

Company Registration Number - 2202681

Charity Registration Number - 519846

**REGISTRAR'S COPY**

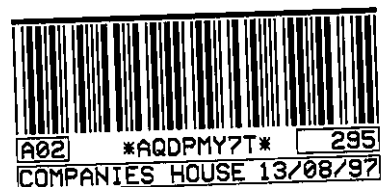
**WAKEFIELD GROUNDWORK TRUST LIMITED**  
(A company limited by guarantee)

**ANNUAL REPORT**

**YEAR ENDED 31 MARCH 1997**

**WOFFENDENS**

**Chartered Accountants**



WAKEFIELD GROUNDWORK TRUST LIMITED

DIRECTORS' REPORT

**REPORT STATUS**

The directors report contains the details required in the Trustees' annual report for the purposes of Section 45 of the Charities Act 1993, as well as those required by Section 234 of the Companies Act 1985.

**COMPANY NUMBER**

2202681

**CHARITY REGISTRATION NUMBER**

519846

**DIRECTORS**

V Cliffe  
P Henry  
D Jeffrey  
J Kirkbride  
J M Mackman  
O M Rowley  
M Taylor  
R Young

**SECRETARY**

J W F Holt

**REGISTERED OFFICE**

County Hall  
Wakefield  
WF1 2QW

**AUDITORS**

Woffendens  
Barnsley

**BANKERS**

The Co-operative Bank plc  
Wakefield

## WAKEFIELD GROUNDWORK TRUST LIMITED

DIRECTORS' REPORT**DIRECTORS**

The directors at 31 March 1997 were:-

V Cliffe	P Henry (appointed 25.10.96)	J M Mackman
L Formby	D Jeffery	G A Mousley
R C Forrester	N Kennedy	O M Rowley
P G Hall	J Kirkbride	R Young

M Taylor was appointed a director on 24 July 1997.

T H Milburn resigned as a director on 25 January 1997.

P G Hall resigned as a director on 24 April 1997.

Messrs L Formby, R C Forrester and G A Mousley resigned as directors on 24 July 1997.

The directors are Trustees of the charitable company for the purposes of the Charities Act 1993.

None of the directors are members of the company.

**DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the directors have:-

- \* selected suitable accounting policies and then applied them consistently;
- \* made judgements and estimates that are reasonable and prudent;
- \* stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- \* prepared the financial statements on the going concern basis.

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

**PRINCIPAL ACTIVITIES**

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

Its mission is to improve the quality of life for, and in partnership with, the District's people and organisations, through environmental action and education.

## WAKEFIELD GROUNDWORK TRUST LIMITED

DIRECTORS' REPORT**PRINCIPAL ACTIVITIES [CONTINUED]**

The Trust is part of a national network of independent Trusts which has grown to 42, co-ordinated by the Groundwork Foundation, and the Trust continues to play a leading role in the expansion of Groundwork in the UK.

Although there have been no significant changes in the activities of the organisation during the year, plans are being considered to develop its work in the years ahead.

**BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The results for the year are set out on pages 6 to 14.

The last financial year has seen the Trust develop and consolidate its services. The Trust has undertaken 140 projects this year encompassing a broad spectrum of activities and has formed partnership with 300 organisations in the public, private and voluntary sectors within the city. In addition to developing our partnerships with organisations, the Trust continues to enjoy its special partnership with the City Council to develop joint community projects in the strategic areas of environment management and regeneration.

In addition to the £556,642 of project income included in the accounts, Wakefield Groundwork Trust Limited organised and managed other contracts worth more than £1,050,000. Therefore the total value of project work undertaken during the year was in excess of £1.6M.

The Trust has also undertaken projects in environmental education, community development and housing related schemes and work into improving access to canals.

The Trust has continued to fund its programmes from a multiplicity of sources, with several exchequer grant regimes, the local authorities and the private sector all contributing to the cost of projects.

The worth of volunteer input and assistance in kind from the private sector generated by the Trust towards its projects means the turnover understates the value of the Groundwork programme.

Locally, the Trust has strengthened its position with more involvement in mainstream strategic development, notably the Single Regeneration Budget initiatives, and the Wakefield Partnership.

The Trust has also continued its broad-based programme, focusing on Priority Areas but carrying out a wide range of appropriate projects in line with its objectives in the following two areas:-

**Physical Environmental Improvements**

To be a leading land improvement agency bringing increased amounts of unproductive land and buildings back into beneficial use.

**Education and Community Involvement**

To create opportunities for more people to learn about, be actively involved and committed to take action for the environment.

## WAKEFIELD GROUNDWORK TRUST LIMITED

DIRECTORS' REPORT**BUSINESS REVIEW AND FUTURE DEVELOPMENTS [Continued]**

Groundwork has social and business programmes to be proud of and is recognised as a centre of excellence within Groundwork UK. It continues to achieve the original funding profile for Groundwork with approximately a third each from the private, national government and local government sectors.

The Trust can now look forward to a very busy and effective future delivering its programme of activities within the borough with confidence.

**SUBSIDIARY COMPANY**

There is a wholly owned subsidiary company "Wakefield Environmental Developments Limited". This company did not trade during the year. It is planned that this company will commence operations in 1997/98.

**RESULTS FOR THE YEAR**

The operating surplus for the year amounted to £9,616 as set out in the financial statements.

**FUNDS**

The company has a number of funds which are represented by investments and fixed assets. The purpose of these funds is detailed in note 9 in the financial statements.

**CHANGES IN FIXED ASSETS**

The movements in fixed assets during the year are set out in note 5 to the financial statements.

**AUDITORS**

During the year the directors appointed Woffendens as auditors to the company. A resolution to re-appoint the auditors, Woffendens, will be proposed at the annual general meeting.

**SMALL COMPANY REPORTING EXEMPTIONS**

The directors have taken advantage, in the preparation of the above report, of the special exemptions applicable to small companies conferred by Part II of Schedule 8 to the Companies Act 1985.

24 July 1997

Castleford

By order of the board



J M MACKMAN

Chairman

AUDITORS' REPORT TO THE MEMBERS OF  
WAKEFIELD GROUNDWORK TRUST LIMITED

We have audited the financial statements on pages 6 to 14 which have been prepared under the accounting policies set out on pages 8 and 9.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 2 the directors, who also act as Trustees for the charitable activities of Wakefield Groundwork Trust Limited, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

**BASIS OF OPINION**

We conducted our audit in accordance with Auditing Standards. 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 judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.


We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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 1997 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 applicable to small companies.

24 July 1997

Barnsley

  
**WOFFENDENS**

Chartered Accountants  
Registered Auditors

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING AN  
INCOME AND EXPENDITURE ACCOUNTYEAR ENDED 31 MARCH 1997

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 1997 £	Totals 1996 as restated £
INCOMING RESOURCES					
Core funding		-	50,114	50,114	63,450
Project funding		-	501,735	501,735	520,328
Deferred income movement		-	54,907	54,907	(60,382)
Rental income		-	3,096	3,096	3,096
Donations and gifts		-	68	68	404
Investment income		11,974	-	11,974	7,136
Other income		-	2,064	2,064	14,951
Gifts in kind		-	35,220	35,220	-
		<hr/>	<hr/>	<hr/>	<hr/>
Total income	2	11,974	647,204	659,178	548,983
		<hr/>	<hr/>	<hr/>	<hr/>
RESOURCES EXPENDED					
Direct Charitable Expenditure					
Physical environmental improvements		-	307,828	307,828	335,940
Education and community involvement		-	221,399	221,399	135,680
Integration of environment and economy		-	37,754	37,754	14,267
		<hr/>	<hr/>	<hr/>	<hr/>
		-	566,981	566,981	485,887
Other Expenditure:					
Fund-raising and publicity		-	12,379	12,379	20,319
Management and administration of charity		-	70,202	70,202	69,288
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended	4	-	649,562	649,562	575,494
		<hr/>	<hr/>	<hr/>	<hr/>
Net incoming/(outgoing) resources before transfers		11,974	(2,358)	9,616	(26,511)
Transfers between funds		(2,358)	2,358	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net movement in funds		9,616	-	9,616	(26,511)
Fund balances at 1 April 1996		51,959	-	51,959	78,470
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balances at 31 March 1997		61,575	-	61,575	51,959
		<hr/>	<hr/>	<hr/>	<hr/>

All amounts relate to continuing activities.

The company has no recognised gains or losses other than those shown above.

## WAKEFIELD GROUNDWORK TRUST LIMITED

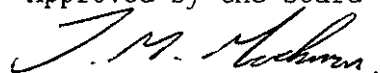
## BALANCE SHEET

31 MARCH 1997

	<u>Notes</u>	£	£	£	£
FIXED ASSETS					
Tangible assets	5		2,173		4,346
CURRENT ASSETS					
Stocks		14,479		7,004	
Debtors	6	261,996		240,635	
Cash at bank and in hand		118,175		129,118	
		<hr/>		<hr/>	
		394,650		376,757	
CREDITORS - Amounts falling due within one year	7	335,248		329,144	
		<hr/>		<hr/>	
NET CURRENT ASSETS			59,402		47,613
			<hr/>		<hr/>
NET ASSETS			61,575		51,959
			<hr/>		<hr/>
INCOME FUNDS					
Unrestricted funds:					
General funds	9		61,575		51,959
Designated funds	9		-		-
Restricted funds	9		-		-
			<hr/>		<hr/>
TOTAL MEMBERS' FUNDS	9		61,575		51,959
			<hr/>		<hr/>

The company has taken advantage in the preparation of the financial statements of the special exemptions conferred by Part I of Schedule 8 to the Companies Act 1985 on the grounds that the company qualifies as a small company.

Approved by the board on 24 July 1997



J M MACKMAN

Director



## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997**1. ACCOUNTING POLICIES****Basis of accounting**

The financial statements have been prepared under the historical cost convention. Comparative figures have been restated, and appropriate explanations given. The accounts, incorporating a Statement of Financial Activities, have been prepared in accordance with the Statement of Recommended Practice (SORP) - Accounting by Charities, and applicable accounting standards.

To reflect better the use of resources, changes have been made to the expenditure categories and the allocation under which they are shown.

**Company status**

Wakefield Groundwork Trust Limited is a company limited by guarantee. The guarantors are the Groundwork Foundation and the Wakefield Metropolitan District Council. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the company. The Trust has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Acts formats to reflect the special nature of the company's activities.

**Fund accounting**

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

Restricted funds are funds subject to specific restrictive conditions imposed by founders or by the purpose of the grants. The purpose and use of the restricted funds is set out in the notes to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities.

**Resources arising**

Core funding is in the form of grants which are accounted for on a receivable basis and are credited to income. Any unspent balances are carried forward on the appropriate fund. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

The values attributed to gifts in kind are based on a reasonable estimate of their value to the Trust, or the amount actually realised.

**Resources expended**

The cost headings comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of the resources.

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997**1. ACCOUNTING POLICIES [Continued]**

Support costs comprise all services supplied centrally identifiable as wholly or mainly in support of charitable expenditure and include an appropriate proportion of general overheads.

Central overheads are allocated on the basis of their use with the aim of ensuring that those costs remaining within administration relate to the management of the Trust's assets, organisational administration and compliance with constitutional and statutory requirements.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Project equipment and tools	-	over 5 years
Office equipment	-	over 5 years
Computer equipment	-	over 3 years

**Stocks**

Stock consists of work in progress, being the costs of work not yet invoiced but incurred on projects that remain unfinished at the end of the year. Work in progress valued at the lower of cost and net realisable value. This comprises direct cost of materials and labour, plus the attributable proportion of all overheads appropriate to location and condition.

**Cash flow statement**

The company has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company.

**Pension costs**

The company makes contributions to the West Yorkshire Local Government Superannuation Fund, a defined benefit scheme. The pension cost charge represents contributions paid by the company to the fund in respect of the year for current employees.

**Operating leases**

Rentals applicable to operating leases are charged to the income and expenditure account over the period in which the cost is incurred.

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

## 2. TOTAL INCOMING RESOURCES

	<u>1997</u> £	<u>1996</u> £
Central government	145,567	104,241
Public agencies	40,238	54,362
Local government	99,297	44,955
European union	140,248	95,664
Private sector	221,854	242,625
	<hr/>	<hr/>
Interest received	647,204 11,974	541,847 7,136
	<hr/>	<hr/>
	<u>659,178</u>	<u>548,983</u>

3. NET INCOMING RESOURCES BEFORE TRANSFERS IS  
STATED AFTER CHARGING:

Auditors' remuneration:		
Audit fee	1,975	3,605
Other services	384	2,015
Depreciation written off tangible fixed assets	2,173	14,425
Operating lease rentals:		
Land and buildings	8,150	8,150
Motor vehicles	7,386	7,386
Office equipment	2,390	1,750
Directors' emoluments	Nil	Nil
	<hr/>	<hr/>

## 4. TOTAL RESOURCES EXPENDED

	<u>Staff costs</u> £	<u>Other direct costs</u> £	<u>Other allocated costs</u> £	<u>Total 1997</u> £	<u>Total 1996</u> £
Physical environmental improvements	74,282	212,666	20,880	307,828	335,940
Education and community involvement	92,504	99,919	28,976	221,399	135,680
Integration of environment and economy	33,066	-	4,688	37,754	14,267
Management & administration of the charity	53,583	-	16,619	70,202	69,288
Fundraising & publicity	9,197	1,904	1,278	12,379	20,319
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>262,632</u>	<u>314,489</u>	<u>72,441</u>	<u>649,562</u>	<u>575,494</u>

Staff costs include £110,364 of allocated expenditure.

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

## 4. TOTAL RESOURCES EXPENDED [Continued]

	<u>1997</u> £	<u>1996</u> £
Direct charitable expenditure	512,437	435,194
Fund-raising and publicity	11,101	17,117
Management and administration of the charity	53,583	50,611
	<hr/>	<hr/>
	577,121	502,922
Allocated costs:		
Premises	18,360	16,175
Centralised services	36,037	38,361
Travel	13,298	12,590
Miscellaneous	4,746	5,446
	<hr/>	<hr/>
	649,562	575,494
	<hr/> <hr/>	<hr/> <hr/>

## 5. TANGIBLE FIXED ASSETS

	<u>Project equipment</u> £	<u>Office equipment</u> £	<u>Computer equipment</u> £	<u>Total</u> £
<u>Cost</u>				
At 1 April 1996 and 31 March 1997	7,240	49,129	47,512	103,881
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Depreciation</u>				
At 1 April 1996	7,240	49,129	43,166	99,535
Charge for year	-	-	2,173	2,173
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 1997	7,240	49,129	45,339	101,708
	<hr/>	<hr/>	<hr/>	<hr/>
<u>Net book value</u>				
At 31 March 1997	-	-	2,173	2,173
	<hr/>	<hr/>	<hr/>	<hr/>
At 1 April 1996	-	-	4,346	4,346
	<hr/>	<hr/>	<hr/>	<hr/>

The net book value at 31 March 1997 represents fixed assets which are held as unrestricted for the furtherance of the company's charitable objectives.

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

## 6. DEBTORS

	<u>1997</u>	<u>1996</u>
	£	£
Trade debtors	232,412	225,491
Other debtors	29,584	15,144
	<hr/>	<hr/>
	261,996	240,635
	<hr/>	<hr/>

## 7. CREDITORS

Amounts falling due within one year:

Trade creditors	133,195	17,175
Other creditors	202,053	311,969
	<hr/>	<hr/>
	335,248	329,144
	<hr/>	<hr/>

## 8. FINANCIAL COMMITMENTS

The company has operating lease commitments  
to pay during the next year as follows:-

Ending within one year:

Land and buildings	8,150	8,150
Motor vehicles	2,868	-
	<hr/>	<hr/>
	11,018	8,150
	<hr/>	<hr/>

Ending within two to five years:

Motor vehicles	-	7,386
Office equipment	2,082	1,750
	<hr/>	<hr/>
	2,082	9,136
	<hr/>	<hr/>

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

## 9. STATEMENT OF FUNDS

	Balance 1 April 1996	Income	Expenditure	Transfers	Balance 31 March 1997
	£	£	£	£	£
General funds	51,959	11,974	-	(2,358)	61,575
Total unrestricted funds	<u>51,959</u>	<u>11,974</u>	<u>-</u>	<u>(2,358)</u>	<u>61,575</u>
Restricted funds:					
Core funding	-	50,114	-	50,114	-
Project funding:					
Physical environmental	-	319,339	307,828	11,511	-
Education and community involvement	-	231,834	221,399	10,435	-
Integration of environment & economy	-	30,375	37,754	(7,379)	-
Fundraising & publicity	-	-	12,379	(12,379)	-
Management & admin. of charity	-	15,542	70,202	(54,660)	-
Total restricted funds	<u>-</u>	<u>647,204</u>	<u>649,562</u>	<u>(2,358)</u>	<u>-</u>
Total funds	<u>51,959</u>	<u>659,178</u>	<u>649,562</u>	<u>-</u>	<u>61,575</u>

## 10. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 March 1997 are represented by:-			
Tangible fixed assets	2,173	-	2,173
Current assets	394,650	-	394,650
Current liabilities	(335,248)	-	(335,248)
Total net assets	<u>61,575</u>	<u>-</u>	<u>61,575</u>

## WAKEFIELD GROUNDWORK TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1997

## 11. FIXED ASSET INVESTMENTS

The Trust owns the whole of the issued ordinary share capital of Groundwork Environmental Services Limited, a company registered in England. This subsidiary company did not trade during the year.

## 12. PENSION COSTS

The company makes payments on behalf of employees to the West Yorkshire Superannuation Scheme. This scheme is actuarially valued every three years.

Pension costs are assessed in accordance with the advice of a qualified actuary using the Projected Unit Method. The assumptions which have the most significant effect on the results of the valuation are:-

Rate of investment returns	-	9% per annum	
Rate of pensionable salary increases	-	6.5% per annum	
Rate of increase to present and future pensions	-	4.5% per annum	excess of guaranteed minimum pensi

The most recent actuarial valuation of the Scheme was at 31 March 1995. This showed the market value of the Scheme's assets was £2,507M and that the actuarial value of the assets was 102% of the benefits that had accrued to members after allowing for expected increases in earnings.

Contributions made by the company to the scheme during the year amounted to £16,705 (1996 £17,055).