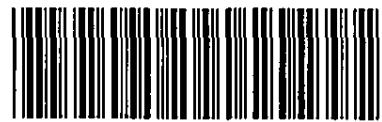


Company Registration Number: 2709331
Registered Charity Number: 1013590

MATSON NEIGHBOURHOOD PROJECT
(a company limited by guarantee)
REPORTS AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2009

FRIDAY



A19 *AHSTLGV8* 309
22/01/2010
COMPANIES HOUSE

ANDORRAN LIMITED
CHARTERED ACCOUNTANTS & REGISTERED AUDITOR
6 Manor Park Business Centre Mackenzie Way Cheltenham Glos GL51 9TX

**MATSON NEIGHBOURHOOD PROJECT
REPORTS AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2009**

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MATSON NEIGHBOURHOOD PROJECT
OFFICERS, COMMITTEE MEMBERS AND ADVISERS

DIRECTORS/TRUSTEES

M J Norman (Chair)
L E C Raine (Vice-Chair)
Rev K Durrant (Treasurer)
H Charafi
Mrs V Ellis
R M Higgs (resigned 19 December 2008)
R J T Jones
Rev Canon Dr J A Parsons
Ms A Neasmith (resigned 25 July 2008)
Insp R Cooper (resigned 23 September 2008)
S T McHale

COMPANY SECRETARY

R J T Jones

PROJECT MANAGER

Mrs J Burlow (resigned November 2008)
Ms P Liddicot (acting Project Manager)

ADDRESS & REGISTERED OFFICE

Matson Lane
Matson
Gloucester
GL4 6DX

AUDITORS

Andorran Limited
Chartered Accountants & Registered Auditor
6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Glos GL51 9TX

BANKERS

Lloyds TSB Bank Plc
19 Eastgate Street
Gloucester
GL1 1NU

MATSON NEIGHBOURHOOD PROJECT
TRUSTEES' REPORT
FOR THE PERIOD ENDED 30 APRIL 2009

The Trustees have pleasure in presenting their report and consolidated financial statements for the period ended 30 April 2009.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Project is constituted as a company limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of each member is limited to £1. The Project's governing document is its Memorandum and Articles of Association dated 24 April 1992, as amended by special resolution dated 5 September 2002.

In accordance with the amended Articles of Association, the Project is directed by an Executive Committee comprising a Chair, Vice Chair, Treasurer, Secretary, and such other Honorary Officers as the Project shall decide. The Trustees comprise the Executive Committee and between 8 and 20 Committee members. The Executive Committee meets at least four times a year.

Several of the Trustees act as directors for the purposes of the Companies Act, although the Trustees as a body retain responsibility for supervision of the Project's activities and for financial management. Details of officers, committee members and advisers are given on page 1 of these financial statements.

OBJECTIVES AND ACTIVITIES

The Project was set up as a Neighbourhood Project in 1992 to provide services to residents of the Matson Ward of the City of Gloucester in the following ways:

- the relief of persons resident in the area of benefit in need, hardship and distress, including the elderly and the disabled
- advice and information regarding their legal entitlements, particularly (but not exclusively) state benefits, housing, consumer matters and debt
- the advancement of education
- the advancement of such other charitable purposes in the interests of social welfare as are beneficial to the community

By way of Special Resolution dated 5 September 2002, the benefit area was re-defined as being Matson and Robinswood.

RELATED PARTIES

The Project was a member of the Gloucestershire Neighbourhood Projects Network until its liquidation in November 2008.

The Project owns 100% of the issued share capital of Trinity Trading (Matson) Limited, a trading company incorporated specifically to benefit Matson Neighbourhood Project. These financial statements incorporate the results of the subsidiary undertaking.

With effect from 1 May 2009 the Project transferred all of its assets, liabilities and activities to a newly-formed company limited by guarantee with charitable objectives, GL Communities, and now carries out its activities under that banner.

MATSON NEIGHBOURHOOD PROJECT
TRUSTEES' REPORT - CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The purpose of this Statement is to distinguish the Trustees' responsibilities in relation to financial statements and accounting records from those of the auditors as stated in their report.

Charity and company law requires the Trustees to prepare financial statements for each financial period which give a true and fair view of the state of affairs and of the incoming resources and application of resources of the company for 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;
- prepare the financial statements on a going concern basis unless it is inappropriate to assume that the company will continue to operate.

The Trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with relevant legislation. The Trustees 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.

FINANCIAL RESULTS AND RESERVES

The Consolidated Statement of Financial Activities shows a net deficit for the period of £10,601. This has been netted off the brought forward reserves to give carried forward reserves of £292,426.

The Trustees are aware of the need to maintain reserves at a level adequate to support the continuation of all of the Project's main areas of activity, and this is their principal focus in the present financial circumstances.

RISK MANAGEMENT

The Trustees review the major risks which the Project faces on a regular basis and carry out periodic reviews of the controls over key financial systems. The Trustees have also considered other financial, operational and business risks faced by the Project, especially the maintenance of adequate reserves, and confirm that systems have been established to mitigate, as far as possible, any significant risks.

INVESTMENT POLICY

Due to the relatively low level of funds available for investment, the Trustees consider that bank deposits provide a satisfactory return to the Project.

PUBLIC BENEFIT

In planning the Project's activities for the period the trustees kept in mind the Charity Commission's guidance on public benefit. The focus of the Project's activities during the period, which explains the delivery by the Project of public benefit, is set out below under 'Achievement and performance' and above under 'Objectives and activities'.

MATSON NEIGHBOURHOOD PROJECT
TRUSTEES' REPORT – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

ACHIEVEMENTS AND PERFORMANCE

Matson Neighbourhood Project delivered a wide range of services to the local community during the period 2008/09.

The offering of advice and representation through its advice workers has been much valued by many people facing debt, housing and family problems, and the numbers seeking help continued to increase during the period.

The Project has worked hard to disseminate information about local services and, through its involvement workers, to encourage members of the community to influence, challenge and participate in local service provision. One worker, on an annual secondment contract with the local Children's Centre, has raised the number of new volunteers significantly.

The Project has maintained its delivery of services to children and young people and was able to overcome staffing difficulties early on to keep the After School Club going strong. Good relationships have been developed with Together in Matson, the Police and other providers to enable a comprehensive provision for all ages during holiday periods as well as during school terms.

The Phoenix Club has provided much needed support for adults with learning difficulties and/or mental health issues through art therapy, creative writing, drama, social events, outings, and input from the local Anglican Church. The views and participation of the clients is sought at every opportunity.

Matson Neighbourhood Project has maintained a programme of training courses aimed at raising basic skills among the local population. The computer suite at the Phoenix Centre continues to provide an ideal venue for these courses.

FUTURE DEVELOPMENTS

Because of the suitability of its office accommodation at the Trinity Centre, Matson Neighbourhood Project became the lead agency for the merger of three of the four Gloucester Neighbourhood Projects to form GL Communities. Four members of the Board joined the provisional board for the new city-wide Project and have helped to keep the merger moving forwards. This extra responsibility and work load inevitably led to increased pressures especially with the departure of MNP's senior manager in November 2008. However, with the secondment of the White City Community Project's manager to oversee day to day activities, MNP finished the period in a healthy position and was able at the same time to play a key role in bringing the merger to fruition. The aim for the coming year is to increasingly transfer activities to GL Communities and then for Matson Neighbourhood Project to gracefully close down.

STATEMENT OF DISCLOSURE TO AUDITORS

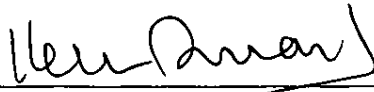
As far as the Trustees are aware, there is no relevant audit information of which the Project's auditors are unaware, and each Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the Project's auditors are aware of that information.

MATSON NEIGHBOURHOOD PROJECT
TRUSTEES' REPORT – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

AUDITORS

Andorran Limited will be proposed for reappointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.



Rev K Durrant

For and on behalf of the Trustees

Date: 19 January 2010

**REPORT OF THE INDEPENDENT AUDITORS
TO THE TRUSTEES OF
MATSON NEIGHBOURHOOD PROJECT**

We have audited the financial statements of Matson Neighbourhood Projects for the period ended 30 April 2009 on pages 7 to 18. These financial statements have been prepared under the historical cost convention and the accounting policies set out on page 10.

This report is made solely to the Trustees (who are also directors for the purposes of company law) as a body. Our audit work was undertaken so that we might state to the Trustees 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 Project and the Trustees as a body for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditor

As described on page 3 the Trustees are responsible for the preparation of the Project's financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). We have been appointed as auditors under Section 43 of the Charities Act 1993 and report in accordance with regulations made under Section 44 of that Act.

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 relevant legislation. We also report to you whether, in our opinion, the Trustees' Report is consistent with the financial statements, if the Project has not kept proper accounting records, or if we have not received all of the information and explanations we require for our audit.

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

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 Project's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Unqualified Opinion

In our opinion the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the Project's consolidated and individual affairs as at 30 April 2009 and of its incoming resources and application of resources in the period then ended and have been properly prepared in accordance with the Charities Act 1993 and the Companies Act 1985. In our opinion the Trustees' Report is consistent with the financial statements.

Andorran Limited

ANDORRAN LIMITED
Chartered Accountants and
Registered Auditor

**6 Manor Park Business Centre
Mackenzie Way
Cheltenham
Glos**

19 January 2010

MATSON NEIGHBOURHOOD PROJECT
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 30 APRIL 2009

| | 30 APRIL 2009 | | | 2008 |
|---|-----------------------|---------------------|----------------|----------------|
| | Unrestricted Funds | Restricted Funds | Total Funds | Total Funds |
| | £ | £ | £ | £ |
| INCOMING RESOURCES | | | | |
| Incoming Resources from Generated Funds (note 2) | | | | |
| Voluntary income | 36,050 | - | 36,050 | 36,050 |
| Activities for generating funds | 379,448 | 466 | 379,914 | 285,106 |
| Investment income | 15,097 | - | 15,097 | 36,185 |
| | 430,595 | 466 | 431,061 | 357,341 |
| Incoming resources from charitable activities (note 3) | 13,270 | 271,887 | 285,157 | 244,687 |
| Total Incoming Resources | 443,865 | 272,353 | 716,218 | 602,028 |
| Resources Expended | | | | |
| Costs of generating funds (note 5) | 356,264 | - | 356,264 | 273,972 |
| Charitable activities (note 6) | 88,111 | 277,744 | 365,855 | 335,403 |
| Governance costs (note 7) | 4,700 | - | 4,700 | 8,138 |
| Total Resources Expended | 449,075 | 277,744 | 726,819 | 617,513 |
| Net Movement in Funds | (5,210) | (5,391) | (10,601) | (15,485) |
| Balances transferred between funds | (29,815) | 29,815 | - | - |
| Release of grant creditor re Norbury Avenue | - | - | - | 30,000 |
| Balance brought forward at 1 April 2008 | 164,073 | 138,954 | 303,027 | 288,512 |
| Balance carried forward at 30 April 2009 | 129,048 | 163,378 | 292,426 | 303,027 |

The Project has no recognised gains or losses other than those included in the Statement of Financial Activities.


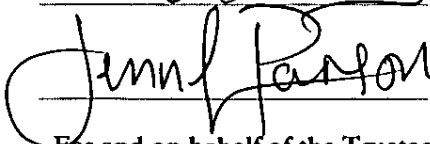
The notes on pages 10 to 19 form part of these financial statements.

MATSON NEIGHBOURHOOD PROJECT
CONSOLIDATED BALANCE SHEET
30 APRIL 2009

| | Unrestricted Funds £ | Restricted Funds £ | 2009 Total Funds £ | 2008 Total Funds £ |
|---|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | |
| Tangible assets (note 9) | 95,810 | 124,700 | 220,510 | 237,673 |
| CURRENT ASSETS | | | | |
| Stock | 750 | - | 750 | 1,634 |
| Debtors (note 12) | 25,792 | 20,984 | 46,776 | 48,393 |
| Bank and cash in hand | 30,531 | 52,593 | 83,124 | 63,856 |
| | 57,073 | 73,577 | 130,650 | 113,883 |
| CREDITORS: amounts falling due within one year | | | | |
| Creditors (note 14) | 23,835 | 34,899 | 58,734 | 48,529 |
| NET CURRENT ASSETS | 33,238 | 38,678 | 71,916 | 65,354 |
| NET ASSETS | 129,048 | 163,378 | 292,426 | 303,027 |
| FUNDS OF THE CHARITY | | | | |
| Unrestricted funds | 128,205 | - | 128,205 | 177,430 |
| Restricted funds (note 8) | - | 163,378 | 163,378 | 138,954 |
| Non-charitable trading surplus/(deficit) | 843 | - | 843 | (13,357) |
| | 129,048 | 163,378 | 292,426 | 303,027 |

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Approved by the Trustees on 19 January 2010

 Trustee
 Trustee

For and on behalf of the Trustees

The notes on pages 10 to 19 form part of these financial statements.

MATSON NEIGHBOURHOOD PROJECT**BALANCE SHEET****30 APRIL 2009**

| | Unrestricted Funds £ | Restricted Funds £ | 2009 Total Funds £ | 2008 Total Funds £ |
|---|----------------------------|--------------------------|-----------------------------|-----------------------------|
| FIXED ASSETS | | | | |
| Tangible assets (note 10) | 95,681 | 124,700 | 220,381 | 237,581 |
| Investments (note 11) | 2 | - | 2 | 2 |
| | <u>95,683</u> | <u>124,700</u> | <u>220,383</u> | <u>237,583</u> |
| CURRENT ASSETS | | | | |
| Debtors (note 13) | 5,655 | 20,984 | 26,639 | 44,400 |
| Bank and cash in hand | 23,828 | 52,593 | 76,421 | 60,788 |
| | <u>29,483</u> | <u>73,577</u> | <u>103,060</u> | <u>105,188</u> |
| CREDITORS: amounts falling due within one year | | | | |
| Creditors (note 15) | 16,429 | 34,899 | 51,328 | 45,855 |
| | <u>13,054</u> | <u>38,678</u> | <u>51,732</u> | <u>59,333</u> |
| NET CURRENT ASSETS | | | | |
| | <u>108,737</u> | <u>163,378</u> | <u>272,115</u> | <u>296,916</u> |
| NET ASSETS | | | | |
| | <u>108,737</u> | <u>163,378</u> | <u>272,115</u> | <u>296,916</u> |
| FUNDS OF THE CHARITY | | | | |
| Unrestricted funds | 108,737 | - | 108,737 | 157,962 |
| Restricted funds (note 8) | - | 163,378 | 163,378 | 138,954 |
| | <u>108,737</u> | <u>163,378</u> | <u>272,115</u> | <u>296,916</u> |

The notes on pages 10 to 19 form part of these financial statements.

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2009

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements are prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007) and Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005 revised 2008).

(b) Incoming Resources

Incoming resources are recognised in the period to which they relate, once the Project has entitlement to the resources and once the directors are certain that the resources will be received and when the monetary value can be measured with sufficient reliability.

Income from fund-raising events is shown gross, with the associated expenditure shown in cost of generating funds. Where the Project benefits from work carried out by volunteers, without charge, no value is placed on this work for accounting purposes.

(c) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, as soon as there is a legal or constructive obligation committing the Project to the expenditure.

Costs of generating funds are those costs incurred in providing services for which the Project received a direct income. Expenditure on charitable activities represents the cost of supporting the Project's objectives. Support costs are those costs incurred directly in support of expenditure on the objects of the Project.

Governance costs are those incurred in the governance of the Project and its assets, and are primarily associated with constitutional and statutory compliance.

(d) Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in, first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

(e) Tangible Fixed Assets

Individual fixed assets costing more than £100 are capitalised at cost. Where fixed assets are donated to the Project, they are included at the Trustee's valuation.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset over its expected economic useful life, as follows:-

| | |
|--------------------|--|
| Leasehold property | - straight line over the period of the lease |
| Equipment | - 25% reducing balance |

(f) Taxation

As a recognised charity, the Project is exempt from Corporation Tax so far as it relates to its charitable objects. It is not, however, exempt from VAT, and irrecoverable VAT is included in the cost of those items to which it relates.

(g) Comparative figures

The comparative figures are for the 12 month period to 31 March 2008.

(h) Consolidated financial statements

The consolidated financial statements comprise Matson Neighbourhood Project and its trading subsidiary, Trinity Trading (Matson) Limited, whose financial statements are for a 12 month period to 31 March 2009.

MATSON NEIGHBOURHOOD PROJECT

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED

FOR THE PERIOD ENDED 30 APRIL 2009

2. INCOMING RESOURCES FROM GENERATED FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2009 Total Funds £ | 2008 Total Funds £ |
|--|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <i>Voluntary income</i> | | | | |
| Local Authority contracts | 36,050 | - | 36,050 | 36,050 |
| <i>Activities for generating funds</i> | | | | |
| Trading income | 370,464 | - | 370,464 | 275,959 |
| Clothing sales | 2,411 | - | 2,411 | 2,569 |
| Phoenix Club | - | 466 | 466 | 174 |
| Others less than £1,500 | 6,573 | - | 6,573 | 6,404 |
| | 379,448 | 466 | 379,914 | 285,106 |
| <i>Investment income</i> | | | | |
| Bank interest received | 1,828 | - | 1,828 | 1,885 |
| Rent received | 13,269 | - | 13,269 | 34,300 |
| | 15,097 | - | 15,097 | 36,185 |
| | 430,595 | 466 | 431,061 | 357,341 |

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | | | | |
|-------------------------------------|--------|---------|---------|---------|
| Local Authority contracts | - | 66,957 | 66,957 | 61,471 |
| Gloucestershire County Council | 6,250 | 113,955 | 120,205 | 38,398 |
| Link Children's Centre | - | 15,167 | 15,167 | - |
| Children's Fund | - | 14,213 | 14,213 | 28,534 |
| Gloucester City Homes | - | 11,980 | 11,980 | 10,350 |
| Gloucestershire City Council | 2,000 | 40,000 | 42,000 | 105 |
| Financial Inclusion Fund | - | 3,423 | 3,423 | 13,552 |
| ADED | - | (705) | (705) | 1,971 |
| European Social Fund | - | - | - | 32,798 |
| Barnwood Trust | - | - | - | 13,995 |
| Gloucestershire Environmental Trust | - | - | - | 9,201 |
| Tudor Trust | - | - | - | 8,000 |
| Local Network Fund | - | - | - | 6,670 |
| Awards For All | - | - | - | 5,025 |
| Foundation for Sport & the Arts | - | - | - | 3,000 |
| Brandon Trust | - | - | - | 2,000 |
| National Children's Home | - | - | - | 1,222 |
| Big Lottery | - | - | - | 1,000 |
| Others | 5,020 | 6,897 | 11,917 | 7,395 |
| | 13,270 | 271,887 | 285,157 | 244,687 |

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

| 4. NET MOVEMENT IN FUNDS | 2009 | 2008 |
|--|-------------------|-------------------|
| | £ | £ |
| The net movement in funds is stated after charging:- | | |
| Operating lease rentals | 12,185 | 11,248 |
| Depreciation of tangible fixed assets | 17,475 | 17,566 |
| Audit fees | 4,700 | 4,140 |
| | <u> </u> | <u> </u> |

As permitted by Section 230 of the Companies Act 1985, the parent company's statement of financial activities has not been included in these financial statements. The net movement in funds in the parent company for the period to 30 April 2009 was a net decrease in funds of £24,801 (2008: £14,240).

Staff costs:

No remuneration was paid to any of the Trustees. The Project paid £30 (2008: £103) during the period for Trustees travelling and dependents' care expenses. The staff costs of the remaining staff were:-

| | Unrestricted Funds | Restricted Funds | 2009 Total Funds | 2008 Total Funds |
|-----------------|---------------------------|-------------------------|-------------------------|-------------------------|
| | £ | £ | £ | £ |
| Salaries | 35,174 | 143,011 | 178,185 | 227,288 |
| Social security | 3,275 | 6,621 | 9,896 | 18,657 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | 38,449 | 149,632 | 188,081 | 245,945 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

The average weekly number of staff employed was as follows:-

| | No | No |
|------------------------|-------------------|-------------------|
| Direct charitable work | 10 | 12 |
| Trading subsidiary | 1 | 1 |
| | <u> </u> | <u> </u> |
| | 11 | 13 |
| | <u> </u> | <u> </u> |

No employee received remuneration at an annual rate of greater than £60,000.

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

5. COSTS OF GENERATING FUNDS

| | Unrestricted Funds £ | Restricted Funds £ | 2009 Total Funds £ | 2008 Total Funds £ |
|--------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| <i>Trading expenses:</i> | | | | |
| Purchases for resale | 353,900 | - | 353,900 | 271,210 |
| Salaries | 665 | - | 665 | 1,202 |
| Premises expenses | 1,092 | - | 1,092 | 1,017 |
| Audit & accountancy | 490 | - | 490 | 440 |
| Sundry expenses | 54 | - | 54 | 30 |
| Depreciation | 33 | - | 33 | 30 |
| Bank charges | 30 | - | 30 | 30 |
| Taxation | - | - | - | 13 |
| | <u>356,264</u> | <u>-</u> | <u>356,264</u> | <u>273,972</u> |

6. CHARITABLE ACTIVITIES

| | | | | |
|------------------------|---------------|----------------|----------------|----------------|
| Salaries | 38,449 | 149,632 | 188,081 | 245,945 |
| Premises expenses | 30,185 | 12,225 | 42,410 | 48,517 |
| Telephone & postage | 3,550 | 3,797 | 7,347 | 5,827 |
| Stationery | 2,105 | 51 | 2,156 | 2,996 |
| Insurances | 3,602 | 848 | 4,450 | 4,637 |
| Transport & travel | 683 | 546 | 1,229 | 768 |
| Training | 85 | 449 | 534 | 389 |
| Members activities | - | 10,389 | 10,389 | 10,021 |
| Sundry expenses | 106 | 69 | 175 | 78 |
| Depreciation | 3,186 | 14,255 | 17,441 | 17,536 |
| Grants to institutions | - | 83,838 | 83,838 | - |
| Professional fees | - | 1,645 | 1,645 | - |
| Loss on sale of assets | - | - | - | 1,588 |
| Bad debts | 6,160 | - | 6,160 | (2,899) |
| | <u>88,111</u> | <u>277,744</u> | <u>365,855</u> | <u>335,403</u> |

7. GOVERNANCE COSTS

| | Unrestricted Funds £ | Restricted Funds £ | 2009 Total Funds £ | 2008 Total Funds £ |
|------------------------|----------------------------|--------------------------|-----------------------------|-----------------------------|
| Auditor's remuneration | 4,700 | - | 4,700 | 4,700 |
| Professional fees | - | - | - | 3,438 |
| | <u>4,700</u> | <u>-</u> | <u>4,700</u> | <u>8,138</u> |

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

8. CONSOLIDATED FUNDS MOVEMENT

| | Brought forward | Income | Expenditure | Transfers | Carried forward |
|----------------------------|----------------------------|----------------|--------------------|------------------|----------------------------|
| | £ | £ | £ | £ | £ |
| Restricted funds: | | | | | |
| Training & Education | - | 103,545 | (97,353) | (6,192) | - |
| Aid | - | 3,377 | (3,653) | 276 | - |
| Community Involvement | - | 26,497 | (20,195) | - | 6,302 |
| Advice & Representation | - | 14,361 | (52,407) | 38,046 | - |
| Phoenix Club | - | 69,943 | (44,990) | - | 24,953 |
| Play/Youth | - | 35,973 | (28,550) | - | 7,423 |
| One 4 All | - | 18,657 | (16,342) | (2,315) | - |
| Properties: | | | | | |
| Phoenix Centre | 75,842 | - | (9,967) | - | 65,875 |
| Trinity Centre | 63,112 | - | (4,287) | - | 58,825 |
| | <u>138,954</u> | <u>272,353</u> | <u>(277,744)</u> | <u>29,815</u> | <u>163,378</u> |
| Unrestricted funds: | | | | | |
| General | 177,430 | 73,401 | (92,811) | (29,815) | 128,205 |
| Non-charitable trading | (13,357) | 370,464 | (356,264) | - | 843 |
| | <u>164,073</u> | <u>443,865</u> | <u>(449,075)</u> | <u>(29,815)</u> | <u>129,048</u> |
| | <u>303,027</u> | <u>716,218</u> | <u>(726,819)</u> | <u>-</u> | <u>292,426</u> |

Transfers are made between restricted and unrestricted funds at the end of every accounting period in cases where:-

- i) the activity of the restricted fund has come to an end and there is an unspent balance that is not repayable to the funder(s), when the surplus is transferred to unrestricted funds; or
- ii) the restricted fund is in deficit and has either come to an end or there is no prospect of a surplus in a later period, when the deficit is eliminated by transfer from unrestricted funds.

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

Details of Restricted Funds

Training and Education

Allows us to offer a programme of training aimed at raising basic skills levels.

Aid

Grants to assist individuals & families to afford essential household equipment.

Community Involvement

Provides a programme of volunteering opportunities aimed at increasing local democracy and strengthening public participation through empowering of individuals.

Advice and Representation

Enables free information and support to be offered to clients seeking general and debt advice.

Phoenix Club

This is a drop-in centre for adults with learning disabilities and/or mental health issues.

Play/Youth

Allows the provision of an after school club and holiday play schemes.

One 4 All

Set up costs to examine the feasibility of the merger of four Gloucester Projects.

Property Funds

These funds represent the written down values of properties (Phoenix and Trinity Centres), against which future depreciation charges will be made.

9. TANGIBLE FIXED ASSETS - GROUP

| | Leasehold Property £ | Plant and Equipment £ | Total £ |
|--------------------------|-------------------------------------|--------------------------------------|--------------------|
| Cost | | | |
| As at 1 April 2008 | 336,555 | 30,494 | 367,049 |
| Additions in period | - | 312 | 312 |
| | <hr/> | <hr/> | <hr/> |
| Balance at 30 April 2009 | 336,555 | 30,806 | 367,361 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| As at 1 April 2008 | 110,701 | 18,675 | 129,376 |
| Charge for period | 14,257 | 3,218 | 17,475 |
| | <hr/> | <hr/> | <hr/> |
| Balance at 30 April 2009 | 124,958 | 21,893 | 146,851 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Value | | | |
| At 30 April 2009 | 211,597 | 8,913 | 220,510 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2008 | 225,854 | 11,819 | 237,673 |
| | <hr/> | <hr/> | <hr/> |

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

10. TANGIBLE FIXED ASSETS – PARENT COMPANY

| | Leasehold Property £ | Plant and Equipment £ | Total £ |
|--------------------------|-------------------------------------|--------------------------------------|--------------------|
| Cost | | | |
| As at 1 April 2008 | 336,555 | 30,244 | 366,799 |
| Additions in period | - | 242 | 242 |
| | <hr/> | <hr/> | <hr/> |
| Balance at 30 April 2009 | 336,555 | 30,486 | 367,041 |
| | <hr/> | <hr/> | <hr/> |
| Depreciation | | | |
| As at 1 April 2008 | 110,701 | 18,517 | 129,218 |
| Charge for period | 14,257 | 3,185 | 17,442 |
| | <hr/> | <hr/> | <hr/> |
| Balance at 30 April 2009 | 124,958 | 21,702 | 146,660 |
| | <hr/> | <hr/> | <hr/> |
| Net Book Value | | | |
| At 30 April 2009 | 211,597 | 8,784 | 220,381 |
| | <hr/> | <hr/> | <hr/> |
| At 31 March 2008 | 225,854 | 11,727 | 237,581 |
| | <hr/> | <hr/> | <hr/> |

11. FIXED ASSET INVESTMENTS

| | 2009 Total £ | 2008 Total £ |
|--|-----------------------------|-----------------------------|
| Trinity Trading (Matson) Limited – at cost | 2 | 2 |
| | <hr/> | <hr/> |

The investment in the subsidiary undertaking represents 100% of the share capital. The key figures in the financial statements of the subsidiary are:

| | | |
|---------------------------------------|--------|----------|
| Net assets/(liabilities) | 845 | (13,355) |
| | <hr/> | <hr/> |
| Net incoming resources for the period | 14,200 | 2,553 |
| | <hr/> | <hr/> |

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

| | 2009 £ | 2008 £ |
|-------------------------------------|---------------|---------------|
| 12. DEBTORS - GROUP | | |
| Trade debtors | 43,959 | 43,310 |
| Other debtors | - | 86 |
| Prepayments & accrued income | 2,817 | 4,997 |
| | <u>46,776</u> | <u>48,393</u> |
| 13. DEBTORS – PARENT COMPANY | | |
| Trade debtors | 24,020 | 39,558 |
| Prepayments | 2,619 | 4,842 |
| | <u>26,639</u> | <u>44,400</u> |
| 14. CREDITORS - GROUP | | |
| Bank overdraft | 6,867 | 1,984 |
| Trade creditors | 8,209 | 1,183 |
| Income received in advance | 38,318 | 35,101 |
| Social security & other taxes | 64 | 4,576 |
| Accruals & other creditors | 5,276 | 5,685 |
| | <u>58,734</u> | <u>48,529</u> |

Income in advance (group and parent company) includes £nil (2008: £8,101) in respect of monies advanced for infrastructure development and capacity building for the merger of the four Gloucester Projects.

| | 2009 £ | 2008 £ |
|---------------------------------------|---------------|---------------|
| 15. CREDITORS – PARENT COMPANY | | |
| Trade creditors | 8,210 | 1,183 |
| Income received in advance | 38,318 | 35,101 |
| Social security & other taxes | - | 4,401 |
| Accruals & other creditors | 4,800 | 5,170 |
| | <u>51,328</u> | <u>45,855</u> |

MATSON NEIGHBOURHOOD PROJECT
NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE PERIOD ENDED 30 APRIL 2009

16. CAPITAL COMMITMENTS

| | 2009 | 2008 |
|--|-------------|-------------|
| | £ | £ |

At 30 April 2009 the Project had capital commitments of:

| | | |
|---|-----|-----|
| Contracted for but not provided in these financial statements | Nil | Nil |
| Authorised but not contracted for | Nil | Nil |

17. STATUS

The company is limited by guarantee and therefore has no share capital. In the event of the company being wound up and the liabilities and winding up expenses being in excess of assets, the liability of a member is limited to £1.

18. RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption permitted under FRS8 not to disclose transactions with its wholly-owned subsidiary.

Until its liquidation in November 2008, Gloucestershire Neighbourhood Projects Network acted as a central body for providing support for various Neighbourhood Projects within Gloucestershire, including Matson Neighbourhood Project. All funds relating to Matson Neighbourhood Project obtained via Gloucestershire Neighbourhood Projects Network were included within the Statement of Financial Activities under the appropriate income heading.

19. CONTINGENT LIABILITIES

Various funders retain the right to claw back grants should the use of the funds not be in accordance with the terms of the grant, including a specific advance of £30,000 that is secured on the property in Norbury Avenue. In the opinion of the trustees no such liability exists at 30 April 2009.

20. OPERATING LEASE COMMITMENTS

| | 2009 | 2008 |
|--|-------------|-------------|
| | £ | £ |

| | | |
|---|--------|--------|
| The company has the following annual commitments under operating leases | 11,248 | 11,248 |
|---|--------|--------|

21. TRANSFER OF BALANCES

With effect from 1 May 2009 the Project transferred all of its assets, liabilities and activities to a newly-formed company limited by guarantee with charitable objectives, G L Communities, and now carries out its activities under that banner. The transfer agreement will be formally completed as soon as the new company receives registered charity status.