

**THE LAKE DISTRICT CALVERT TRUST**

**(Company No. 1240160 England & Wales)**

**(Registered Charity No. 270923)**

**REPORT OF THE TRUSTEES (DIRECTORS)**

**AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30<sup>TH</sup> NOVEMBER 2003**





## THE LAKE DISTRICT CALVERT TRUST

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**THE LAKE DISTRICT CALVERT TRUST**  
**COMPANY INFORMATION**

**STATUS**

The Charity was incorporated on 12th January, 1976, as a Company limited by guarantee and not having a share capital. The Charity is governed by its Memorandum and Articles of Association. The Charity has dispensed with the use of the word "Limited" in its name. The Charity is registered with the Charity Commission.

**TRUSTEES (DIRECTORS)**

\*Mr. R. Burgess, DL (Chairman)  
Mr. N. Coulson (Appointed 26<sup>th</sup> April 2003)  
Mrs Marsha Corper  
Mr. J.A. Cropper, BA, FCA, The Lord Lieutenant of Cumbria  
Mr. R. F. Grisdale (Deceased 24<sup>th</sup> December 2002)  
Mr. I.F. Guest, MA, D Univ, FRAD  
The Right Reverend T.R. Hare (Retired 26<sup>th</sup> April 2003)  
Mr. J. R. Holtom, ARICS, FAAV  
The Lord Inglewood, MEP, DL, MA, ARICS  
Mr. P. Lingard, MBE  
\*Mr C. A. Lloyd, FRICS  
Mr. F.D.M. Lowry, FCA  
Mr. T. Marshall, MBE  
\*Mr D.J.Sharrock, ACMA  
Mr. J.H.F. Fryer-Spedding, CBE, OBE, DL  
Mr. J.W. Fryer-Spedding  
Mr. R.C. Spoor, OBE, RD, DCL, DL, FCA  
\*Mr. R Ward (Appointed 26<sup>th</sup> April 2003)  
\*Mr A. W. Welton  
\*Mr. J.A. Wood, FCA (Hon. Company Secretary)  
Dr. R.S. Woof, CBE, MA, PhD, D.Litt (Hon)

**\* Indicates member of the Trustees Management Group ("The TMG")**

The Trustees are appointed, by the Members, at the Annual General Meeting of the Trust.

**HON. TREASURER**

\*Mr. R. Ward, FCA

**COMPANY NUMBER**

1240160 (England & Wales)

**CHARITY NUMBER**

270923

**REGISTERED OFFICE**

Little Crosthwaite, Keswick, Cumbria, CA12 4QD

**AUDITORS**

Gibbons & Company  
Chartered Accountants & Registered Auditors, Carleton House, 136 Gray Street, Workington,  
Cumbria, CA14 2LU

## **THE LAKE DISTRICT CALVERT TRUST**

### **Chairman's Summary of the Year and Financial Results**

I am pleased to be able to report another successful year for the Trust. The Centre was, in practical terms, full, we completed the re-development of the stables, our finances are sound and, most important of all, our customer feedback showed continued high ratings and that we continue to make a real difference to the lives of many disabled people.

The re-development of the stable facilities and buildings was completed in the late spring of 2003, which meant we could be fully operational in the peak summer months. It has proved a great success both for riders and the staff. The Riding Centre was officially re-opened by HRH The Princess Royal this spring. We were very proud to show Her Royal Highness around, and she was very impressed with everything we have done. It was an exciting and interesting day despite the Cumbrian weather (rain and wind!).

The Lord Lieutenant of Cumbria, Mr James Cropper, representing Her Majesty the Queen, presented the Riding Volunteers with the Queen's Golden Jubilee Award, at a ceremony following the AGM in July 2003. The award was a great honour, being one of an inaugural group of only 200 awards made to volunteer groups ("The Unsung Heroes") to mark the Queen's Golden Jubilee celebrations.

Riding remains one of our core activities; however all the activities are appreciated in varying degrees by our visitors. The climbing wall remains very popular and we continue to offer courses tailored for people with a large range of disabilities. As well as the activities within the Lake District we continue to provide opportunities further afield, and we arranged another successful course in the Pyrenees. The Trust is involved with a group of local people who want to set up a 'sister Trust' there, and we believe this could be of benefit to us, as well as to disabled people in mainland Europe.

We have reviewed our 5 Year Plan 2000-2005, and, with the exception of provision of more Respite Care, which we have decided not to pursue further for the time being, we have achieved all the main objectives we set ourselves. We are thus embarking on a new review, after less than 4 years of the previous Plan, and we expect to have a revised blue print for the coming years in place around the end of 2004. We would be very happy to receive comments from any of our friends and supporters, indicating where they think the Trust should be going.

Our finances remain sound. The Centre again made a surplus of around £23,000 as indicated in the attached Statement of Financial Activities

The "Stables Project" revenues have now been spent on the redevelopment of the Riding Centre. Our finances only remain sound with the support of significant contributions from The Friends, Grant Making Trusts, Legacies, Lottery funding, and our many friends and supporters. It is particularly encouraging that, over the last four years, we have received various legacies, which have substantially helped our viability.

Of course none of this would happen without the professionalism and hard work of the Director, centre staff and our helpers. I am delighted to be able to say thank you to them all.

Robin Burgess  
**Chairman of the Trustees**

**THE LAKE DISTRICT CALVERT TRUST  
REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 30<sup>TH</sup> NOVEMBER 2003**

The Trustees (who are the Directors) present their Report and Accounts for the year ended 30<sup>th</sup> November 2003.

**Objects**

**The purpose of the Trust is to enable people with physical, sensory and learning disabilities with their families and friends to benefit from outdoor activities in the countryside.**

The benefits and enjoyment of the activities will be offered to all, irrespective of ability. These benefits include:

- the enrichment in the life of each individual through adventure, confidence building and personal achievement;
- the chance to enjoy countryside of exceptional natural beauty;
- holidays which include activity as well as relaxation;
- recreational opportunities that can be transferred into everyday living;
- personal development and rehabilitation leading to integration.

We continue to do this by providing:

- a wide range of Adventurous Outdoor Activities, meaningful challenge and adventure within a framework of safety;
- skilled, qualified and caring staff able to fulfil the needs of visitors;
- accommodation appropriate to the needs of the visitors;
- facilities for families and friends to share the enjoyment and experience.

The Trust's Centre at Keswick was opened in 1978. Working closely with our disabled visitors and many organisations that visit our Centre we have pioneered the provision and promotion of outdoor activities for people with disabilities.

**Activities**

The Centre at Little Crosthwaite is the base for our activities. Climbing, abseiling and fell walking are available on the local fells, together with orienteering and cycling. The Trust also provides instruction in paragliding including paragliding wheelchairs. The Trust can provide a wide range of indoor activities including swimming, use of the climbing wall and archery. Our water-based activities are centred on our Boathouse on Bassenthwaite Lake. From there we operate a range of sailing dinghies and canoes. At the Riding Centre at Old Windebrowe our sister Trust, the Keswick (Calvert Trust) RDA Group, has 11 horses and indoor and outdoor riding schools. Trap driving as well as riding is available.

**Safety and Risk Management**

The Trustees consider safety to be of paramount importance. We are accredited to the governing bodies having an oversight of each of the activities in which the Trust takes part. The Centre is licensed under the Adventure Activities Licensing Authority. Radio contact with our Centre is maintained by the instructors supervising the main activities.

The Trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions. The Trustees have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

## **Staff**

The Trust employs staff the equivalent of 25 full-time staff. Of these 12 are instructional staff, 4 Office/Administrative and 9 domestic staff. The Centre is also supported by volunteers who give of their time most generously. These are mostly riding helpers. The Trust employs 4 disabled people. We receive large numbers of applications for all instructional posts and are able to select appointees of high calibre. All staff hold the appropriate qualifications in the activities in which they instruct as well as in first aid. Staff training is given a high priority by the Centre Director, as is the taking of opportunities to widen the horizons of our staff.

## **Fixed Assets**

Changes in fixed assets are shown in Notes 7 and 8 to the financial statements.

The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe which were the subject of a generous gift when the Trust was founded. The Trust uses these properties as the bases from which it carries out its work.

The properties, when gifted, were subject to a restriction that, should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity. As a result of the restrictions placed upon the sale, the properties have not been valued at full open market value. The Trustees valued the property in 1989 at the Trustees' opinion of value.

For many years, no depreciation was charged on the freehold properties as the Trustees were of the opinion that the buildings had an unlimited useful life. From 1<sup>st</sup> December 1993, a provision for depreciation has been made so as to depreciate the buildings over 100 years.

In 1997 there was a major contract to refurbish, improve and rebuild the premises at Little Crosthwaite. The expenditure incurred has been added to the book value of the fixed assets.

The property is thus recorded in the accounts at its valuation made in 1989 by the Trustees plus subsequent expenditure.

Other fixed assets are depreciated on a straight line basis but the Trustees will review the position annually or on the occasion of any major occurrence in the future.

## **Buildings**

Our main buildings are centred on two former farmsteads at Little Crosthwaite and Old Windebrowe. Extensive improvements have been made to the buildings under the Trust's Equal Chance Project.

## **Future Capital Projects**

With completion of the Stables Project the original Equal Chance Appeal programme of work is completed. The Centre Director and the TMG are reviewing further capital expenditure to upgrade the ropes course, the Barn at Old Windebrowe, and to provide a new swimming pool, a ski slope and other facilities. When decisions are made then finance will be sought, to enable the expenditure to go ahead, and in the interim capital is being reserved in the Research, Development and Maintenance Fund.

The total cost involved in the projects currently being progressed is in excess of £800,000, however this figure includes £250,000 for the Ski Slope for which planning permission has been refused.

## **Research, Development & Maintenance Fund**

The Trustees have established this Fund to ensure that money is designated, when available, for identified projects. There are commitments in the Centre's Plan to develop new activities, and to cater for people with more serious disabilities. To enable these commitments, projects are continuously progressed, which are, of necessity, of a development nature, and sometimes speculative. However, as such projects progress, the availability of funds becomes an issue, and the Trustees have decided that, once agreed by the TMG, specific monies should be designated against projects under development. A further objective is to set aside monies to cover exceptional, unplanned maintenance which might arise due to the very specialised {and sometimes unique} facilities of the Trust.

## **Bookings**

During the year a satisfactory level of bookings was achieved. In relation to residential visitors 9937 bednights were taken up (Budget 9650). These visitors come from all parts of the United Kingdom and abroad and include a wide range of disabilities. Additionally we made extensive provision for local groups from Cumbria who use our riding, climbing wall and indoor swimming facilities extensively.

## **Special Enabling Project**

The Trustees policy is, as far as possible, for the Centre to make charges to our visitors which reflects the cost of running the Centre (without any allowance for depreciation). We make provision for visitors who come from disadvantaged areas of the country by way of our Special Enabling Programme. Under this, the Centre Director can give limited financial assistance to groups who would not otherwise be able to afford the course fees. A separate report can be obtained in relation to the Special Enabling Programme. The Trustees greatly appreciate the generosity of the donors who have assisted this Programme.

## **Friends of the Calvert Trust (Lake District)**

As well as providing financial support to the Trust, the Trustees greatly appreciate the hard work which the active support of the Friends involves.

## **The Calvert Trust Council**

The Council co-ordinates the work of the Trust with the other two Calvert Trust Centres at Kielder in Northumberland and Exmoor in Devon, which are all separate legal entities. The three Centres are increasingly co-operating to their mutual benefit under the aegis of the Council. The Trustees of the Council are the three Operating Trusts. The Council is fortunate to be supported by an active London Committee.

Council of the Calvert Trust  
Little Crosthwaite  
Underskiddaw  
Keswick  
Cumbria CA12 4QD

Calvert Trust Kielder  
Kielder Water  
Hexham  
Northumberland  
NE48 1BS

Calvert Trust Exmoor  
Wistlandpound Farm  
Kentisbury  
Barnstaple  
Devon EX31 4SJ

## **Statement of Related Parties**

In addition to the above sister Trusts & Friends of the Calvert Trust (Lake District), Calvert Trust Keswick (which is the operating name used by the Lake District Calvert Trust) works closely with the Keswick (Calvert Trust) Group RDA (Charity No. 244108). Related party interest as set out in the Notes to the Accounts (Page 16)

## **Statement of Trustees' Responsibilities**

Charity law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the scheme's financial transactions during the Trust's year and of the disposition of the Trust's assets and liabilities at the end of that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with Statement of Recommended Practice, "Accounting and Reporting by Charities", subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which enable them to declare with reasonable accuracy at any time the financial position of the charity. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## **Governance**

The Trustees delegate many of their functions to a Trustees' Management Group (TMG) comprised as follows:

Mr R Burgess, DL	Mr C Lloyd, FRICS	Mr D J Sharrock, ACMA
Mr R Ward, FCA - Hon Treasurer	Mr A W Welton - Chairman	Mr J A Wood, FCA

**In attendance :** Mr J Crosbie, B Ed Hons - (Centre Director)  
Mrs Wendy Alexander - Secretary to the TMG

The TMG meets six times in each year.

The Advisory Committee, which is a consultative body, meet on occasions. The Trustees consider that this system of governance is operating satisfactorily.

## **Reserves (excluding Designated Funds)**

The Hon Treasurer monitors the Trusts finances & reserves and reports to the TMG; should any major shortfall arise this will be advised to the Trustees, temporary surplus funds will be placed in interest bearing bank accounts. The Reserve considered necessary is an excess of cash at bank plus current assets over current liabilities.

## **Trustees Reserve (see Designated Funds)**

The Trustees consider that reserves should be set aside to cover uninsurable contingencies such as loss consequent upon closure for unforeseen reasons.

The Trustees set the currently desirable level of reserve as the equivalent of one year's Centre expenditure.

The Trustees plan by fund raising to raise the Trust's reserves to this level.

This policy is reviewed annually by the Trustees.

## **Cash Flow**

The significant flows of funds set out in this Report, and summarised in the simplified Cash Flow Statement on page 13, include many grants and donations. The generation of income to cover operating costs, repairs, refurbishment etc. remains a local responsibility of the Centre and its supporters, through course fees, fund-raising and other initiatives, and efforts are being increased to generate sufficient funds to ensure optimum utilisation and maintenance of the Centre's excellent facilities.

## **Investment Policy**

The Trust's policy for its cash and reserves can be summarised as follows:

1. Cash required for immediate use is held on current account with a main clearing bank.
2. Cash not required for immediate use is held in interest bearing accounts either with a main clearing bank, main building society or equivalent institution.
3. Bonds, Government stocks shares etc are held directly by the Trust and the Trust takes advice from financial advisers from time to time as to acquisitions and disposals.

The Trust set up an Investment Committee in 2002, whose task is to periodically review the individual investment policies of the various separate funds, take investment advice and administer the funds in a way that ensures the policies are adhered to and an adequate income is maintained, whilst the risk to capital is kept to an acceptable level.

During this period more than half of the Trust's reserves have been held in cash, which the Trustees believe has been a reasonable policy in the present investment climate. This policy is currently under review.

**Auditors**

Messrs. Gibbons & Company, Chartered Accountants & Registered Auditors, have signified their willingness to remain in office as Auditors and a resolution re-appointing them will be proposed at the Annual General Meeting.

**Conclusion**

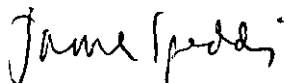
The Trustees are confident that our Centre has a good future. There is a great demand for our courses and facilities. The Trustees are satisfied that we maintain the highest standards. Together with the other two Calvert Trust Centres we are constantly striving to improve the range and quality of the activities which we can offer. The Trustees are grateful for the industry and skill which the Centre Director, staff and volunteers have exhibited during the year. The Trustees would like also to record their thanks to the many grant making trusts, companies and individuals who have given such generous financial support during the year to the Trust. We are most fortunate to have so many generous backers.

**Approval of Report**

This Report was approved by the Trustees on 18<sup>th</sup> June 2004, and signed on their behalf.



**Robin Burgess, DL – Chairman of Trustees**



**James Fryer-Spedding – Trustee & Hon. Company Secretary**

**AUDITORS' REPORT**  
**TO THE MEMBERS OF**  
**THE LAKE DISTRICT CALVERT TRUST**

We have audited the financial statements of The Lake District Calvert Trust for the year ended 30 November 2003 on pages 10 to 21 which have been prepared under the historical cost convention and the accounting policies set out on page 14.

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 company 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 the Trustees and Auditors**

As described on page six the charity's Trustees who are also the directors of The Lake District Calvert Trust for the purposes of company law are responsible for the preparation of 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 United Kingdom Auditing Standards.

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 also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company 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 with the company is not disclosed.

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

**Basis of Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees 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 mis-statement, 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 of the state of the charitable company's affairs as at 30th November 2003 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

18th June 2004  
Carleton House,  
136 Gray Street  
WORKINGTON

  
**GIBBONS & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**& REGISTERED AUDITORS**

**THE LAKE DISTRICT CALVERT TRUST  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 30<sup>TH</sup> NOVEMBER 2003  
SUMMARY INCOME AND EXPENDITURE ACCOUNT**

Notes	Restricted Funds	<<<<<	Unrestricted Funds	>>>>>	Total 2003	Total 2002
		Designated Funds	Centre Activities	Other		
	£	£	£	£	£	£
<b>INCOMING RESOURCES</b>						
Fees for Activities and Accommodation			530,888		530,888	479,569
Donations and Gifts	56,438			41,806	98,244	120,305
Grant for Stables Redevelopment – Sport England	335,167				335,167	
Legacies				75,185	75,185	31,042
Gift Aid & Covenanted Income				4,095	4,095	6,648
Investment Income	<u>6,298</u>	<u>25,670</u>	<u>—</u>	<u>3,352</u>	<u>35,320</u>	<u>42,240</u>
<b>Total Incoming Resources</b>	<b><u>397,903</u></b>	<b><u>25,670</u></b>	<b><u>530,888</u></b>	<b><u>124,438</u></b>	<b><u>1,078,899</u></b>	<b><u>679,804</u></b>
<b>RESOURCES EXPENDED</b>						
<b>Cost of generating funds</b>						
Costs of Activities and Accommodation	2 173,562	8,702	494,806	43,494	720,564	668,833
Fund Raising costs	3			8,910	8,910	6,709
<b>Charitable expenditure</b>						
Management and Administration	3			17,986	17,986	17,217
Other Charitable Expenditure	2			34,000	34,000	22,300
<b>Irrecoverable VAT</b>						
(Irrecoverable VAT transferred to Fixed Assets)						
	48,372	63,742	12,982		125,096	16,086
	<u>(48,372)</u>	<u>(63,742)</u>	<u>—</u>	<u>—</u>	<u>(112,114)</u>	<u>(6,156)</u>
<b>Total Resources Expended</b>	<b><u>173,562</u></b>	<b><u>8,702</u></b>	<b><u>507,788</u></b>	<b><u>104,390</u></b>	<b><u>794,442</u></b>	<b><u>724,989</u></b>
<b>NET INCOMING (OUTGOING) RESOURCES FOR THE YEAR</b>	<b>4</b>	<b><u>224,340</u></b>	<b><u>16,968</u></b>	<b><u>23,100</u></b>	<b><u>20,048</u></b>	<b><u>284,456</u></b>
					<b><u>284,456</u></b>	<b><u>(45,185)</u></b>

**STATEMENT OF OTHER RECOGNISED GAINS**

	Restricted Funds	<<<<<	Unrestricted Funds	>>>>>	Total 2003	Total 2002
		Designated Funds	Centre Activities	Other		
	£	£	£	£	£	£
Net Incoming (Outgoing) Resources for the Year	224,340	16,968	23,100	20,048	284,456	(45,185)
Capital Expenditure (Funds Transferred)			(23,100)	23,100	-	-
Revenue Expenditure (Funds Transferred)	(766)			766	-	-
Gains (Losses) on Revaluation and Disposal of Investments	<u>13,230</u>	<u>32,174</u>	<u>—</u>	<u>—</u>	<u>45,404</u>	<u>(79,610)</u>
Net Movement in Funds for the year	236,804	49,142	-	43,914	329,860	(124,795)
<b>Total Funds Brought Forward</b>	<b>1,153,512</b>	<b>743,090</b>	<b>-</b>	<b>1,451,671</b>	<b>3,348,273</b>	<b>3,473,068</b>
<b>Total Funds Carried Forward</b>	<b><u>1,390,316</u></b>	<b><u>792,232</u></b>	<b><u>—</u></b>	<b><u>1,495,585</u></b>	<b><u>3,678,133</u></b>	<b><u>3,348,273</u></b>

**THE LAKE DISTRICT CALVERT TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 30<sup>TH</sup> NOVEMBER, 2003**

Note of Historical Cost Surplus	<b>2003</b> <b>£</b>	<b>2002</b> <b>£</b>
Net Incoming/(Outgoing) Resources for the year	284,456	(45,185)
Difference between historical cost depreciation charge and the depreciation charge calculated on the revalued assets	<u>3,532*</u> <u>287,988</u>	<u>3,532*</u> <u>(41,653)</u>

**\* All relating to unrestricted funds (other)**

The notes on pages 14 to 21 form part of these accounts.

**THE LAKE DISTRICT CALVERT TRUST**  
**BALANCE SHEET AS AT 30<sup>TH</sup> NOVEMBER, 2003**

	Notes	£	2003 £	£	2002 £
<b>FIXED ASSETS</b>					
Tangible Assets	7		2,782,648		2,387,991
Investments	9		<u>944,631</u>		<u>1,023,823</u>
			3,727,279		3,411,814
<b>CURRENT ASSETS</b>					
Debtors	10	120,504		43,929	
Cash at Bank, Building Society and in hand		<u>35,032</u>		<u>53,105</u>	
		155,536		97,034	
<b>CREDITORS: (Amount falling due within one year)</b>	11	<u>204,682</u>		<u>160,575</u>	
<b>NET CURRENT LIABILITIES</b>			(49,146)		(63,541)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>3,678,133</u>		<u>3,348,273</u>
<b>FUNDS</b>					
Restricted Funds	13		1,390,316		1,153,512
Unrestricted Funds					
Designated Funds	15	792,232		743,090	
Other Charitable Funds	13	<u>1,495,585</u>	<u>2,287,817</u>	<u>1,451,671</u>	<u>2,194,761</u>
			<u>3,678,133</u>		<u>3,348,273</u>

Approved by the Trustees on 18<sup>th</sup> June 2004, and signed on their behalf.

  
**ROBIN BURGESS, DL - CHAIRMAN OF TRUSTEES**

  
**JAMES FRYER-SPEDDING - COMPANY SECRETARY & TRUSTEE**

The notes on pages 14 to 21 form part of these accounts.

**THE LAKE DISTRICT CALVERT TRUST**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30<sup>TH</sup> NOVEMBER, 2003**

**Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities**

	2003 £	2002 £
Changes in Resources before Revaluations	284,455	(45,185)
Depreciation	150,511	161,603
(Decrease)/Increase in Creditors	44,107	15,286
Decrease/(Increase) in Debtors	<u>(76,575)</u>	<u>(20,006)</u>
<b>Net Cash Inflow from Operating Activities</b>	<b><u>402,498</u></b>	<b><u>111,698</u></b>

**CASH FLOW STATEMENT**

	2003 £	2002 £
Net Cash Inflow from Operating Activities	402,498	111,698
<b>Investing Activities</b>		
Purchase of Tangible Fixed Assets	(545,168)	(75,349)
Purchase of investments	(3,709)	(6,825)
Sale of Investments	<u>1,215</u>	<u>1,832</u>
<b>Net Cash Outflow from Investing Activities</b>	<b><u>(547,662)</u></b>	<b><u>(80,342)</u></b>
 Increase/(Decrease) in Cash and Cash Equivalents in the Year	 <b><u>(145,163)</u></b>	 <b><u>31,355</u></b>

**Analysis of Change in Cash and Cash Equivalents**

	2003 £	2002 £	Change in Year 2003 £	2002 £
Cash Deposits	480,226	607,316	(127,090)	66,624
Cash at Bank, Building Society and in Hand	35,032	53,105	<u>(18,073)</u>	<u>(35,269)</u>
			<b><u>(145,163)</u></b>	<b><u>31,355</u></b>

The notes on pages 14 to 21 form part of these accounts

**THE LAKE DISTRICT CALVERT TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>th</sup> NOVEMBER, 2003**

**1. ACCOUNTING POLICIES**

**Basis of preparation of Financial Statements**

The financial statements are prepared and the historical cost convention modified to include the revaluation of freehold property with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, SORP Update Bulletin 1 issued in December 2002, applicable accounting standards and the Companies Act 1985.

**Depreciation of Fixed Assets**

From 1st December, 1993, depreciation has been charged on the freehold property (buildings) so as to depreciate them over 100 years.

Depreciation on other tangible assets is provided at the rates shown below.

Over the period of the lease	Leasehold property (building)
10% per annum straight line	Leasehold property (installations)
10% per annum straight line	Freehold property (installations)
20% per annum straight line	Furnishings and equipment
20% per annum straight line	Motor Vehicles

**Income**

Voluntary income, donations and legacies are accounted for as received by the Charity. The income from fund-raising ventures is shown gross, with the associated costs included in fund-raising costs. No permanent endowments have been received in the year, but these would be dealt with through the Statement of Financial Activities when received.

**Investments**

Investments are valued in the Balance Sheet at market value. Realised and unrealised gains and losses on investments are recognised in the Statement of Financial Activities and credited or debited to the funds to which the investment relates. Income reinvested is recognised as income in the Statement of Financial Activities.

**Expenditure on Management and Administration of the Charity**

Administration expenditure includes all expenditure not directly related to the charitable activity or fund-raising ventures. This includes costs of audit fees.

**Value Added Tax**

Value Added Tax on expenditure incurred by the Trust which cannot be recovered, is shown as a separate item in the Statement of Financial Activities.

**Pension Costs**

Contributions payable to the Company's Pension Scheme are charged to the Profit and Loss Account in the period to which they relate.



## 2. DIRECT CHARITABLE EXPENDITURE

	Restricted Funds	Designated	Unrestricted Funds Centre Activities	Other	Total 2003	2002
<b>Cost of Activities &amp; Accommodation</b>						
Staff Costs (Note 5)			306,092		306,092	284,447
Other Costs			263,961		263,961	222,783
Enabling Funds utilised	75,247		(75,247)			-
Depreciation on Tangible Assets	<u>98,315</u>	<u>8,702</u>		<u>43,494</u>	<u>150,511</u>	<u>161,603</u>
<b>Total</b>	<b><u>173,562</u></b>	<b><u>8,702</u></b>	<b><u>494,806</u></b>	<b><u>43,494</u></b>	<b><u>720,564</u></b>	<b><u>668,833</u></b>
<b>Other Charitable Expenditure</b>						
Subvention to Keswick (Calvert Trust) Riding for the Disabled Association				<u>34,000</u>	<u>34,000</u>	<u>22,300</u>

## 3. OTHER EXPENDITURE

	Restricted	Designated	Centre Activities	Other	Total 2003	2002
<b>Fund-raising Costs</b>						
External Fund-raiser				120	120	95
Staff Costs (Note 5)				8,748	8,748	5,760
Publicity, Printing, Stationery & Advert				<u>42</u>	<u>42</u>	<u>854</u>
				<u>8,910</u>	<u>8,910</u>	<u>6,709</u>
<b>Management &amp; Administration</b>						
Staff Costs (Note 5)				8,748	8,748	5,760
Legal and Professional Charges				3,500	3,500	3,995
Sundry Expenses				3,464	3,464	4,408
Telephone				<u>2,274</u>	<u>2,274</u>	<u>3,055</u>
				<u>17,986</u>	<u>17,986</u>	<u>17,218</u>

#### 4. NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFER

	2003 £	2002 £
The net incoming resources are stated after charging:		
Depreciation of Tangible Fixed Assets	150,511	161,603
Auditors' Remuneration - Audit Fees	<u>3,500</u>	<u>3,429</u>
and after crediting:-		
Investment Income - Quoted Investments	18,776	20,315
- Other Investments	<u>16,544</u>	<u>21,925</u>
	<u>35,320</u>	<u>42,240</u>

#### 5.(a) EMPLOYEE COSTS

	2003 £	2002 £
<b>Staff Costs:-</b>		
Wages and Salaries	278,741	263,265
Social Security Costs	17,996	16,331
Pension Costs	8,578	7,159
Grants & other contributions to wages		(6,917)
Training Costs	13,076	3,918
Temporary Staff	<u>5,197</u>	<u>12,212</u>
<b>Total</b>	<u>323,588</u>	<u>295,968</u>

The average number of persons employed by the Trust during the year was as follows:-

	2003 No.	2002 No.
Management and Administration	4	4
Direct Charitable Work	<u>21</u>	<u>22</u>
	<u>25</u>	<u>26</u>

(b) **Remuneration of Trustees**, The Trustees were not entitled to and did not receive any remuneration during the year or any reimbursement of expenses.

#### 6. TRANSACTIONS WITH RELATED PARTIES

##### (a) Keswick (Calvert Trust) Riding for the Disabled Association Group

The Trust is the largest user of the services of Keswick (Calvert Trust) Riding for the Disabled Association Group, a charity with which it has some common trustees and shares officers, offices and administrative arrangements. The Trust paid £12,000 in the year (£12,000 in 2002) for these services but also subsidised the Group to the extent necessary to enable it to continue to operate. This subsidy was partly in kind and partly in cash. The in-kind element includes the provision of premises, insurance and administration, and cannot be costed accurately. It was supplemented in the year by a cash subsidy of £34,000 (£22,300 in 2002).

##### (b) Trustees

Expenditure for the year includes rent paid to the following Trustees or their family members. The rents in total are below current market value:

	2003 £	2002 £
James W. Fryer-Spedding (Trustee)	8,452	8,452
Jack Fryer-Spedding (Son of Trustee)	4,010	4,010

## 7. TANGIBLE FIXED ASSETS

	Freehold Property		Leasehold Property		Furnishings & Equipment £	Motor Vehicles £	Total £
	Buildings £	Installations £	Building £	Installations £			
<b>Cost/Valuation</b>							
At 1.12.02	2,048,288	543,654	76,365	58,960	242,341	144,727	3,114,335
Additions in year	341,312	84,205		11,570	54,874		491,961
Irrecoverable VAT	47,799	1,961		892	2,555		53,207
Disposals					(109,614)		(109,614)
<b>At 30.11.03</b>	<b><u>2,437,399</u></b>	<b><u>629,820</u></b>	<b><u>76,365</u></b>	<b><u>71,422</u></b>	<b><u>190,156</u></b>	<b><u>144,727</u></b>	<b><u>3,549,889</u></b>
<b>Depreciation</b>							
At 1.12.02	145,460	245,485	16,671	28,766	168,941	121,021	726,344
For the year	25,179	62,983	3,317	7,143	39,400	12,489	150,511
On Disposals					(109,614)		(109,614)
<b>At 30.11.03</b>	<b><u>170,639</u></b>	<b><u>308,468</u></b>	<b><u>19,988</u></b>	<b><u>35,909</u></b>	<b><u>98,727</u></b>	<b><u>133,510</u></b>	<b><u>764,241</u></b>
<b>Net Book Value</b>							
At 30.11.03	<u>2,266,760</u>	<u>321,352</u>	<u>56,377</u>	<u>35,513</u>	<u>91,429</u>	<u>11,217</u>	<u>2,782,648</u>
At 30.11.02	<u>1,902,828</u>	<u>298,169</u>	<u>59,694</u>	<u>30,194</u>	<u>73,400</u>	<u>23,706</u>	<u>2,387,991</u>

### Freehold Property Revaluation Reserve

During 1989, the freehold properties were revalued by the Trustees, at the then estimated net realisable value of £990,000. The unrealised surplus on revaluation, which surplus primarily reflects a fair value on the properties originally gifted and brought into the accounts at nil value, is included in the Accounts as follows:

	2002	2003
	£	£
Unrealised Surplus on Revaluation	353,205	353,205
Less: Accumulated Depreciation at 30.11.03	35,666	31,785
(See Note 13)	<u>317,539</u>	<u>321,420</u>

The Trust occupies two freehold properties near Keswick named Little Crosthwaite and Old Windebrowe which were the subject of a generous gift when the Trust was founded. The properties, when gifted, were subject to a restriction that should the Calvert Trust not wish to continue to use the premises, they must be disposed of or sold to another charity. As a result of the restrictions placed upon the sale, the properties have not been valued at full open market value by the Trustees.

In 1997 a major contract commenced to refurbish, improve and rebuild the premises at Little Crosthwaite. The property is thus recorded in the accounts at its valuation made in 1989 by the Trustees plus subsequent expenditure. Fixed assets are depreciated on a straight line basis but the Trustees will review the position annually or on the occasion of any major occurrence in the future.

## 8. CAPITAL COMMITMENTS

A major refurbishment commenced in 1997. Contracted expenditure to complete at 30th November 2003 is included in Creditors and there is further work, not yet contracted. The estimated cost of the further works is £32,000 (2002 £33,000).

## 9. FIXED ASSETS - INVESTMENTS

	2003 £	2002 £
<b>Quoted Investments</b>		
Market Value 1.12.02	416,507	491,124
Additions	3,709	6,825
Disposals	(1,365)	(1,939)
Net Unrealised Gains/(Losses)	<u>45,554</u>	<u>(79,503)</u>
Market Value at 30.11.03	464,405	416,507
Cash Deposits	<u>480,226</u>	<u>607,316</u>
	<b><u>944,631</u></b>	<b><u>1,023,823</u></b>

The above includes common investment funds £15,660 (2002 £14,689)

The historic cost of quoted investments as at 30<sup>th</sup> November 2003 was £330,062 (2002 £330,490).

Of the investments the following holdings represent more than 5% of total investments:

	2003 £	2002 £
<b>Unit Trusts</b>		
M & G Charifund Unit	97,800	86,380
<b>Shares</b>		
Marshalls PLC	193,946	171,029
<b>Bank Accounts</b>		
CAF Gold	480,226	607,316

## 10. DEBTORS: Due within one year

	2003 £	2002 £
VAT Recoverable	-	503
Other Debtors and Prepayments	108,667	36,127
Tax Recoverable	2,782	1,531
Stocks	<u>9,055</u>	<u>5,768</u>
	<b><u>120,504</u></b>	<b><u>43,929</u></b>

## 11. CREDITORS: (Amounts falling due within one year)

	2003 £	2002 £
Trade Creditors	10,184	24,372
Taxation and Social Security	5,915	5,024
Accruals	29,424	34,322
VAT	5,106	4,762
Other Creditors	<u>100,499</u>	<u>41,038</u>
	<b><u>151,128</u></b>	<b><u>109,518</u></b>
Deferred Income	<u>53,554</u>	<u>51,057</u>
	<b><u>204,682</u></b>	<b><u>160,575</u></b>

## 12. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity, being invested with an insurance company.

The pension fund charge represents contributions payable by the Charity to the fund and amounted to £8,578 (2002 £7,159). At the Balance Sheet date there were creditors in respect of contributions payable to the fund £1,094 (2002 £1,022).

## 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets	Investments	Net Current Assets (Liabilities)	Total
	£	£	£	£
<b>Restricted Funds</b>				
Friends of the Calvert Trust	11,217	7,704	42	18,963
Special Enabling Fund	0	134,622	20,397	155,019
Restricted Donations Fund	21,798	1,241	7	23,046
Riding Fund	2,889	3,904	21	6,814
Stables Lottery Fund	444,983	(47,940)	(71,295)	325,748
Equal Chance Appeal	<u>871,315</u>		<u>(10,589)</u>	<u>860,726</u>
	<b>1,352,202</b>	<b>99,531</b>	<b>(61,417)</b>	<b>1,390,316</b>
<b>Unrestricted Funds</b>				
Designated Funds	36,623	768,451	(12,842)	792,232
Undesignated Funds	<u>1,393,823</u>	<u>76,649</u>	<u>25,113</u>	<u>1,495,585</u>
<b>TOTAL</b>	<b><u>2,782,648</u></b>	<b><u>944,631</u></b>	<b><u>(49,146)</u></b>	<b><u>3,678,133</u></b>

Unrealised Gains less Unrealised Losses included above	Tangible Fixed Assets	Investments	Net Current Assets	Total
	£	£	£	£
<b>Restricted Funds</b>		48,259		48,259
<b>Unrestricted Funds</b>				
Designated Funds	-	86,084		86,084
Undesignated Funds	<u>317,539</u>	<u>-</u>	<u>-</u>	<u>317,539</u>
	<b><u>317,539</u></b>	<b><u>134,343</u></b>	<b><u>-</u></b>	<b><u>452,882</u></b>

#### 14a RESTRICTED FUNDS

The current Accounting for Charities as interpreted by the Institute of Chartered Accountants in England and Wales, requires tangible assets acquired by spending Restricted Funds to be recorded as part of such Restricted Funds. The requirement exists even though such tangible assets have in fact become part of a building or other asset. Tangible assets acquired this way will in future be recorded as part of the Restricted Fund until they come to the end of their economic life.

#### 14b The purpose of the Restricted Funds is as follows:

- (a) **The Friends of the Calvert Trust (Lake District)** raise funds for purposes specified to assist this Trust and its sister charities.
- (b) **Special Enabling Funds** are monies raised so that potential users of the Lake District Calvert Trust, which potential users are financially disadvantaged, may be assisted or subsidised to attend one of our courses.
- (c) **Restricted Donations Fund** records monies donated for specific expenditure.
- (d) **Riding Fund** this is a fund set up to pay for horses, tack and other equipment in our sister charity to enable the riding to take place.
- (e) **Younghusband Fund** is monies donated from a legacy with the request that the monies be used to subsidise the operations of the Lake District Calvert Trust and its sister charity, Keswick (Calvert Trust) RDA Group.
- (f) **Equal Chance Appeal** was an appeal to raise money to upgrade and refurbish the properties of the Lake District Calvert Trust to comply with best modern practice and current Health & Safety requirements.  
Contracted expenditure has been authorised in the firm anticipation that funds will be raised before payment of the contracted expenditure is due. However the Trustees have indicated that if funds are not so raised that designated funds will be used to cover any shortfall.

#### 14c. RESTRICTED FUNDS

The funds of the Charity include restricted funds held on trust to be applied for specific purposes.

#### Movement in Funds

	Balance 30.11.02	Incoming Resources	Realised & Unrealised Gains/ (losses)	Revenue Expenditure, Losses & Depreciation	Balance 30.11.03
	£	£		£	£
Friends of Calvert Trust	31,225	233		12,495	18,963
Special Enabling Funds	160,565	56,472	13,230	75,247	155,020
Restricted Donations Fund	23,483	6,293		6,730	23,046
Riding Fund	7,284	118		588	6,814
Stables Lottery Fund		335,167		9,419	325,748
Younghusband Fund	766			766	-
Equal Chance Appeal	930,189	(380)		69,084	860,725
	<u>1,153,512</u>	<u>397,903</u>	<u>13,230</u>	<u>174,329</u>	<u>1,390,316</u>

## 15. DESIGNATED FUNDS

The funds of the Charity include the following designated funds which have been set aside out of unrestricted funds by the Trustees.

	Balance 30.11.02 £	Transferred £	Income £	Realised & Unrealised Gains/(Losses) £	Expenditure £	Balance 30.11.03 £
Trustees Reserve	179,157		9,877	16,889		205,923
Legacy (Margaret Dobson)	170,885		6,453	15,285	2,129	190,494
Research, Development & Maintenance	393,048		9,340		6,573	395,815
	<u>743,090</u>		<u>25,670</u>	<u>32,174</u>	<u>8,702</u>	<u>792,232</u>

### Trustees Reserve

The Trustees consider that reserves should be set aside to cover uninsurable contingencies such as loss consequent upon closure for unforeseeable reasons.

The Trustees set the currently desirable level of reserve as the equivalent of one year's Centre expenditure.

The Trustees plan by fund raising to raise the Trust's reserves to this level.  
This policy is reviewed annually by the Trustees.

### Legacy – Margaret Dobson

This is the balance of a substantial legacy, which legacy the Trustees have set aside to cover major expenditure.

### Research, Development & Maintenance Fund

The Trustees have established this Fund to ensure that money is designated, when available, for identified projects.

There are commitments in the Centre's Plan to develop new activities, and to cater for people with more serious disabilities. To enable these commitments, projects are continuously progressed, which are, of necessity, of a development nature, and sometimes speculative. However, as such projects progress, the availability of funds becomes an issue, and the Trustees have decided that, once agreed by the TMG, specific monies should be designated against projects under development. A further objective is to set aside monies to cover exceptional, unplanned maintenance which might arise due to the very specialised {and sometimes unique} facilities of the Trust.

**THE LAKE DISTRICT CALVERT TRUST**  
**Additional information not forming part of the Statutory Accounts**

**PROFESSIONAL ADVISORS**

<b>Legal Advisors</b>	Messrs Tweedie & Prideaux 5 Lincoln's Inn Fields London WC2A 3BT	<b>Accountants</b>	Messrs Gibbons & Company Carleton House 136 Gray Street Workington Cumbria CA14 2LU
<b>Bankers</b>	Barclays Bank plc C.A.F. Bank of Scotland plc	<b>Insurance Brokers</b>	MCIS Limited Church Court Cox Street St Paul's Square Birmingham B3 1RD
<b>Medical Advisor</b>	Dr Peter White Castlehead Medical Centre Ambleside Road Keswick Cumbria CA12 4DB	<b>Surveyors</b>	Messrs Edwin Thompson & Co 42 St John's Street Keswick Cumbria CA12 5AF
<b>Veterinary Surgeons</b>	R G & J M Gilbert Greta Bank Veterinary Centre Brundholme Road Keswick Cumbria CA12 4 NL	<b>Architects</b>	Green Design Group 64 Main St. Cockermouth Cumbria CA13 9LU