

THE LAKE DISTRICT CALVERT TRUST
(Company Number 1240160 England and Wales)
(Registered Charity Number 270923)

DIRECTORS' AND TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 30 NOVEMBER 2005



THE LAKE DISTRICT CALVERT TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION

DIRECTORS AND TRUSTEES:

Mr R Burgess DL (Chairman) *
Mr J D Birney
Mr N Coulson
Mrs M Corper
Mr J A Cropper BA FCA, The Lord Lieutenant of Cumbria
Mr N Croucher OBE
Mr S Derwin
Mr I F Guest MA D Univ FRAD
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 W Fryer-Spedding (Company Secretary) *
Mr R C Spoor OBE RD DCL DL FCA
Mr R Ward FCA *
Mr A W Welton *
Mr J A Wood FCA

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

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

CENTRE DIRECTOR:

Mr J Crosbie B Ed Hons

HON TREASURER:

Mr R Ward FCA *

COMPANY NUMBER:

1240160 (England and Wales)

CHARITY NUMBER:

270923

REGISTERED OFFICE:

Little Crosthwaite
Keswick
Cumbria
CA12 4QD

AUDITORS:

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

LEGAL ADVISORS:

Vizards Tweedie
Solicitors and Parliamentary Agents
42 Bedford Row
London
WC1R 4JL

THE LAKE DISTRICT CALVERT TRUST

REFERENCE AND ADMINISTRATIVE INFORMATION (CONTINUED)

BANKERS:

Barclays Bank PLC
Leicester
LE87 2BB

CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

MEDICAL ADVISOR:

Dr Peter White
Castlehead Medical Centre
Ambleside Road
Keswick
Cumbria
CA12 4DB

VETERINARY SURGEONS:

R G and J M Gilbert
Greta Bank Veterinary Centre
Brundholme Road
Keswick
Cumbria
CA12 4NL

INSURANCE BROKERS:

MCIS Limited
Church Court
Cox Street
St Paul's Square
Birmingham
B3 1RD

SURVEYORS:

Messrs Edwin Thompson & Co
42 St John's Street
Keswick
Cumbria
CA12 5AF

THE LAKE DISTRICT CALVERT TRUST

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THE LAKE DISTRICT CALVERT TRUST

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30 NOVEMBER 2005

I am delighted to be reporting another successful year for the Trust. We have yet again been working close to capacity with over 10,000 bed nights taken up by our visitors.

The Report of the Trustees which follows this page give readers an insight into what has been happening and in particular, the Achievements and Performance paragraph gives a summary of some of the many activities we undertake. The report also includes the statutory requirements of modern charity reporting.

We are always looking for new and different activities to pursue, however our core activities such as sailing, canoeing, abseiling, the ropes course, orienteering, riding etc remain extremely popular with all our visitors. In some cases, just being out in the countryside is an achievement in itself. We continue to get very high ratings from virtually all our visitors for the activities we arrange. We are continuing to look at more in depth ways we can evaluate both the short and long term affects the "Calvert Experience" has on our visitors' lives.

Our future plans include creating a new swimming pool, extending our ropes course and refurbishment of the Tithebarn. Collectively this will be an expensive project and the Trustees are reviewing how we are most likely to be able to raise the substantial sums it will require. As all three parts will make a major difference to the benefits our visitors obtain from the centre, it will be worth the substantial effort needed.

I am pleased also to report that our finances are in good shape. The final accounts form the main part of this report. The operation of the centre made a small surplus of £7,491 however this does not cover depreciation. The Trustees have always met the cost of new equipment and refurbishment through fundraising.

Our finances are only in a sound position because we have many benefactors and our Friends who help ensure this is the case. Without such help, we would not be able to survive.

Looking ahead, 2006 looks as though it will be another busy and successful year and bookings are already very high. The challenge of raising money for our major projects will be a major issue for the Trust, but one I am sure we will rise to.

A very important part of a Chairman's job is to ensure he thanks all those who have made the organisation a success. They are of course too numerous to mention, but clearly include our staff, volunteers, Friends, my fellow Trustees and many people in our community who help in one way or another. Thank you all for ensuring the "Calvert Experience" remains uniquely rewarding for our visitors.



MR R BURGESS
CHAIRMAN OF TRUSTEES

THE LAKE DISTRICT CALVERT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2005

The trustees, who are also directors of the charity for the purpose of the Companies Act, present their annual report and the audited financial statements for the year ended 30 November 2005. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the annual report and financial statements of the charity.

Structure, Governance and Management

The charity was incorporated on 12 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 trust's centre at Keswick was opened in 1978. Working closely with the trust's disabled visitors and the many organisations that visit our centre the trust has pioneered the provision and promotion of outdoor activities for people with disabilities.

The trustees delegate the day to day management to the Trustees' Management Group (TMG) whose members are shown on the Legal and Administrative Information page. These meetings are also attended by Mr J Crosbie (Centre Director) and Mrs W Alexander (Secretary to the TMG). The TMG meets six times a year.

The trustees consider that the system of governance is operating satisfactory.

Trustee Induction and Training

The trustees are from a variety of relevant professional, business and charitable backgrounds with a number having experience in the disability field. The composition of the trustees' board and their experience and training are currently under review.

Objectives and Activities

The object for which the Trust is established is the relief of disabled persons by the provision of specialised facilities within the Lake District National Park with the object of improving their conditions in life and in furtherance of that object.

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.

The trust continues 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 Centre at Little Crosthwaite, together with the Trust's boat house on Bassenthwaite Lake, and the Riding Centre at Old Windebrowe and the surrounding countryside provide a unique range of indoor and outdoor activities, using specially adapted equipment and facilities, for visitors of all ages, with all manner of disabilities. Sailing, canoeing, riding, trap driving, abseiling, climbing, paragliding and orienteering are amongst the many options offered to visiting groups, together with archery, caving and a selection of games and leisure activities in appropriate indoor areas.

Plans for Future Periods

Proposals are being prepared for a £1m Appeal to raise money to provide:-

- a new Swimming Pool
- redevelopment of the space which will become available when the proposed new pool is finished.
- extension to the existing Ropes Course
- refurbishment of the Tithebarn and surrounding area at Old Windebrowe

Professional advisors are already working on plans for the Pool, for which Planning Consent will be sought imminently. Work is also progressing on the specifications and costings for the Tithebarn and the Ropes Course Extension. Decisions will be made during 2006 on the timing and scope of the Appeal, and its management.

THE LAKE DISTRICT CALVERT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2005 (CONTINUED)

Achievements and Performance

Visitor numbers have been broadly in line with the previous years, at about 2,500 visitors.

A significant number of riders continue to make full use of our newly refurbished Stables and Riding Centre, including many local young people, in addition to the usual groups attached to the RDA, and visitors to the Centre.

Significant new visitor groups in the period included a group from Zimbabwe and our offshore sailing course, delivered for the first time in 3 years.

New equipment and activities introduced included a second Windrider sailing boat, electronic steering development for sailing, and the introduction of a Larkin frame abseiling structure equipment.

The process of strengthening management and organisation, and building more effective staff teams is paying clear dividends.

The programme of investment in infra-structure, and to improve facilities and preserve standards for the benefit of our disabled visitors, and to improve effectiveness has remained a priority, as reflected in the further work currently being planned.

Substantial expenditure to improve staff accommodation has been incurred, and further expenditure in this area is planned.

Working Together with the sister Centres at Kielder and Exmoor has produced major initiatives to upgrade IT; to install new software and databases to support Fund Raising and Bookings; and to improve performance in other areas by co-operation. Measurement of Outcomes to provide firm evidence of the benefits of our activities is just one area which has been progressed more professionally as a result of the initiatives to pool experience and resources. The Keswick trustees have provided positive support to this programme of co-operative working, where appropriate.

Transaction and Financial Positions

The Statement of Financial Activities shows net deficit for the year of £172,299, and reserves stand at £3,555,209.

Tangible Fixed Assets for use by the charity

Changes in fixed assets are shown in the notes 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.

Reserves

Overall the trustees feel the current level of reserves is adequate. The details of individual reserves can be found in the notes to the accounts.

Investment Policy and Returns

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

- (a) Cash required for immediate use is held on current account with a main clearing bank.
- (b) Cash not required for immediate use is held in interest bearing accounts either with a main clearing bank, main building society or equivalent institution.
- (c) 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 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 again been held in cash, which the trustees believe has been a reasonable policy in the prevailing investment climate. This policy is now being reviewed.

THE LAKE DISTRICT CALVERT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2005 (CONTINUED)

Directors and Trustees

All directors of the company are also trustees of the charity, and there are no other trustees. All of the trustees named on the Legal and Administrative Information page served throughout the year except as declared. The Board has the power to appoint additional trustees as it considers fit to do so.

Safety and Risk Management

The trustees consider safety to be of paramount importance. The trust is accredited by the national 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. The Calvert Trust Council is currently undertaking an audit of the safety procedures at all three Calvert Trust Centres.

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.

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 supported by an active London Committee. The charities are as follows:-

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

Northumbria Calvert Trust
Kielder Water
Hexham
Northumberland
NE48 1BS

Exmoor Calvert Trust
Wistlandpound Farm
Kentisbury
Barnstaple
Devon
EX31 4SJ

Charity Number 1042423

Charity Number 511851

Charity Number 1005776

Trustees' Responsibilities in Relation to the Financial Statements

The trustees are required by company law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to:

- (a) select suitable accounting policies and apply them consistently;
- (b) make judgements and estimate that are reasonable and prudent;
- (c) state whether the policies adopted are in accordance with the Companies Act 1985 and with applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the financial statements;
- (d) prepare the financial statements on a 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 disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Messrs Gibbons & Company, Chartered Accountants and 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.

THE LAKE DISTRICT CALVERT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 30 NOVEMBER 2005 (CONTINUED)

Conclusion


The trustees are confident that the Centre has a good future. There continues to be a great demand for the Trust's courses and facilities. The trustees are satisfied that the Trust maintains the highest standards. Together with the other two Calvert Trust centres the Trust is constantly striving to improve the range and quality of the activities which it 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.

Approval of Report

This report was approved by the board of trustees and directors on 19/5/06 and signed on their behalf.



MR R BURGESS
CHAIRMAN OF TRUSTEES



MR JW FRYER-SPEDDING
TRUSTEE AND COMPANY SECRETARY

THE LAKE DISTRICT CALVERT TRUST

INDEPENDENT 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 2005 on pages 6 to 17 which have been prepared under the historical cost convention and the accounting policies set out on pages 10 to 11.

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 Directors/Trustees and Auditors

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 the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and 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 trustee's 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 misstatements within it.

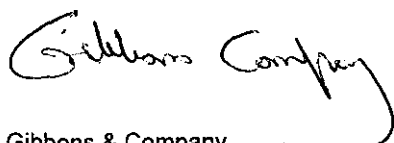
Basis of Opinion

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 misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 30 November 2005 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.



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

30 May 2006

THE LAKE DISTRICT CALVERT TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 30 NOVEMBER 2005 SUMMARY INCOME AND EXPENDITURE ACCOUNT

	Restricted £	Designated £	Unrestricted Centre Activities £	Unrestricted Other £	2005 £	2004 £
Incoming Resources						
Charitable Activities						
Fees	-	-	549,728	-	549,728	537,079
Generated Funds						
Donations and Gifts	76,397	-	-	64,226	140,623	96,642
Grants	-	-	-	(70,114)	(70,114)	-
Legacies	-	-	-	42,100	42,100	16,446
Covenanted Income and Gift Aid	-	-	-	3,575	3,575	1,922
Investment Income	9,766	-	-	26,143	35,909	31,859
Total Income	86,163	-	549,728	65,930	701,821	683,948
Resources Expended						
Charitable Expenditure						
Cost of Centre Activities	88,595	164,995	542,237	-	795,827	689,272
Other Charitable Expenditure	-	-	-	53,000	53,000	36,000
Fund Raising Costs	-	-	-	7,486	7,486	6,733
Governance Costs	-	-	-	17,807	17,807	16,362
Total Resources Expended	88,595	164,995	542,237	78,293	874,120	748,367
Net Income/(Expenditure) for the Year	(2,432)	(164,995)	7,491	(12,363)	(172,299)	(64,419)

The notes on pages 10 to 17 form part of these accounts.

THE LAKE DISTRICT CALVERT TRUST

STATEMENT OF OTHER RECOGNISED GAINS FOR THE YEAR ENDED 30 NOVEMBER 2005

	Restricted £	Designated £	Unrestricted Centre Activities £	Unrestricted Other £	2005 £	2004 £
Net Income/(Expenditure) for the Year	(2,432)	(164,995)	7,491	(12,363)	(172,299)	(64,419)
Funds Transferred -						
Fixed Assets purchased from restricted funds	(36,108)	36,108	-	-	-	-
Designation of Fixed Assets	-	2,761,528	-	(2,761,528)	-	-
Centre Activities	-	-	(7,491)	7,491	-	-
Designated Funds	-	(60,000)	-	60,000	-	-
Investment Gain Unrealised	-	-	-	58,554	58,554	55,240
Net Movement in Funds for the Year	(38,540)	2,572,641	-	(2,647,846)	(113,745)	(9,179)
Total Funds						
Brought Forward	284,473	735,000	-	2,649,481	3,668,954	3,678,133
Carried Forward	245,933	3,307,641	-	1,635	3,555,209	3,668,954

Note of Historical Cost Surplus

	2005 £	2004 £
Net Incoming/(Outgoing) Resources for the Year	(172,299)	(64,419)
Difference Between Historical Cost Depreciation Charge and the Depreciation Charge Calculated on the Revalued Assets	*3,532 (168,767)	*3,532 (60,887)

* All relating to the fixed asset designated fund.

The notes on pages 10 to 17 form part of these accounts.

THE LAKE DISTRICT CALVERT TRUST

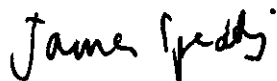
BALANCE SHEET AS AT 30 NOVEMBER 2005

	Note	2005 £	2005 £	2004 £	2004 £
Fixed Assets					
Tangible Assets	11		2,632,641		2,696,574
Investments	12		853,091		909,578
			<u>3,485,732</u>		<u>3,606,152</u>
Current Assets					
Stock		11,109		9,871	
Debtors	13	76,591		158,099	
Cash at Bank and in Hand		<u>117,113</u>		<u>126,216</u>	
		204,813		294,186	
Creditors: Amounts Falling Due Within One Year	14	<u>135,336</u>		<u>231,384</u>	
Net Current Assets/(Liabilities)			<u>69,477</u>		<u>62,802</u>
Total Assets Less Current Liabilities			<u>3,555,209</u>		<u>3,668,954</u>
Funds					
Restricted Funds	20		245,933		284,473
Unrestricted Funds -					
Designated Funds	21	3,307,641		735,000	
Other Charitable Funds		<u>1,635</u>		<u>2,649,481</u>	
			<u>3,309,276</u>		<u>3,384,481</u>
			<u>3,555,209</u>		<u>3,668,954</u>

Approved by the board of directors and trustees on 19/5/06 and signed on their behalf.



MR R BURGESS
CHAIRMAN OF TRUSTEES



MR J W FRYER-SPEDDING
TRUSTEE AND COMPANY SECRETARY

The notes on pages 10 to 17 form part of these accounts.

THE LAKE DISTRICT CALVERT TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 NOVEMBER 2005

1. ACCOUNTING POLICIES

1.1 Basis of Preparation of Financial Statements

The financial statements are prepared under 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 2005) issued in March 2005, applicable accounting standards and the Companies Act 1985.

1.2 Incoming Resources

Voluntary income and donations are included in incoming resources when they are received. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

1.3 Resources Expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

1.4 Finance and Operating Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period they are incurred. Assets obtained under finance leases are capitalised as tangible fixed assets. Obligations under such leases are included in creditors net of finance charge allocated to future periods. The finance element of each payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate on the net obligation outstanding in each period.

1.5 Pension Costs

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

1.6 Depreciation of Fixed Assets

From 1 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

1.7 Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

1. ACCOUNTING POLICIES (Continued)

1.8 Fundraising Costs

Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of advertising for donations and the staging of special fundraising events.

1.9 Expenditure on Governance Costs 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.

2. DONATIONS AND GIFTS

During the year the charity received £140,623 (2004 - £96,642) from various individuals and charitable organisations.

3. GRANTS RECEIVED

During the year ended 30 November 2003 a substantial grant from Sport England amounting to £265,053 was received and £70,114 was believed to be receivable in relation to the redevelopment of the stables complex. This matter has developed further and the trustees believe that the accrued amount of £70,114 will not be received by the charity. This has occurred due to actual expenditure on the stables being less than expected, which has led to the subsequent reduction in the Grant Income.

4. INVESTMENT INCOME

	2005 £	2004 £
Income From Listed Investments	16,924	15,892
Interest Receivable on Cash Deposits	18,985	15,967
	<u>35,909</u>	<u>31,859</u>

5. COST OF CENTRE ACTIVITIES

	Restricted £	Unrestricted Designated £	Unrestricted Centre Activities £	Unrestricted Other £	2005 £	2004 £
Staff Costs (Note 10)	-	-	363,432	-	363,432	306,898
Activity Costs	-	-	29,698	-	29,698	31,661
Facility Costs	-	-	160,531	-	160,531	126,620
Centre Administration	-	-	22,197	-	22,197	22,674
Insurance	-	-	37,739	-	37,739	36,552
Marketing	-	-	5,141	-	5,141	3,454
Irrecoverable VAT	-	-	12,094	-	12,094	10,556
Enabling Funds Utilised	88,595	-	(88,595)	-	-	-
Depreciation of						
Tangible Fixed Assets	-	164,995	-	-	164,995	150,857
	<u>88,595</u>	<u>164,995</u>	<u>542,237</u>	<u>-</u>	<u>795,827</u>	<u>689,272</u>

6. FUND RAISING COSTS

	Restricted £	Unrestricted Designated £	Unrestricted Centre Activities £	Unrestricted Other £	2005 £	2004 £
Staff Costs (Note 10)	-	-	-	7,092	7,092	6,203
Other Costs	-	-	-	394	394	530
	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,486</u>	<u>7,486</u>	<u>6,733</u>

7. GOVERNANCE COSTS

	2005	2004
	£	£
Staff Costs (Note 10)	7,092	6,203
Legal and Professional Charges	8,847	4,490
Sundry Expenses	1,868	5,669
	<u>17,807</u>	<u>16,362</u>

8. OTHER CHARITABLE EXPENDITURE

	2005	2004
	£	£
Subsidy to Keswick (Calvert Trust) Riding for the Disabled Association	<u>53,000</u>	<u>36,000</u>

9. NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFER

The net incoming resources are stated after charging:-	2005	2004
	£	£
Depreciation of Tangible Fixed Assets	164,995	150,857
Auditors' Remuneration – Audit Fees	<u>3,850</u>	<u>3,750</u>

10. STAFF COSTS

No remuneration was paid to trustees in the year, nor were any expenses reimbursed to them. The staff costs were:-

	2005	2004
	£	£
Wages and Salaries	327,672	285,648
Social Security Costs	23,615	18,780
Pension Costs	11,330	7,848
Training Costs	8,725	4,072
Other Costs	278	-
Temporary Staff	5,996	2,956
	<u>377,616</u>	<u>319,304</u>

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

	2005	2004
Governance	4	4
Direct Charitable Work	<u>25</u>	<u>21</u>
	<u>29</u>	<u>25</u>

11. TANGIBLE FIXED ASSETS

	Freehold Property Building and Installations £	Leasehold Property Building and Installations £	Furnishings and Equipment £	Motor Vehicles £	Total £
Cost/Valuation					
As at 1 December 2004	3,100,239	147,787	159,174	142,227	3,549,427
Additions	52,736	24,862	50,833	40,167	168,598
Disposals	(67,536)	-	(23,004)	-	(90,540)
As at 30 November 2005	<u>3,085,439</u>	<u>172,649</u>	<u>187,003</u>	<u>182,394</u>	<u>3,627,485</u>
Depreciation					
As at 1 December 2004	570,563	65,129	80,662	136,499	852,853
Charge for Year	95,265	13,635	42,334	13,761	164,995
Disposals	-	-	(23,004)	-	(23,004)
As at 30 November 2005	<u>665,828</u>	<u>78,764</u>	<u>99,992</u>	<u>150,260</u>	<u>994,844</u>
Net Book Values					
As at 30 November 2005	<u>2,419,611</u>	<u>93,885</u>	<u>87,011</u>	<u>32,134</u>	<u>2,632,641</u>
As at 30 November 2004	<u>2,529,676</u>	<u>82,658</u>	<u>78,512</u>	<u>5,728</u>	<u>2,696,574</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.

During 1989, the freehold properties were revalued by the trustees, subject to the restriction 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:-

	2005 £	2004 £
Unrealised Surplus on Revaluation	353,205	353,205
Less Accumulated Depreciation at 30 November 2005	<u>42,281</u>	<u>38,749</u>
	<u>310,924</u>	<u>314,456</u>

12. INVESTMENTS

	2005 £	2004 £
Listed Investments - United Kingdom:-		
Market Value 1 December 2004	484,977	464,405
Additions	-	-
Disposals	(3,504)	(34,668)
Net Unrealised Gains/(Losses)	<u>58,554</u>	<u>55,240</u>
Market Value at 30 November 2005	<u>540,027</u>	<u>484,977</u>
Cash Deposits	<u>313,064</u>	<u>424,601</u>
	<u>853,091</u>	<u>909,578</u>

12. INVESTMENTS (Continued)

The above includes common investment funds £21,330 (2004 - £16,970).

The historic cost of quoted investments as at 30 November 2005 was £292,161 (2004 - £295,396).

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

	2005 £	2004 £
Unit Trusts		
M & G Charifund Unit	136,470	114,310
Shares		
Marshall's PLC	198,198	159,280
Bank Account		
CAF Gold	313,064	424,601

13. DEBTORS

	2005 £	2004 £
Other Debtors	24,956	105,317
Tax Recoverable	1,635	2,782
Loan to Exmoor Calvert Trust	50,000	50,000
	<u>76,591</u>	<u>158,099</u>

14. CREDITORS

	2005 £	2004 £
Trade Creditors	16,432	10,792
Taxation and Social Security	7,068	6,335
Accruals	34,073	33,718
VAT	4,842	7,213
Other Creditors	-	100,499
	<u>62,415</u>	<u>158,557</u>
Deposits Received in Advance	72,921	72,827
	<u>135,336</u>	<u>231,384</u>

15. 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 amount to £11,330 (2004 - £7,848). At the Balance Sheet date there were creditors in respect of contributions payable to the fund £1,285 (2004 - £1,083).

16. CAPITAL COMMITMENTS

A major refurbishment commenced in 1997. Contracted expenditure to complete at 30 November 2005 is included in Creditors and there is further work, not yet contracted. The estimated cost of the further works is Nil (2004 - £23,000).

17. TRANSACTIONS WITH RELATED PARTIES

17.1 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 (2004 - £12,000) 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 £41,000 (2004 - £24,000).

17.2 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:-

	2005 £	2004 £
James W Fryer-Spedding (Trustee)	8,452	8,452
Jack Fryer-Spedding (Brother of Trustee)	4,010	4,010

The rent is paid for various properties, which are used for staff accommodation.

17.3 Friends of the Lake District Calvert Trust

This charity raises funds for purposes specified to assist The Lake District Calvert Trust.

17.4 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 supported by an active London Committee. The charities are as follows:-

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

Northumbria Calvert Trust
Kielder Water
Hexham
Northumberland
NE48 1BS

Exmoor Calvert Trust
Wistlandpound Farm
Kentisbury
Barnstaple
Devon
EX31 4SJ

Charity Number 1042423

Charity Number 511851

Charity Number 1005776

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Net Current Assets/ (Liabilities) £	Total £
Restricted Funds				
Friends of the Calvert Trust	-	-	8,635	8,635
Special Enabling Fund	-	178,091	47,792	225,883
Restricted Donations Fund	-	-	11,415	11,415
	-	178,091	67,842	245,933
Unrestricted Funds				
Designated Funds	2,632,641	675,000	-	3,307,641
Other Charitable Funds	-	-	1,635	1,635
	2,632,641	853,091	69,477	3,555,209

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (Continued)

Included in the assets are the following unrealised gains:-

- (a) Revaluation Reserve £310,924 (2004 - £314,456).
- (b) Unrealised Gain on Investments of £247,866 (2004 - £189,581).

19. RESTRICTED FUNDS

The purpose of the Restricted Funds is as follows:-

- (a) **The Friends of the Calvert Trust (Lake District)**

This charity raises funds for purposes specified to assist The Lake District Calvert Trust.

- (b) **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 and irrecoverable VAT). 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.

- (c) **Restricted Donations Fund**

Records monies donated for specific expenditure.

20. RESTRICTED FUNDS

	Balance 30.11.04 £	Incoming Resources £	Revenue Expenditure £	Capital Expenditure £	Balance 30.11.05 £
Friends of Calvert Trust	37,206	332	-	28,903	8,635
Special Enabling Funds	235,852	78,626	88,595	-	225,883
Restricted Donations Fund	11,415	7,205	-	7,205	11,415
	<u>284,473</u>	<u>86,163</u>	<u>88,595</u>	<u>36,108</u>	<u>245,933</u>

21. DESIGNATED FUNDS

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

Trustees' Contingency 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 and a transfer has been made from General Reserve to set the level at £275,000 (£335,000).

This policy is reviewed annually by the trustees.

Research, Development and 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 severe 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 unique facilities of the trust. At present the trustees believe a fund value of £400,000 to be appropriate.

Fixed Asset Reserve (including Revaluation Reserve)

The trustees have established this fund to clarify to users of the accounts the amount of reserves, which are tied up in Fixed Assets. This in turn helps to clarify to users of the accounts the level of General Reserves.

	Balance 30.11.04 £	Income £	Transfers £	Expenditure £	Balance 30.11.05 £
Trustees Contingency Reserve	335,000	-	(60,000)	-	275,000
Research, Development and Maintenance	400,000	-	-	-	400,000
Fixed Asset Reserve (including Revaluation Reserve)	-	-	2,467,646	164,995	2,632,641
	<u>735,000</u>	<u>-</u>	<u>2,407,646</u>	<u>164,995</u>	<u>3,307,641</u>

Any income derived from the underlying assets of these funds is deemed to be General funds. The levels of the reserves held and the allocation of any income and expenditure is at the discretion of the Trustees.