

THE VENTURE TRUST
(a company limited by guarantee not having a share capital)

**DIRECTORS' REPORT
AND FINANCIAL STATEMENTS**

31 MARCH 2002



THE VENTURE TRUST

CONTENTS

	Page
Directors and company information	1
Directors' report	2 – 4
Report of the Auditors	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 – 10

THE VENTURE TRUST

DIRECTORS AND COMPANY INFORMATION

Directors	J H Senior	(Chairman)
	A R Beevor	
	N M Haynes	
	Lady Luce	
	T A B Watson	(appointed 30 May 2002)
	D N Mackie	(appointed 30 May 2002)

Secretary	G M Woods
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Registered office	207 Waterloo Road London SE1 8XD
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Company number	1673720
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Charity registered number	285891
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Auditors	Saffery Champness Chartered Accountants Lion House Red Lion Street London WC1R 4GB
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Bankers	National Westminster Bank plc PO Box 159 332 High Holborn London WC1V 7PS
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Solicitors	Barnett Sampson High Holborn House 52-54 High Holborn London WC1V 6RL
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THE VENTURE TRUST

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2002

The Directors have pleasure in presenting their report together with the audited accounts for the year ended 31 March 2002.

Governing document

The Venture Trust is a company limited by guarantee. Its governing documents are the Memorandum and Articles of Association.

Investment powers

The Memorandum of Association allows the company to invest in such securities and property as may be thought fit.

Objects of the Charity in governing document

The general purposes of The Venture Trust are to promote public education and research particularly through projects advancing the development of intellectual and physical capacities, to provide a foundation for the development of character and good citizenship for young people under the age of 25 through physical and educational training in particular adventure training, to provide or assist in the provision of facilities for physical recreation for the benefit of the public or for individuals who need such facilities owing to their particular circumstances, to assist people of all ages and backgrounds to develop an ability to serve the community, and to promote or benefit such charitable institutions as the Directors shall, if any, select.

Policies adopted to further objects

The Venture Trust carries out its objects by providing residential personal development courses for young people at risk and young offenders referred by statutory agencies and disadvantaged young people referred by other support agencies. The courses consist of development and adventurous activities and creative projects. The aim is to promote personal development and develop an individual's ability to function within a group. The emphasis is on learning new life-skills such as communication and planning which will enable participants to go on with new-found confidence to further education and employment. Attendance on the course is voluntary.

Organisation

The Venture Trust is based in Applecross, Wester-Ross, Scotland. The Trust comprises a Board of Directors, and a staff team of 24. The Venture Trust runs a residential Personal Development Programme for young people from 16 to 25.

The Venture Trust has been monitored and inspected by the following organisations, all of whom are able to provide information on the quality and appropriateness of the organisation: The Home Office; The Adventure Activities Licensing Authority; Highland Council, Inverness, Scotland; The Investors in People Award; Scottish Executive.

Risk Management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

THE VENTURE TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2002

Review of development, activities and achievements during the year

During the last 12 months we have run ten 21 day residential programmes for referrals from Criminal Justice Teams throughout Scotland, funded by the Scottish Executive Contract together with referrals from the Voluntary and Statutory Sector throughout the U.K. We have continued to offer free places to referrals from the Voluntary Sector with funding coming from the Community Fund grant which lasts for two years.

In parallel with ongoing programme development, The Venture Trust has ensured that its management practices and its provision to its clients are appropriate and effective. The Venture Trust has renewed its Investors in People status and has successfully maintained its Adventure Activities Licence.

Likely future developments

During the next 12 months The Venture Trust is intending to develop a new and shorter programme as the present 21 day course does not suit everyone. We intend to use this shorter programme to negotiate two new contracts that would begin in 2003. We will of course continue to maintain the present contracts that we have in place with the Scottish Executive and the Community Fund.

Financial position

The Venture Trust has no free reserves. The excess income of £95,670 as at 31 March 2002 has been designated to finance the close down of the pilot scheme and to allow The Venture Trust to identify new funders in order to continue work in an area of proven need.

Directors' responsibilities in relation to the financial statements

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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

Activities

The Venture Trust is a registered charity (No. CC285891) formed in October 1982 to help young people, especially those in large cities, to combat aimlessness and boredom by encouraging them to seek challenge and adventure, both mental and physical.

Financial results and dividends

Net incoming resources from operations for the year amounted to £16,690 (2001 £56,116).

The Memorandum of Association prohibits the payment of any dividends.

THE VENTURE TRUST

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2002

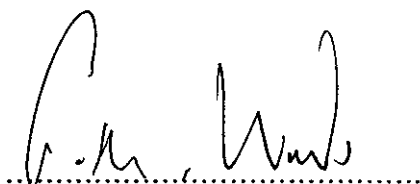
Directors

The Directors listed on page 1 held office during the year together with A G Myatt who resigned as Director on 19 February 2002. Directors may be elected by the board or by members in general meeting.

Auditors

A resolution to re-appoint Saffery Champness as Auditors will be proposed at the Annual General Meeting.

By order of the board



G M Woods
Secretary

24 September 2002

THE VENTURE TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS FOR THE YEAR ENDED 31 MARCH 2002

We have audited the financial statements on pages 6 to 10.

Respective responsibilities of directors and auditors

As described in the Directors' report on page 3, the company's Directors who also act as trustees for the charitable activities of The Venture Trust, 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 Directors' report is not consistent with the financial statements, if the 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 directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it or material inconsistencies within the financial statements.

Basis of opinion

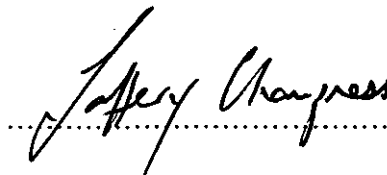
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 affairs of the charitable company as at 31 March 2002 and of its incoming resources, including the income and expenditure, and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Saffery Champness



Chartered Accountants
Registered Auditors

Lion House
Red Lion Street
London
WC1R 4GB

24 September 2002

THE VENTURE TRUST

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2002

	Notes	Restricted funds 2002		Restricted funds 2001	
		£	£	£	£
Incoming resources					
Grants and donations	4	275,570		269,568	
National Lottery		200,000		49,000	
Other income		-		10,148	
Interest receivable		960		2,086	
Total incoming resources			476,530		330,802
Less cost of generating funds:					
Fundraising and publicity		6,302		4,866	
Net incoming resources available for charitable application			470,228		325,936
Charitable Expenditure					
Core Programme staff costs		251,869		143,847	
Core Programme other costs		77,313		53,590	
Premises costs		82,943		54,692	
Management and administration	5	41,413		17,691	
Total charitable expenditure	6	453,538		269,820	
Total resources expended			459,840		274,686
Net incoming resources from operations			16,690		56,116
Other recognised gains and losses			-		-
			16,690		56,116
Balances brought forward at 1 April 2001			78,980		22,864
Balances carried forward at 31 March 2002	10		95,670		78,980

All income and expenditure is in respect of continuing activities.

All recognised gains and losses are included in the statement of financial activities.

The notes on pages 8 and 10 form part of these financial statements.

THE VENTURE TRUST

BALANCE SHEET AS AT 31 MARCH 2002

	Notes	£	2002 £	£	2001 £	£
Current assets						
Debtors	8	108,318			3,380	
Cash at bank and in hand		11,908			93,185	
			120,226			96,565
Current liabilities						
Creditors: Amounts falling due within one year	9		(24,556)		(17,585)	
Total net assets			95,670		78,980	
Income funds						
Restricted	10		95,670		78,980	

Approved by the board on 24 September 2002

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Director

.....
Secretary

The notes on pages 8 and 9 form part of these financial statements.

THE VENTURE TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2002

1 Status of the company

Every member of The Venture Trust undertakes to contribute to the assets of The Venture Trust in the event of a winding-up while he is a member, or within one year after he ceases to be a member, for payment of the liabilities of The Venture Trust contracted before he ceases to be a member, such amounts as may be required not exceeding £1.

2 Accounting policies

1 Basis of Accounting

The accounts have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

2 Donations and Grants

Income from donations and grants is included in incoming resources when receivable, except as follows:

- When donors specify that donations and grants given to the charity must be used in future periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

3 Interest receivable

Interest is included when receivable.

4 Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis.

3 Connected charities

The following charity is connected with The Venture Trust:

Fairbridge is a company limited by guarantee and a charity registered in England whose principal contact address is 207 Waterloo Road, London SE1 8XD. It has similar activities to, and unity of administration with, The Venture Trust. The Venture Trust makes use of Fairbridge's facilities at Applecross, Ross & Cromarty, Scotland. The resources expended by The Venture Trust include £25,000 (2001: £6,000) payable to Fairbridge.

THE VENTURE TRUST

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2002**

4 Grants receivable from Government and other Public Authorities

Grants receivable include the following material incoming resources:

	2002	2001
	£	£
Scottish Executive	102,500	-
Highland Council	100,000	92,592
Department of Education	-	60,300
Home Office	-	50,000
European Social fund	15,384	-
Ross & Cromarty Enterprise	4,406	12,176

5 Management and administration

	2002	2001
	£	£
Management fees	25,000	6,000
Office costs	14,522	9,666
Audit fees	1,891	2,025
	<u>41,413</u>	<u>17,691</u>

6 Total charitable Expenditure

	Staff Costs	Other Costs	Total 2002	Total 2001
	£	£	£	£
Core programme costs	251,869	77,313	329,182	197,437
Premises costs	-	82,943	82,943	54,692
Management and administration	-	41,413	41,413	17,691
	<u>251,869</u>	<u>201,669</u>	<u>453,538</u>	<u>269,820</u>

7 Staff costs

Wages and salaries	<u>251,869</u>	<u>143,847</u>
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No employee earned £50,000 per annum or more (2001: nil). The average number of full-time equivalent employees during the year was 16.

The trustees were not paid or reimbursed for any expenses during the year.

THE VENTURE TRUST

**NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 MARCH 2002**

8 Debtors

Grants receivable	102,500	-
Prepayments	5,418	2,777
Other debtors	400	1,103
	<u>108,318</u>	<u>3,380</u>

9 Creditors

Amounts falling due within one year:

Bank overdraft (per cashbook)	-	1,189
Taxation and social security	6,217	3,299
Other creditors	6,761	-
Accruals	11,578	13,097
	<u>24,556</u>	<u>17,585</u>

10 Movement in total funds for the year

Balance at 1 April 2001	78,980	22,864
Net incoming resources for the year	16,690	56,116
Balance at 31 March 2002	<u>95,670</u>	<u>78,980</u>

The company's incoming resource is restricted as it is to be applied solely to the capital and revenue costs of The Venture Trust.