the London Trusts.

Locally, Groundwork Camden is working increasingly across north London – including Islington, Westminster, Barnet and the Kilburn side of Brent. These local authorities share a range of environmental regeneration priorities that affect local communities and clearly demonstrate the scope for Groundwork's approach.

REVIEW OF ACTIVITIES

1999/2000 has been a year of encouraging but controlled growth for the Trust. Three years of successful project delivery confirmed the Trust's profile as an agency with a substantial track record of achievement. This has given us more confidence in planning for larger, multi-annual projects.

The Trust worked in partnership to undertake an increasing number and range of projects addressing:- community recycling, safe play, school grounds improvements, community consultations about public open space, defensible space projects on housing estates, green routes improvements, sustainable transport, capacity building with black and minority ethnic communities, streetscape designs, community art projects and a whole range more. Our Camden Town Programme pulls together a holistic range of projects to deliver community led improvements to the declining Town Centre as part of the pan-London *Vital Centres and Greenlinks SRB2*. Likewise delivery of the *London's Waterways Partnership* community themes in Islington, Camden and Westminster enables the Trust to take a strategic overview of the Regent's Canal through Central London. These programmes both demonstrate the Trusts increasing emphasis being part of a strategic Londonwide Groundwork.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

FUTURE DEVELOPMENTS

The Trust anticipates continuing growth over the next period. The forecast for 2000/1 foresees over 60% increase in activity. The Trust is recruiting additional staff to enable this growth and is also strengthening project management systems to ensure the growth continues at a controlled pace. A significant proportion of this growth relates to the extension into Islington which we will formalise in the next year. This is also linked to planned relocation of the Trust to a more centrally accessible base.

FINANCIAL PERFORMANCE

1999/2000 is year seven for Groundwork Camden and also the year in which the Trust began repayments on a financial liability, inherited from the previous administration.

The trust has total incoming resources of £517,830 (1999 £381,579). This is mainly due to the steady build up of our work programme across several fronts including work on community safety and SRB funded programmes.

The net incoming resources for the year of £77,104 (1999 £6,352) has been achieved by the increased efficiency of operations, tight control of our fixed costs base and stronger project management. In particular the programme of work reflected careful project selection to ensure an improved cost recovery rate on a more consistent basis.

The Trust has a total of £290,876 of funds to carry forward next year (1999 £213,772), £218,125 of these funds are restricted leaving £72,751 unrestricted funds. These unrestricted funds will help us cover the costs of our relocation in 2000/1 and will provide some working capital to underwrite the continued growth of the trust.

Managed contracts, where the Trust provides technical expertise and project management to the partnership, were an important feature of the year's activities, many projects contained significant elements of this approach. In addition to income that passed through Groundwork Camden's books, staff managed an additional £150K project work.

Equally significant are the amounts of time and expertise offered by our partners as "gift in kind". These contributions don't appear in our accounts but the value they bring to the successful completion of projects are immeasurable. In 1999/2000 we devised mechanisms for measuring them accurately and calculate that gift in kind contributed over £65K value in the year. We are also grateful for the energetic and creative contribution of our volunteers over the year.

Where managed contracts and gift in kind are taken into account, the Trust's total incoming resources equate to £715 000.

YEAR 2000

The trustees are aware that there is a risk that computers and other systems will not function properly when they encounter dates incorporating the year 2000. No problems have occurred since the year end, and none are expected in the future.

THE CAMDEN GROUNDWORK TRUST LIMITED
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

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
and signed on its behalf by:

11 JULY 2000

- Director/Trustee 

**HORWATH
CLARK WHITEHILL**

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



We have audited the financial statements on pages 7 to 14 which have been prepared under the accounting policies set out on pages 9 and 10.

Respective Responsibilities of Trustees and Auditors

As described on page 4 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 2000 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.

21 July 2000

A handwritten signature in dark ink, appearing to read 'Horwath Clark Whitehill'.

Chartered Accountants
and Registered Auditors

THE CAMDEN GROUNDWORK TRUST LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2000

INCOME AND EXPENDITURE

	Notes	Unrestricted funds	Restricted funds	Total 2000	Total 1999
		£	£	£	£
Incoming Resources					
Grants and donations	1c	114,137	395,006	509,143	371,808
Interest receivable		7,398	1,089	8,487	9,469
Other income		200	-	200	302
Total incoming resources	3	<u>121,735</u>	<u>396,095</u>	<u>517,830</u>	<u>381,579</u>
Resources Expended					
Direct Charitable Expenditure		45,116	319,511	364,627	277,593
Other expenditure					
Fundraising and publicity		4,141	3,388	7,529	17,440
Management and administration of the charity		<u>37,714</u>	<u>30,856</u>	<u>68,570</u>	<u>80,194</u>
Total resources expended	4	<u>86,971</u>	<u>353,755</u>	<u>440,726</u>	<u>375,227</u>
Net incoming resources for the year		34,764	42,340	77,104	6,352
Balances brought forward as at 1 April 1999		<u>37,987</u>	<u>175,785</u>	<u>213,772</u>	<u>207,420</u>
Balances as at 31 March 2000		<u>72,751</u>	<u>218,125</u>	<u>290,876</u>	<u>213,772</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 14 form part of these financial statements.

THE CAMDEN GROUNDWORK TRUST LIMITED
BALANCE SHEET
AS AT 31 MARCH 2000

	Notes	£	Total 2000 £	Total 1999 £
FIXED ASSETS				
Tangible fixed assets	5		14,189	18,035
CURRENT ASSETS				
Debtors	6	52,694		144,313
Cash at bank and in hand		365,096		187,123
		417,790		331,436
CREDITORS: amounts falling due within one year	7	(112,857)		(106,927)
NET CURRENT ASSETS			304,933	224,509
CREDITORS: amounts falling due after more than one year	8		(28,246)	(28,772)
NET ASSETS	10		290,876	213,772
FUNDS				
Unrestricted:- General			72,751	37,987
Restricted	9		218,125	175,785
			290,876	213,772

Approved by the Board on 11 JULY 2000
and signed on its behalf by:

} Director/Trustee

The notes on pages 9 to 14 form part of these financial statements.

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2000

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) Resources arising

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. Core 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 and those relating 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 2000

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:

Fixtures and fittings and office equipment	- 5 years
Computers	- 3 years

f) Pension Costs

The company subscribes to individual portable pensions covering the 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.

3. GRANTS & DONATIONS

	2000 £	1999 £
Department of Environment Transport and the Regions	128,669	120,000
Single Regeneration Budget	194,798	107,482
Local Authority	133,765	103,152
Private Sector	52,111	39,890
National Lottery	-	1,285
	<u>509,343</u>	<u>371,809</u>
Rental income	-	301
Interest received	8,487	9,469
	<u>517,830</u>	<u>381,579</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

4. TOTAL RESOURCES EXPENDED

	Staff costs £	Other costs £	Total 2000 £	Total 1999 £
Direct Charitable Expenditure	165,233	199,394	364,627	277,593
Fundraising and publicity	4,042	3,487	7,529	17,440
Management and administration of the charity	<u>32,416</u>	<u>36,154</u>	<u>68,570</u>	<u>80,194</u>
	<u>201,691</u>	<u>239,035</u>	<u>440,726</u>	<u>375,227</u>

Staff costs:	2000 £	1999 £
Wages and salaries	170,340	144,902
Social security costs	16,638	14,355
Pension costs	<u>14,713</u>	<u>40,217</u>
	<u>201,691</u>	<u>199,474</u>

The average number of employees was: 9	No.	No.
Direct charitable	6	5
Management and administration	<u>3</u>	<u>2</u>
	<u>9</u>	<u>7</u>

No employee received remuneration in excess of £40,000 (1999-£40,000)

The trustees did not receive any remuneration or expenses during the current or previous year.

Other costs:	Direct Charitable Expenditure £	Fundraising & Publicity £	Management & Admin. Charity £	Total 2000 £	Total 1999 £
Project costs	141,977	-	-	141,977	83,220
Accommodation	9,170	-	8,920	18,090	24,563
Administration	11,362	3,487	11,057	25,906	31,100
Recruitment & training	6,277	-	6,107	12,384	4,801
Audit & Legal	-	-	5,115	5,115	4,720
Consultants	20,959	-	-	20,959	15,890
Travel	1,111	-	1,081	2,192	3,187
Depreciation	3,984	-	3,874	7,858	4,810
Office moving costs	-	-	-	-	3,462
Irrecoverable VAT	<u>4,554</u>	<u>-</u>	<u>-</u>	<u>4,554</u>	<u>-</u>
	<u>199,394</u>	<u>3,487</u>	<u>36,154</u>	<u>239,035</u>	<u>175,753</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

4. RESOURCES EXPENDED CONTINUED	2000	1999
	£	£
Included within Resources Expended is		
Auditors' Remuneration	<u>4,000</u>	<u>4,000</u>
5. TANGIBLE FIXED ASSETS		
	Computer and office equipment	Fixtures & fittings
	£	£
Cost		Total
At 1 April 1999	76,988	85,785
Additions	4,012	4,012
Disposals	<u>(6,111)</u>	<u>(6,111)</u>
31 March 2000	<u>74,889</u>	<u>83,686</u>
Depreciation		
At 1 April 1999	59,054	67,750
Charge	7,757	7,858
Withdrawn on disposal	<u>(6,111)</u>	<u>(6,111)</u>
31 March 2000	<u>60,700</u>	<u>69,497</u>
Net book value		
At 31 March 2000	<u>14,189</u>	<u>14,189</u>
<i>At 31 March 1999</i>	<u>17,934</u>	<u>18,035</u>
6. DEBTORS	2000	1999
	£	£
Project debtors	52,694	111,488
VAT	-	3,574
Prepayments and accrued income	<u>-</u>	<u>29,251</u>
	<u>52,694</u>	<u>144,313</u>
7. CREDITORS: amounts falling due within one year	2000	1999
	£	£
Project creditors	8,643	39
Taxation and social security costs	4,190	4,709
Accruals and deferred income	89,498	94,986
Other creditors	<u>10,526</u>	<u>7,193</u>
	<u>112,857</u>	<u>106,927</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

8. CREDITORS: amounts falling due after more than one year	2000 £	1999 £
Other creditors	<u>28,246</u>	<u>28,772</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>14,386</u>	<u>21,579</u>
	21,579	28,772
Loan from Groundwork UK for recruitment costs		
1-2 Years	3,333	-
2-5 Years	<u>3,334</u>	-
	6,667	-
Total	<u>28,246</u>	<u>28,772</u>

9. MOVEMENT ON RESTRICTED FUNDS

	Funds 1 April 1999 £	Incoming Resource £	Resources Expended £	Funds 31 March 2000 £
Physical Environment Improvements	107,720	190,539	(168,381)	129,878
Education and Community Involvement	55,859	169,107	(151,858)	73,108
Integration of the Economy and the Environment	12,206	28,357	(25,423)	15,139
Project development	-	6,268	(6,268)	-
Other	-	1,825	(1,825)	-
	<u>175,785</u>	<u>396,095</u>	<u>(353,755)</u>	<u>218,125</u>

THE CAMDEN GROUNDWORK TRUST LIMITED
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2000

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	-	194,060	(64,182)	-	129,878
Education & Community Involvement	-	81,828	(8,721)	-	73,108
Integration of the Economy and the Environment	-	29,386	(14,246)	-	15,139
Project development	-	-	-	-	-
Other	-	-	-	-	-
	-	305,274	(87,149)	-	218,125
Unrestricted funds					
General	14,189	112,516	(25,708)	(28,246)	72,751
Premises	-	-	-	-	-
Pensions	-	-	-	-	-
	14,189	417,790	(112,857)	(28,246)	290,876