

**THE ROUNDHOUSE TRUST**

**Company Limited by Guarantee  
Registered Charity**

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31ST DECEMBER 2004**

Registered Charity Number: 1071487  
Company Number: 03572184



**THE ROUNDHOUSE TRUST**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST DECEMBER 2004**

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## **THE ROUNDHOUSE TRUST**

### **LEGAL AND ADMINISTRATION**

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#### **TRUSTEES**

N Allott  
C Amery  
D Charles  
M Davey  
A M M Elliott  
A Hodson  
K Y Kwei-Armah  
G M McIntosh  
F Millar  
S Nazerali  
L Neal  
C J Norman  
T P A Norman (Chairman)  
J Ormerod  
M Semple  
P Stothard

#### **COMPANY SECRETARY**

C Jackson

#### **EXECUTIVE TEAM**

M Davey	Chief Executive
L Beevor	Development and Marketing Director
P Hamilton	Finance Director
E Lynch	Creative Education Director
V McArthur	Programming Director
C Norman	Events Director
R Richardson	Administrator

#### **REGISTERED OFFICE**

62 Gloucester Crescent  
London  
NW1 7EG

#### **AUDITORS**

haysmacintyre  
Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

#### **BANKERS**

Co-Operative Bank  
PO Box 101  
1 Balloon Street  
Manchester, M60 4EP

Cafcash Ltd  
PO Box 2891  
West Malling  
Kent, ME19 4TA

#### **SOLICITORS**

Latham & Watkins  
99 Bishopsgate, 11<sup>th</sup> Floor, London, EC2M 3XF

## **THE ROUNDHOUSE TRUST**

### **LEGAL AND ADMINISTRATION**

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#### **CHARITY INFORMATION**

The Roundhouse Trust is both a company registered in England under Registration No. 03572184 and a registered charity under Registration No. 1071487.

The company is limited by guarantee not having a share capital and possessing a licence issued by the Department of Trade permitting the omission of the word "limited" from its name.

#### **GOVERNING DEED**

Memorandum and Articles of Association.

## **THE ROUNDHOUSE TRUST**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31ST DECEMBER 2004**

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The trustees who are the directors of the Roundhouse Trust present their report and financial statements for the year ended 31st December 2004.

#### **CHARITABLE AIMS**

The charitable aims of the Roundhouse Trust are to:

- renovate the Roundhouse to create a unique cultural resource for London and a place of inspiration, opportunity and pride for its immediate community.
- create one of Europe's most dynamic and inventive live performance venues, promoting a diverse programme of contemporary, multi-media, performing arts and spectacle to the widest possible audience.
- establish a state of the art creative centre where large numbers of young people will have access to high quality facilities and professional support through which to develop their creative potential.
- develop a way of working with young people that reflects their cultural interests and provides them with structured opportunities to apply their creativity in a commercial environment.

#### **REVIEW OF ACTIVITIES**

The main activities of the Roundhouse Trust during 2004 have been the fundraising for the £28 million Roundhouse renovation project, the management of the renovation project, and the running of creative education projects for young people.

The capital fundraising campaign has continued through the year and to date £25.3 million has been pledged.

Construction work on the renovation began in May 2004 and is expected to be completed in late 2005. During the year £5.3 million was spent on the renovation bringing the total expenditure to £10.3 million at the end of the year. There are inevitably uncertainties in terms of the final completion date and cost for a project of this size and complexity. Currently the project is progressing within planned contingencies and the Trustees will continue to monitor progress closely and take action if needed.

During the year the creative education work continued to expand with a programme encompassing music, theatre, film and TV, dance, creative writing and new media. The education team at the Roundhouse, together with their creative partners, ran more than one hundred and thirty projects during the year involving nearly three thousand young people.

The Roundhouse Trust has a further £2.7 million to raise during 2005 to achieve the target for funding the renovation project. The Roundhouse Trust has a very successful record of fundraising and the trustees believe that planned fundraising efforts will be successful in providing the funds necessary to complete the renovation.

In preparation for and following the reopening of the Roundhouse late in 2005, an increased level of revenue funding is required. During 2005 operating costs are forecast to increase significantly as the Roundhouse Trust recruits new staff and other expenditure considered necessary to prepare for the successful reopening of the Roundhouse is incurred. Much work has been undertaken, including seeking external expertise and taking appropriate professional advice to prepare plans and financial projections for the first three years after the Roundhouse reopens, although these are inevitably subject to considerable uncertainty until the future programme is settled and experience gained of operating in the renovated building. New contacts are now being made and discussions are on-going with trusts and other grant making bodies to seek these funds. The Trustees were particularly pleased with the three year commitment starting in April 2006 by the Arts Council of £600,000 each year for programming costs, and the three year commitment by Camden Council which began in April 2004 to provide from £85,000 to £150,000 each year for the Creative Education programme and some core costs.

#### **FINANCIAL REPORT FOR THE YEAR**

A total of £1,997,109 (2003: £4,662,523) was received in the form of donations. £1,966,351 of these donations were restricted donations and donations in kind to be applied towards the renovation of the Roundhouse and fundraising expenses. The remaining £30,758 represents unrestricted donations and donations in kind.

## **THE ROUNDHOUSE TRUST**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31ST DECEMBER 2004**

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#### **FINANCIAL REPORT FOR THE YEAR (continued)**

During the year a total of £3,597,047 (2003: £449,551) was received in the form of grants and sponsorship. The large increase in comparison with 2003 is due to the inclusion in incoming resources of £2,884,915 of grants for the capital renovation project. Grants and sponsorship also include £425,748 for the creative education activities, £42,000 for the artistic programming and £84,384 for office accommodation.

During the year a total of £241,274 (2003: £438,571) was generated from the use of the Roundhouse as a venue for a variety of creative and artistic activities. The start of the renovation project in May 2004 reduced significantly the income generated from the venue.

A total of £246,340 (2003: £124,453) of investment income in the form of bank interest was received. During the year all surplus cash was invested in fixed term bank deposits to increase incoming resources.

Fundraising and publicity expenditure during the year was £373,915 (2003: £309,431). In addition the Roundhouse Trust received legal services in kind relating to fundraising of £91,006 (2003: £375,116). The expenditure on fundraising and publicity reflects the significant target of raising capital funding of £28 million for the renovation of the Roundhouse and up to £500,000 in revenue funding each year to support the educational activities. The continued development of the educational activities of the Roundhouse accounted for expenditure of £463,425 (2003: £ 409,756). This was funded by a number of different charities and other grant making bodies.

Programming expenditure of £65,888 (2003: Nil) includes the costs of the Programming Director recruited at the start of 2004 and the costs involved in researching and developing an artistic programme for the Roundhouse when it reopens.

The maintenance and running of the Roundhouse accounted for expenditure of £97,639 (2003: £159,065). The decrease in expenditure compared to the previous year reflects the closure of the building for renovation.

The management and administration expenditure of £139,645 (2003: £217,569) reflected the on-going development of the necessary infrastructure to support the aims and activities of the charity.

#### **RESERVES POLICY**

The trustees' policy is to accumulate £28 million of capital reserves to fund the renovation of the Roundhouse and thereafter to seek to build up endowment capital to support the ongoing activities of the Trust. The Trustees will also seek to maintain a reasonable level of revenue reserves to provide a stable base for the on-going activities of the charity. At the year end there were £10.7 million of restricted reserves, £10.4 million of these in the Roundhouse Restoration Fund. The remaining restricted funds are for the Creative Education programme. The unrestricted fund of £139,306 represents approximately six weeks of operating costs. The designated fund of £654,000 represents approximately two years of fundraising and publicity expenditure.

#### **TRUSTEES**

The following have been trustees throughout the year to the date of this report, unless otherwise stated:

J Allen (resigned 21st June 2004)  
N Allott (appointed 10th July 2004)  
C Amery  
T Bentley (resigned 14th June 2004)  
D Charles  
M Davey (appointed 8<sup>th</sup> April 2005)  
A M M Elliott  
A Hodson (appointed 8<sup>th</sup> April 2005)  
B Hyman (resigned 2<sup>nd</sup> April 2004)  
N Jones (resigned 2<sup>nd</sup> March 2005)  
K Y Kwei-Armah (appointed 28<sup>th</sup> September 2004)  
G M McIntosh

## **THE ROUNDHOUSE TRUST**

### **TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

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#### **FINANCIAL REPORT FOR THE YEAR (continued)**

F Millar  
S Nazerali  
L Neal  
C J Norman  
T P A Norman  
J Ormerod  
M Semple  
P Stothard (appointed 19<sup>th</sup> August 2004)

#### **TRUSTEE RECRUITMENT AND TRAINING**

The structure, size and composition of the Board of Trustees are kept under review by the Board. As vacancies arise, potential candidates are approached on an individual, targeted basis. A Nominations Committee is being established to formalise this process. Trustees are appointed for an initial period of three years. New Trustees are inducted into the workings of The Roundhouse Trust via various activities including briefings from the Chairman, Chief Executive and other staff as appropriate, a Trustee Induction Pack, and tour of the Roundhouse site and office.

#### **ORGANISATIONAL STRUCTURE**

The Board of Trustees meet formally every two months to review all the activities of the charity and to provide strategic direction and guidance to the executive team. The Chief Executive attends all board meetings and other members of the executive team attend as necessary. In addition to the main Board of Trustees there are several board committees which work with the executive team to review and provide expertise and guidance on specific areas of the charity's activities. In addition to the formal Board meetings, the Chairman of the Board has weekly meetings with the Chief Executive and another trustee has regular meetings with the Finance Director.

The Board and executive team work together to establish and develop the charity's overarching objectives and strategic direction. However responsibility for the day to day operations of the Roundhouse Trust has been delegated by the Board to the executive team who work within the strategic framework, operational parameters and control environment established by the Board.

#### **VOLUNTEERS**

The Roundhouse Trust has benefited from the involvement of approximately twenty volunteers during the year. The work carried out by the volunteers includes helping with the Creative Education programme, working with the fundraising department and assisting with various administrative functions. The Roundhouse Trust particularly encourages the involvement of young people and several of the volunteers working on the Creative Education programme have been young people from the local community.

#### **RISK ASSESSMENT**

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed and systems have been established to monitor and, where appropriate, mitigate those risks.

#### **INVESTMENT POLICY**

The investment policy set by the Trustees is to invest surplus cash in low risk, high interest deposit accounts or on the money market to achieve as high a return as possible whilst not risking the capital funds.

# **THE ROUNDHOUSE TRUST**

## **TRUSTEES' REPORT (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

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### **FINANCIAL REPORT FOR THE YEAR (continued)**

#### **TRUSTEES' RESPONSIBILITIES STATEMENT**

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charitable company at the end of the financial year and of the surplus or deficit for its financial year. In preparing those financial statements, the trustees are required to:

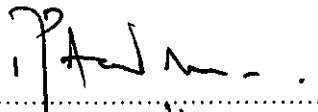
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

The auditors, haysmacintyre, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

#### **BY ORDER OF THE BOARD**

  
.....  
T P A NORMAN

Approved by the trustees on

25.5.05



**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF  
THE ROUNDHOUSE TRUST**

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We have audited the financial statements of The Roundhouse Trust for the year ended 31 December 2004 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company'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 company'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 company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities the charity's trustees are responsible for preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. The Trustees are also Directors of The Roundhouse Trust for the purposes of Company Law.

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 Trustees' Report is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read the other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or apparent material inconsistencies with the financial statements.

**Basis of audit 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 31st December 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

*haysmacintyre*  
haysmacintyre  
Chartered Accountants  
Registered Auditors

Fairfax House  
15 Fulwood Place  
London  
WC1V 6AY

*1 June 2005*

**THE ROUNDHOUSE TRUST**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

<b>INCOME AND EXPENDITURE</b>	<b>Notes</b>	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total 2004 £</b>	<b>Total 2003 £</b>
<b>Incoming resources</b>					
Donations, gifts and covenants		30,758	1,966,351	1,997,109	4,662,523
<i>Activities in furtherance of the charity's objects:</i>					
Grants		-	3,597,047	3,597,047	449,551
<i>Activities for generating funds:</i>					
Income from events and hire of space		241,274	-	241,274	438,571
Investment income		246,340	-	246,340	124,453
<b>Total incoming resources</b>		<b>518,372</b>	<b>5,563,398</b>	<b>6,081,770</b>	<b>5,675,098</b>
<b>Resources expended</b>					
<i>Cost of generating funds:</i>					
Fundraising and publicity		-	373,915	373,915	309,431
Services in kind relating to fundraising		-	91,006	91,006	375,116
<i>Charitable expenditure</i>					
<i>Cost of activities in furtherance of the charity's objectives:</i>					
Educational activities		23,556	439,869	463,425	409,756
Programming		20,888	45,000	65,888	-
Maintenance and running of the Roundhouse		83,207	14,432	97,639	159,065
Management and administration		21,422	118,223	139,645	217,569
Development project costs		-	71,981	71,981	147,937
<b>Total resources expended</b>	<b>5</b>	<b>149,073</b>	<b>1,154,426</b>	<b>1,303,499</b>	<b>1,618,874</b>
<b>Net incoming resources</b>					
<b>Before transfers</b>		<b>369,299</b>	<b>4,408,972</b>	<b>4,778,271</b>	<b>4,056,224</b>
Transfer between funds	11	31,313	(31,313)	-	-
		<b>400,612</b>	<b>4,377,659</b>	<b>4,778,271</b>	<b>4,056,224</b>
Fund balances brought forward		392,694	6,331,713	6,724,407	2,668,183
<b>Balances carried forward at 31st December 2004</b>		<b>£793,306</b>	<b>£10,709,372</b>	<b>£11,502,678</b>	<b>£6,724,407</b>

- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the statement of financial activities.

**THE ROUNDHOUSE TRUST**

**BALANCE SHEET**

**AS AT 31ST DECEMBER 2004**

	Notes	£	2004 £	£	2003 £
<b>FIXED ASSETS</b>					
Tangible assets	6		10,301,245		5,034,676
<b>CURRENT ASSETS</b>					
Debtors	7	1,495,701		413,005	
Cash at bank and in hand		5,060,917		4,905,079	
		<u>6,556,618</u>		<u>5,318,084</u>	
<b>CREDITORS: Amounts falling due within one year</b>	8	<u>(1,063,809)</u>		<u>(272,603)</u>	
<b>NET CURRENT ASSETS</b>			5,492,809		5,045,481
<b>CREDITOR: Amounts falling due within more than one year</b>	9		<u>(4,291,376)</u>		<u>(3,355,750)</u>
<b>TOTAL NET ASSETS</b>			<u><u>£11,502,678</u></u>		<u><u>£6,724,407</u></u>
<b>FUNDS AND RESERVES</b>					
Unrestricted fund			139,306		82,694
Designated Fund	12		654,000		310,000
Restricted funds	11		10,709,372		6,331,713
			<u><u>£11,502,678</u></u>		<u><u>£6,724,407</u></u>

Approved by the trustees on 25.5.05 and signed on their behalf by:

TPA NORMAN

M DAVEY

# THE ROUNDHOUSE TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2004

### 1. ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention. In preparing the financial statements the charity follows best practice as laid down in the Statement of Recommended Practice 'Accounting and Reporting by Charities', (SORP 2000) issued in October 2000 and the Companies Act 1985.

#### **Incoming resources**

Incoming resources represent the total income receivable during the year. No account is made of monies that have been pledged until receipt.

#### **Resources expended**

Expenditure including irrecoverable VAT is charged to the Statement of Financial Activities on an accruals basis.

#### **Tangible fixed assets**

Tangible fixed assets are stated at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold property	Over the period of the lease
Improvements to property	50% straight line
Furniture and equipment	33 1/3% straight line

No depreciation has been charged on renovation costs during the year. When the renovation project is completed the total costs will be written off over the estimated useful life of the building and related equipment.

#### **Pension contributions**

The charity contributes to the personal pension of one employee. Pension contributions are charged to the Statement of Financial Activities as they become due.

#### **Gifts and services received in kind**

Gifts and services received in kind are included within donations and charged to the respective expenditure heading within the Statement of Financial Activities at the best estimate of their open market value.

#### **Designated funds**

Designated funds are amounts which have been set aside at the discretion of the trustees for a specific but not legally binding purpose. Where such funds are no longer required they are released to free reserves.

### 2. NET MOVEMENT OF FUNDS FOR THE YEAR

	2004	2003
	£	£
<b>This is stated after charging:</b>		
Staff costs	567,386	467,571
Depreciation	25,186	31,955
Amortisation of lease	31,313	23,484
Auditors' remuneration – audit services	5,000	4,250
Trustee Indemnity Insurance	2,541	2,310
	<u>          </u>	<u>          </u>

**THE ROUNDHOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

**3. EMPLOYEES AND STAFF COSTS FOR THE YEAR**

	<b>2004</b>	<b>2003</b>
	<b>£</b>	<b>£</b>
<b>Staff costs during the year were as follows:</b>		
Wages and salaries	508,778	417,851
Social security costs	54,423	45,734
Other pension costs	4,185	3,986
	<u>£567,386</u>	<u>£467,571</u>

One employee received emoluments in the bracket £70,000 to £80,000 during the year (2003 : One). No other employees received remuneration of £50,000 or more in 2004 or 2003.

	<b>2004</b>	<b>2003</b>
	<b>Number</b>	<b>Number</b>
The average number of persons employed by the charity during the year	<u>18</u>	<u>16</u>

**4. TRUSTEES' REMUNERATION AND REIMBURSED EXPENSES**

In accordance with the authority contained in clause 4 (b) of the charity's Memorandum and Articles of Association, one trustee, C J Norman received a salary of £25,694 during the year (2003: consultancy fees of £9,024 and salary of £12,742) for his services. No other trustee received remuneration for their services during the year. He also received reimbursed expenses of £1,280 (2003: £594). No other trustee received any reimbursed expenses.

**5. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	<b>Staff costs</b>	<b>Other</b>	<b>Depreciation/ Amortisation</b>	<b>2004 Total</b>	<b>2003 Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs of generating funds:</b>					
Fundraising and publicity	259,384	111,557	2,974	373,915	309,431
Services in kind relating to fundraising	-	91,006	-	91,006	375,116
<b>Charitable expenditure:</b>					
Educational activities	110,592	345,371	7,462	463,425	409,756
Programming	48,769	17,119	-	65,888	-
Maintenance and running of the Roundhouse	29,821	25,662	42,156	97,639	159,065
Management and administration	105,676	30,062	3,907	139,645	217,569
Development project costs	13,144	58,837	-	71,981	147,937
	<u>£567,386</u>	<u>£679,614</u>	<u>£56,499</u>	<u>£1,303,499</u>	<u>£1,618,874</u>
<b>Other costs comprise:</b>				<b>2004</b>	<b>2003</b>
				<b>£</b>	<b>£</b>
Creative education project costs				312,083	258,951
Direct costs of hires				6,772	16,558
Other staff costs, travel and hospitality				44,036	64,378
Professional fees				20,320	32,993
Printing, postage, stationery etc				29,353	40,434
Premises and equipment costs				95,431	108,774
Non capitalised expenditure on renovation project				58,837	147,937
Bank Charges				943	723
Gifts/services in kind – office space				20,833	50,000
Gifts/services in kind - legal services relating to fundraising				91,006	375,116
				<u>£679,614</u>	<u>£1,095,864</u>

THE ROUNDHOUSE TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2004

6.	TANGIBLE FIXED ASSETS	Leasehold Property £	Renovation Costs £	Improvements to property £	Furniture & Equipment £	Total £
	Cost					
	At 1st January 2004	3,100,000	1,923,875	73,794	74,964	5,172,633
	Additions	-	5,319,813	-	4,211	5,324,024
	Disposals	-	-	(44,557)	(1,679)	(46,236)
	At 31st December 2004	3,100,000	7,243,688	29,237	77,496	10,450,421
	<b>Depreciation/Amortisation</b>					
	At 1st January 2004	23,484	-	62,563	51,910	137,957
	Depreciation for the year	31,313	-	10,275	14,911	56,499
	Relating to disposals	-	-	(43,601)	(1,679)	(45,280)
	At 31st December 2004	54,797	-	29,237	65,142	149,176
	<b>Net Book Value</b>					
	As at 31st December 2004	£3,045,203	£7,243,688	£Nil	£12,354	£10,301,245
	As at 1st January 2004	£3,076,516	£1,923,875	£11,231	£23,054	£5,034,676

All fixed assets are used for charitable purposes.

Three of the Roundhouse Trust's principal funders have charges over the leasehold interest in the Roundhouse to secure their funding of the redevelopment.

7.	DEBTORS	2004 £	2003 £
	Revenue debtors	71,330	33,828
	Tax recoverable	401,258	39,291
	Due from the Norman Trust	298,435	288,948
	Amounts due from funders	653,586	-
	Other debtors and prepayments	71,092	50,938
		<u>£1,495,701</u>	<u>£413,005</u>
8.	<b>CREDITORS: amounts falling due within one year</b>		
	Expense creditors	1,000,606	214,958
	Other creditors and accruals	35,859	36,509
	Other taxes and social security	27,344	21,136
		<u>£1,063,809</u>	<u>£272,603</u>

**THE ROUNDHOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

**9. CREDITORS: amounts falling due within more than one year**

	2004 £	2003 £
Accruals and deferred income	£4,291,376	£3,355,750

Accruals and deferred income represent amounts received for the renovation of the Roundhouse where the funding agreements include milestone conditions and obligations covering a period up to 25 years from the date of official opening. Although the Trustees believe that all the terms and conditions of these agreements have been and will continue to be met, they do not consider it appropriate to treat these as incoming resources until certain key milestone conditions have been satisfied.

In the event of default the amounts will be repayable together with interest to the funders. The Trustees believe that all the terms and conditions contained within these funding agreements have been met and therefore no interest has been provided. As the terms and conditions are expected to be met, maturity dates for the loans are not practicable to disclose.

**10. OPERATING LEASE COMMITMENTS**

	2004 £	2003 £
Office equipment – expiring in one year	-	£2,092
Rental – expiring within one to five years	£60,000	£10,000

**11. RESTRICTED FUNDS**

	1st January 2004 £	Incoming Resources £	Resources Expended £	Transfers Between funds £	31st December 2004 £
The Roundhouse Restoration Fund	6,227,718	4,760,260	(506,902)	(31,313)	10,449,763
Educational Activities Funds	144,661	300,748	(321,217)	-	124,192
Community Fund 2004					
MJ/1/10050626	(6,348)	125,000	(118,652)	-	-
Others	(34,318)	377,390	(207,655)	-	135,417
	<u>£6,331,713</u>	<u>£5,563,398</u>	<u>£(1,154,426)</u>	<u>£(31,313)</u>	<u>£10,709,372</u>

The Roundhouse Restoration Fund represents funds received for the renovation of the Roundhouse. It includes funding to purchase the leasehold interest as well as other funding for specific aspects of the redevelopment, which have been expended in accordance with the terms and conditions of the donor.

The Educational Activities Funds and the Community Fund 2004 represent funds to be applied towards educational activities.

The transfer between funds represents the amortisation charge in respect of the Roundhouse lease. This has been charged to the unrestricted fund initially to reflect the operational costs of running the Roundhouse as a venue and reallocated to the Roundhouse Restoration Fund to reflect the restricted nature of the charge.

# THE ROUNDHOUSE TRUST

## NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31ST DECEMBER 2004

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted Funds £	Restricted Funds £	Total 2004 £
Tangible fixed assets	7,390	10,293,855	10,301,245
Current assets	881,740	5,674,878	6,556,618
Creditors: amounts falling due within one year	(95,824)	(967,985)	(1,063,809)
Creditors: amounts falling due in more than one year	-	(4,291,376)	(4,291,376)
Total net assets	<u>£793,306</u>	<u>£10,709,372</u>	<u>£11,502,678</u>

Included within unrestricted funds is a designated fund totalling £654,000. This fund has been established at an amount equal to the cost incurred in fundraising and publicity in 2003 and 2004. Total fundraising expenditure in both these years was charged to restricted funds. This fund has been set aside towards funding the cost of the redevelopment of the Roundhouse.

## 13. TAXATION

The Roundhouse Trust is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

## 14. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee and has no share capital. The liability of each member is limited to the sum of £10 per member.

## 15. RELATED PARTY TRANSACTIONS

Torquil Norman and Caspar Norman are trustees of both the Roundhouse Trust and the Norman Trust.

During 2003 the Roundhouse Trust acquired a 99 year leasehold interest in the Roundhouse from the Norman Trust for £3.1m. At the same time the Norman Trust guaranteed the Roundhouse Trust obligation to the DFES of £3,355,750 pending the grant of planning permission and the entering into the building contract for the renovation of the Roundhouse. During 2004 the Roundhouse Trust received planning permission and the building contract commenced and therefore the Norman Trust guarantee was discharged. In connection with this guarantee the Roundhouse Trust deposited £255,750 with the Norman Trust. Interest of £9,487 (2003: £5,136) due from the Norman Trust in respect of this deposit has been included in investment income.

As part of the funding agreement with the DFES, the Roundhouse Trust entered into a Pre-Emption Agreement with the DFES and the Norman Trust in 2004. This agreement grants certain pre-emption rights to the Norman Trust in the event that, as a result of a default by the Roundhouse Trust, the DFES exercises its rights to appoint a receiver or seeks to dispose of the 99 year leasehold interest in the Roundhouse.

In March 2003 the Norman Trust granted to the Roundhouse Trust a 25 year lease at a nominal rent of land adjacent to the Roundhouse.

At the year end the Norman Trust owed the Roundhouse Trust £298,435 (2003: £283,812). This amount was repaid to the Roundhouse Trust during February 2005.

## 16. PENSIONS

During the year the charity contributed to a defined contribution pension scheme for one employee. The cost for the year amounted to £4,185 (2003: £3,986).



**THE ROUNDHOUSE TRUST**

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**FOR THE YEAR ENDED 31ST DECEMBER 2004**

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<b>17. COMMITMENTS</b>	<b>2004</b>	<b>2003</b>
Authorised and contracted	£12,085,740	£16,389,590
Authorised but not contracted	£830,000	-
	<u>                    </u>	<u>                    </u>

**18. CONTINGENT LIABILITY**

The funding agreements with two of the principal funders providing funds totalling £7,320,000 of which £2,884,914 (2003 - Nil) have been recognised in the accounts for the renovation project includes terms and conditions that would require repayment of the funding plus interest under certain circumstances. The Trustees believe that all the terms and conditions of these agreements have been and will continue to be met and therefore no provision for the repayment of the funding or the interest has been made.