

**THE CAMDEN GROUNDWORK TRUST LIMITED  
(A COMPANY LIMITED BY GUARANTEE)  
REPORT AND FINANCIAL STATEMENTS  
31 MARCH 1998**

**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 1998**

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**DIRECTORS AND TRUSTEES**

Dr Carolyn Harrison  
Cllr. Deborah Sacks (Chair)  
Ms. Rosemary Nicholson (resigned May 1997)  
Prof Jim Croll  
Ms. Stevie Spring  
Cllr Charlie Hedges (resigned 28 July 1997)  
Robin Mabey  
Keith Cooks (resigned 18 November 1997)  
Andrew Littlewood  
John Joplin (appointed 20 January 1998)  
Cllr Keith Moffat (appointed 18 July 1997)

The directors are appointed at the Annual General Meeting

**EXECUTIVE DIRECTOR AND COMPANY SECRETARY** Catherine Andrews

**REGISTERED OFFICE**

Crowndale Centre  
218 Eversholt Street  
London NW1 1DE

**REGISTERED CHARITY NUMBER:-**

291558

**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 1998**

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The directors who are also the charity trustees have pleasure in presenting their report and financial statements for the year ended 31 March 1998.

## **ORGANISATION**

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

The Trust is part of a national network of over 40 independent Trusts across England, Wales and Northern Ireland. The network is co-ordinated by the Groundwork National Office, which is able to fundraise, to market Groundwork, to train staff and develop operational systems nationally.

### **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.

Our draft Mission for where we would like to be in five years time covers the following four categories.

How we manage ourselves	<ul style="list-style-type: none"><li>- Viable, sustainable, efficient, effective and responsive.</li><li>- Partnership and shared approach with key agencies</li><li>- People know what we are doing.</li></ul>
Working with the community	<ul style="list-style-type: none"><li>- Help people to help themselves</li><li>- Closer working relationships</li><li>- Act as an honest broker and assist local people to get access to regeneration agencies etc.</li><li>- Improve awareness of the environment in the community.</li><li>- Increased links with the private sector</li></ul>
Equal opportunities and diversity	<ul style="list-style-type: none"><li>- More local people involved</li><li>- Strengthening and supporting diversity</li><li>- All involved have a chance to have a say.</li></ul>
Impact on Camden's environment	<ul style="list-style-type: none"><li>- Reclaiming open spaces</li><li>- Camden healthier and safer</li><li>- Better quality of environment</li><li>- Increase resources available to enhance Camden's environment.</li></ul>

## **PRINCIPAL ACTIVITIES**

Nationally Groundwork's principal activities are focused within three objectives.

**Physical environmental improvements** - to be a leading land improvement agency bringing increased amounts of unproductive land and buildings back into beneficial use.

**Education and community involvement** - to create opportunities for more people to learn about, be actively involved in and committed to taking action for the environment.

**Integration of the economy and the environment** - to help business improve its environmental performance and competitiveness and create opportunities for business involvement in community regeneration.

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**DIRECTORS' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 1998**

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**REVIEW OF ACTIVITIES**

1997/8 was the first year for the new team. For most of the year a team of three staff – a Landscape Architect, a Community Projects Worker and the Office Manager assisted the Executive Director in the big task of starting to turn the Trust around. It has been an extremely busy year. The small team made progress on all three Groundwork National Objectives.

The strategic focus remained physical environmental improvements with the Trust building local partnerships to deliver projects in conjunction with the Local Authority, British Waterways, and a range of voluntary and private sector partners. We were especially pleased to establish a new alliance with LBC's Housing Department to implement a series of major projects on housing estates in conjunction with Groundwork's *Action For London's Environment* SRB1 Programme. Our close working relationship with residents and Tenants Associations meant we were able to ensure the projects delivered the types of improvements wanted; for example, play facilities for under five's, kick about areas for older children, quiet seating and community gardens for older residents. We plan to build on this strategic alliance in future years.

Development work and other projects covered, Town Centre improvements in Hatton Garden and Camden Town, Recycling on Housing Estates, Local Agenda 21 Small Grants to Community Groups, Open Spaces Feasibility studies for West Euston and King's Cross Partnership and Environmental Education projects with schools and youth groups.

Managed contracts - where the Trust provides technical expertise and project management to the partnership - were an important feature of the years activities, the main projects contained significant elements of this approach. Groundwork Camden staff managed project budgets that totalled over £669,000 cash expenditure though just over £530,000 actually passed through the Trust's books. Equally significant were the amounts of time and skill 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

**GIFTS IN KIND AND MANAGED CONTRACTS**

The trust received a significant amount of gifts in kind. The estimated value was £56,400. The trust has managed contract on behalf of others valued at £380,000.

**FUTURE DEVELOPMENTS**

In the next few years strengthening of the capacity of the team will be a key priority. At the end of 1997/8 we appointed a new Regeneration Development Manager to oversee Programme plans and expanded our Landscape Architect team. This will put us in a much stronger position to deliver our busy and varied workload. Identifying alternative office premises to accommodate our expanded team is also a priority activity in the next year.

From 1998/9 we commence our *Vital Centres and Greenlinks* SRB2 Programme focusing on the enhancement of Camden Town. This is a five year programme. 1998/9 will see a significant emphasis on partnership development and strategic planning alongside the delivery of projects.

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 1997**

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**FINANCIAL REVIEW**

The trust has net incoming resources for the year of £60,977 (1997 £19,239). This has been achieved by the Trust receiving significant project development funding and additional grant funding from National office. It is the intention of the trust to seek private sponsors to achieve additional partners. Total resources expended have risen in line with the increase in incoming resources for the year.

The Trust has a total of £207,420 of funds to carry forward next year (1997 £146,443), £117,606 of these funds are restricted leaving £89,814 unrestricted funds £68,064 of the unrestricted funds have been designated at the discretion of the Board in respect of the premises move and employers liability. This leaves a balance on general funds of £21,750 to cover the ongoing costs of the Trust.

**AUDITORS**

During the year the auditors changed their name to Horwath Clark Whitehill and have signed their audit report in their new name.

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:

13 July 1998  


- Director/Trustee

**HORWATH  
CLARK WHITEHILL**

*Chartered Accountants*

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



We have audited the financial statements on pages 6 to 12 which have been prepared under the accounting policies set out on pages 8 and 9.

**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 1998 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.

3 August 1998

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 1998**

**INCOME AND EXPENDITURE**

	Notes	Unrestricted funds £	Restricted funds £	Total 1998 £	Total 1997 <i>As Restated</i> £
<b>Incoming Resources</b>					
Grants and donations	1c	219,290	315,585	<b>534,875</b>	327,502
Interest receivable		4,113	-	<b>4,113</b>	1,317
Capital grant		-	-	-	6,941
Other income		1,667	1,500	<b>3,167</b>	-
<b>Total incoming resources</b>	3	<u>225,070</u>	<u>317,085</u>	<b>542,155</b>	<u>335,760</u>
<b>Resources Expended</b>					
Direct Charitable Expenditure		140,791	255,324	<b>396,115</b>	215,403
Other expenditure					
Fundraising and publicity		6,647	3,011	<b>9,658</b>	586
Management and administration of the charity		75,405	-	<b>75,405</b>	100,532
<b>Total resources expended</b>	4	<u>222,843</u>	<u>258,335</u>	<b>481,178</b>	<u>316,521</u>
<b>Net Incoming Resources before transfers</b>		2,227	58,750	<b>60,977</b>	19,239
Transfers between funds	8	<u>(14,000)</u>	<u>14,000</u>	-	-
<b>Net incoming resources for the year</b>		(11,773)	72,750	<b>60,977</b>	19,239
Balances brought forward as at 1 April 1997		101,587	44,856	<b>146,443</b>	75,885
Prior year adjustment		-	-	-	51,319
Balances as at 1 April 1997 restated		<u>101,587</u>	<u>44,856</u>	<b>146,443</b>	<u>127,204</u>
Balances as at 31 March 1998		<u>89,814</u>	<u>117,606</u>	<b>207,420</b>	<u>146,443</u>

The notes on pages 7 to 11 form part of these financial statements.

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**BALANCE SHEET**  
**AS AT 31 MARCH 1998**

	Notes	£	Total 1998 £	Total 1997 As Restated £
<b>FIXED ASSETS</b>				
Tangible fixed assets	5		7,244	13,989
<b>CURRENT ASSETS</b>				
Debtors	6	55,688		101,135
Cash at bank and in hand		<u>264,592</u>		<u>96,818</u>
		320,280		197,953
<b>CREDITORS:</b> amounts falling due within one year	7	<u>120,104</u>		<u>65,499</u>
			<u>200,176</u>	<u>132,454</u>
<b>NET ASSETS</b>			<u>207,420</u>	<u>146,443</u>
<b>FUNDS</b>	8 & 9			
Unrestricted:- General		21,750		69,023
- Premises		48,064		27,564
- Public Relations		-		5,000
- Employment		<u>20,000</u>		<u>-</u>
			89,814	101,587
Restricted			<u>117,606</u>	<u>44,856</u>
			<u>207,420</u>	<u>146,443</u>

Approved by the Board on 13 July 1998  
and signed on its behalf by:

 } Director/Trustee

The notes on pages 7 to 11 form part of these financial statements.



**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 1998**

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**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.

The financial statements incorporate a Statement of Financial Activities in which to reflect better the use of resources. Changes have been made to the expenditure categories and the allocation under which they are shown. Comparative figures have been restated, and an explanation is given in note 2

The Trust has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the company's activities.

**b) Fund accounting**

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

Designated funds comprise general funds which have been set aside at the discretion of the directors for specific purposes.

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 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.

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 1998**

**1. ACCOUNTING POLICIES (CONTINUED)**

**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.

**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	- 5 years
Computer and office equipment	- 3 years

**f) Capital Grants**

Grants that relate to specific capital expenditure are treated as deferred income which is released to the credit of the income and expenditure account over the related asset's useful life.

**g) Pension Costs**

The company subscribes to a defined contributions pension scheme covering the majority of its permanent employees. The company's contributions to the scheme are charged in the statement of financial activities as they accrue.

**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**

	1998 £	1997 £
DETR and SRB	403,487	122,000
Local Authority	97,404	118,340
Private Sector	35,652	87,162
DoE. capital grant	-	6,941
	<u>536,543</u>	<u>334,443</u>
Rental income	1,500	-
Interest received	4,112	1,317
	<u>542,155</u>	<u>335,760</u>

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 1998**

**4. TOTAL RESOURCES EXPENDED**

	Staff costs	Other costs	<b>Total 1998</b>	<i>Total 1997</i>
Direct Charitable Expenditure	82,410	313,705	<b>396,115</b>	215,403
Fundraising and publicity	6,300	3,358	<b>9,658</b>	-
Management and administration of the charity	<u>45,699</u>	<u>29,706</u>	<u><b>75,405</b></u>	<u>101,118</u>
	<u>134,409</u>	<u>346,769</u>	<u><b>481,178</b></u>	<u>316,521</u>

<b>Staff costs:</b>	<b>1998</b>	<b>1997</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>111,408</b>	66,128
Social security costs	<b>10,506</b>	5,935
Pension costs	<u><b>12,495</b></u>	<u>10,706</u>
	<u><b>134,409</b></u>	<u>82,769</u>

The average number of employees was	<u><b>5</b></u>	<u>4</u>
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The trustees did not receive any remuneration or expenses during the current or previous years.

	Direct Charitable Expenditure £	Fundraising & Publicity £	Management & Admin. Charity £	Total £	1997 £
Project costs	258,426	-	-	258,426	123,191
Accommodation	15,846	-	8,163	24,009	22,670
Administration	10,648	3,358	3,522	17,528	25,250
Recruitment & training	9,689	-	4,991	14,680	-
Audit & Legal	3,019	-	4,901	7,920	6,758
Consultants	7,250	-	3,735	10,985	16,071
Travel	783	-	250	1,033	1,705
Depreciation	8,044	-	4,144	12,188	16,804
Events & Hospitality	-	-	-	-	5,492
Office Equipment	-	-	-	-	15,813
	<u>313,705</u>	<u>3,358</u>	<u>29,706</u>	<u>346,769</u>	<u>233,754</u>

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 1998**

**5. TANGIBLE FIXED ASSETS**

	Computer and office equipment £	Fixtures & fittings £	Total £
<b>Cost</b>			
At 1 April 1997	55,928	9,049	64,977
Additions	5,443	-	5,443
31 March 1998	61,371	9,049	70,420
<b>Depreciation</b>			
At 1 April 1997	44,547	6,441	50,988
Charge	10,378	1,810	12,188
31 March 1998	54,925	8,251	63,176
<b>Net book value</b>			
At 31 March 1998	6,446	798	7,244
At 31 March 1997	11,381	2,608	13,989

**6. DEBTORS**

	1998 £	1997 £
Project debtors	13,185	100,578
VAT	-	557
Prepayments and accrued income	42,503	-
	<u>55,688</u>	<u>101,135</u>

**7. CREDITORS**

	1998 £	1997 £
Project creditors	22,599	30,554
Taxation and social security costs	6,370	2,345
Accruals and deferred income	91,135	32,600
	<u>120,104</u>	<u>65,499</u>

**8. MOVEMENT ON RESTRICTED FUNDS**

	Funds 1 April 1997 £	Incoming Resource s £	Resources Expended £	Transfers 31 March 1998 £	Funds 31 March 1998 £
Physical Environment Improvements	36,327	216,942	186,605	-	66,664
Education and Community Involvement	8,529	82,018	56,733	9,000	42,814
Integration of the Economy and the Environment	-	19,000	12,782	-	6,218
Project development	-	(875)	2,215	5,000	1,910
Other	-	-	-	-	-
	<u>44,856</u>	<u>317,085</u>	<u>(258,335)</u>	<u>14,000</u>	<u>117,606</u>

The transfers between funds relate to project development fund income which have been used against projects undertaken.

**THE CAMDEN GROUNDWORK TRUST LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 1998**

**9. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Tangible fixed assets	Current assets	Current liabilities	Total net assets
	£	£	£	£
<b>Restricted funds</b>				
Physical Environment Improvements	-	163,150	96,486	66,664
Education & Community Involvement	-	54,710	11,896	42,814
Integration of the Economy and the environment	-	6,218	-	6,218
Project development	-	2,910	1,000	1,910
Other	-	-	-	-
	-	226,988	109,382	117,606
<b>Unrestricted funds</b>				
General	7,244	25,228	10,722	21,750
Premises	-	48,064	-	48,064
Pensions	-	20,000	-	20,000
	<u>7,244</u>	<u>320,280</u>	<u>120,104</u>	<u>207,420</u>