

Co House
Registered Charity No: 1084194
Company No: 3685423

HESTERS WAY PARTNERSHIP LIMITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2001



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HESTERS WAY PARTNERSHIP LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

S Bradfield	Chairman	BITC
J Higgs		Glos HA
H Evans	(Resigned 31 December 2001)	Gloscat
D Joy	(Resigned 18 January 2001)	Bromford Housing Group
A French		Cheltenham Federation
R Godfrey		St Mark's CA
B Thomson		HWNP
P Blake		Family Space
Cllr B Driver	(Resigned 13 November 2001)	HWP
A Bowron	(Appointed 23 May 2001)	Bromford Housing Group
R McNally	(Appointed 13 March 2001)	GCHQ
Cllr R E Garnham	(Appointed 20 November 2001)	Cheltenham Borough Council

Secretary

J Webster

Registered Office and Principal Address

PO BOX 133
Municipal Offices
Promenade
Cheltenham
Glos
GL51 7YT

Registered Auditors

Horwath Clark Whitehill
Chartered Accountants
Carrick House
Lypiatt Road
Cheltenham
Glos
GL50 2QJ

Bankers

Lloyds TSB Plc
130 High Street
Cheltenham
Glos
GL50 1EW

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The Trustees, who are the directors of Hesters Way Partnership Limited, which is a charitable company present their report together with the audited financial statements for the year ended 31 December 2001.

Constitution

Hesters Way Partnership Limited was incorporated on 17 December 1998, as a company limited by guarantee and registered as a charity with the Charity Commission on 20 December 2000.

Objects

The objects are to pursue any charitable purpose for the benefit of the inhabitants of the Hesters Way area in the Borough of Cheltenham, without distinction on the grounds of gender, race, religious or political or other opinions. In particular the relief of poverty and the advancement of education and training, the preservation and enhancement of the environment, the preservation and protection of physical and mental health, and the provision of leisure and community facilities in the interests of social welfare.

Activities and achievements during the year

Activities have increased significantly during the year. The construction of the Resource centre commenced following the gift of the land situated in Princess Elizabeth Way. The practical completion stage is expected in April 2002. Gross incoming resources for the year rose to £1.1 million to finance the capital construction costs incurred during the year.

We gratefully acknowledge the support of:

	£
South-West RDA	155,479
CBC	77,300
Gloscat	550,000
National Lottery Charities Board	179,262
SRB	85,000
Barnwood House Trust	10,000
Primary Care Group	35,000
Glos Housing Association – paid direct to supplier see below	8,000
Cheltenham Borough Council	8,000
Cheltenham and District Housing Association	8,000
Lloyds TSB foundation	10,000
	<u>1,126,041</u>

Reserves policy

The charity has considered its policy on reserves. The current aim is to have the necessary funds to complete the building of the Resource Centre. The long term aim will be to lease out the centre, the income will cover the staffing costs of the centre.

Trustees' responsibilities

The Trustees are required by law to prepare financial statements for each financial period, which give a true and fair view of the state of affairs of the Charity as at the end of the financial period and of the surplus or deficit of the Charity for that period.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The Trustees confirm that suitable accounting policies have been used and applied consistently and that reasonable prudent judgements and estimates have been made in the preparation of the financial statements for the period ended 31 December 2001. The Trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Trustees are responsible for keeping proper accounting records, 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, Horwath Clark Whitehill will be proposed for reappointment.

Approved by the Trustees on 12 March 2002
And signed on their behalf by:-

S Braafeld
CHAIR.

INDEPENDENT AUDITORS REPORT TO THE MEMBER OF HESTERS WAY PARTNERSHIP LIMITED

We have audited the financial statements of Hesters Way Partnership Limited, for the year ended 31 December 2001 on pages 5 to 12 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 on page 7.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on pages 2 and 3 the Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

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 charity 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 charity is not disclosed.

We read 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 material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

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 judgments made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

UNQUALIFIED OPINION

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2001 and of the incoming resources and application of resources for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Horwath Clark Whitehill

Horwath Clark Whitehill
Chartered Accountants and Registered Auditors
Date: 13 March 2002

Statement Of Financial Activities
For the Year Ended 31 December 2001

	Notes	Unrestricted General £	Restricted Funds £	Total Funds 2001 £	Total Funds 2000 £
INCOMING RESOURCES					
Grants received		2,300	803,741	806,041	13,806
Donations	3	125	320,000	320,125	-
Investment income	4	<u>2,444</u>	<u>-</u>	<u>2,444</u>	<u>-</u>
Total incoming resources		<u>4,869</u>	<u>1,123,741</u>	<u>1,128,610</u>	<u>13,806</u>
RESOURCES EXPENDED					
Charitable expenditure:					
Management and Administration		<u>4,418</u>	<u>39,714</u>	<u>44,132</u>	<u>13,806</u>
Total Resources expended	5	<u>4,418</u>	<u>39,714</u>	<u>44,132</u>	<u>13,806</u>
Net incoming resources before transfers		451	1,084,027	1,084,478	-
Gross transfers between funds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net movement in funds		451	1,084,027	1,084,478	-
Balances brought forward at 1 January 2001		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balances carried forward at 31 December 2001		<u>451</u>	<u>1,084,027</u>	<u>1,084,478</u>	<u>-</u>

All amounts relate to continuing operations.

The notes on pages 7 to 12 form part of these financial statements

HESTERS WAY PARTNERSHIP LIMITED

Balance Sheet
As At 31 December 2001

	NOTES	£	2001 £	2000 £
Fixed Assets				
Tangible fixed assets	8		878,130	55,099
Current Assets				
Debtors	9	43,611		2,944
Cash at bank and in hand		<u>164,460</u>		<u>6,335</u>
		208,071		9,279
Creditors: amounts falling due within one year	10	<u>(1,723)</u>		<u>(3,378)</u>
Net Current Assets			<u>206,348</u>	<u>5,901</u>
			1,084,478	61,000
Creditors: amounts falling due after more than one year	11		-	<u>(61,000)</u>
Net Assets			<u>1,084,478</u>	-
Funds				
Unrestricted	12		451	-
Restricted	13		<u>1,084,027</u>	-
			<u>1,084,478</u>	-

The financial statements on pages 5 to 12 were approved by the Board of Trustees on 12 March 2002 and were signed on its behalf by:

St Braafeld
CHAIR

The notes on pages 7 to 12 form part of these financial statements

**Notes to the Financial Statements
For the Year Ended 31 December 2001**

1. ACCOUNTING POLICIES

a. Basis of Accounting

The financial statements have been prepared under the historical cost convention, in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000) and follow the recommendations in Statement of Recommended Practice: Accounting by Charities, published in November 2000.

- b.** Grants received comprises grants received in the period. Interest and donations are taken to income on a received basis.
- c.** Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write them off over their estimated useful working lives as follows:

Freehold buildings - Nil%

- d.** Expenditure is accounted for on the accruals basis. The costs incurred in the general running of the charity are all those costs incurred by the charitable company, which are not directly attributable to the charitable objects of the Charity, have been included within management and administration.
- e.** The financial statements do not include a cash flow statement because the Charity, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1.
- f.** Gifts in kind are valued at the open market value at the date of transfer. Where the gift is an asset which is to be used by the charity, the asset is capitalised within fixed assets.

2. TAXATION

No provision for taxation, other than value added taxation, has been made in these accounts because the Trust, a registered charity, is exempt from taxation.

3. DONATIONS

	2001 £	2000 £
Donations	125	-
Gifts in kind	<u>320,000</u>	<u>-</u>
	<u>320,125</u>	<u>-</u>

Gifts in kind comprise of the donation of the land situated in Princess Elizabeth Way, Cheltenham for the development of a resource centre.

4. INVESTMENT INCOME

	2001 £	2000 £
Interest Receivable	<u>2,444</u>	<u>-</u>

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2001

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Total £
Other Expenditure			
Management and administration costs	<u>24,823</u>	<u>19,309</u>	<u>44,132</u>

6. NET INCOMING RESOURCES FOR THE FINANCIAL YEAR

	2001 £	2000 £
Net incoming resources are stated after charging:		
Auditors' Remuneration	1,375	-
Auditors' Remuneration Non - Audit	<u>1,681</u>	<u>-</u>

Neither the Trustees who are the directors, nor any persons connected with them received any remuneration in 2001 or 2000.

7. STAFF NUMBERS AND COSTS

The average number of persons employed by the charity during the year, analysed by category, was as follows:-

	2001	2000
Management and administration	<u>1</u>	<u>1</u>

The aggregate payroll costs of these persons were as follows:-

	2001 £	2000 £
Wage costs recharged by Gloucestershire Housing Association for Hesters Way Partnership Ltd project co-ordinator	<u>24,823</u>	<u>-</u>

No employees receive emoluments in excess of £50,000.

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2001

8. TANGIBLE FIXED ASSETS

	Freehold buildings £
Cost	
At 1 January 2001	55,099
Additions	<u>823,031</u>
At 31 December 2001	<u>878,130</u>
Net book value at 31 December 2001	<u>878,130</u>
<i>Net book value at 31 December 2000</i>	<i><u>55,099</u></i>

9. DEBTORS

	2001 £	2000 £
Amounts falling due within one year:		
Accrued income	13,981	2,944
VAT repayable	<u>29,630</u>	<u>-</u>
	<u>43,611</u>	<u>2,944</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2001 £	2000 £
Trade creditors	823	3,378
Accruals	<u>900</u>	<u>-</u>
	<u>1,723</u>	<u>3,378</u>

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2001 £	2000 £
Deferred income	<u>-</u>	<u>61,000</u>

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2001

12. UNRESTRICTED FUND

	General Fund £
Balance at 1 January 2001	-
Net incoming resources before transfers	451
Transfer from Restricted funds	-
Balance at 31 December 2001	<u>451</u>

General Fund

This is an unrestricted fund from which all the management and administrative expenses of the charity are met.

13. RESTRICTED FUNDS

	Professional Fees £	Construction Works £	Fixtures & Fittings £	Total Restricted Funds £
At 1 January 2001	-	-	-	-
Net incoming resources in year before transfers	<u>108,625</u>	<u>965,402</u>	<u>10,000</u>	<u>1,084,027</u>
At 31 December 2001	<u>108,625</u>	<u>965,402</u>	<u>10,000</u>	<u>1,084,027</u>

Construction Works

This is a restricted fund with monies from the main donors to be spent on construction works.

Professional Fees

This is a restricted fund with monies from the Primary Care Group, South West RDA, Gloucestershire Housing Association, Cheltenham Borough Council, Cheltenham and District Housing Association and Gloucestershire County Council to be spent on professional fees.

Furnishings and Equipment

This is a restricted fund with monies from Lloyds TSB plc to be spent on furnishings for a function room.

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2001

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Current Assets £	Current Liabilities £	Total £
Restricted Fund	878,130	207,620	(1,723)	1,084,027
Unrestricted funds	-	451	-	451
Total	<u>878,130</u>	<u>208,071</u>	<u>(1,723)</u>	<u>1,084,478</u>

15. DEFERRED INCOME

	Grants Deferred £
Released from the previous year	61,000
Deferred in the current year	-
Net movement on the deferred account	<u>61,000</u>

16. ANALYSIS OF MANAGEMENT AND ADMINISTRATION EXPENDITURE

	2001 £	2000 £
Staff costs	24,823	-
Legal and professional	13,210	11,894
Advertising and promotion	2,288	571
Postage	104	600
Trade subscriptions	-	27
Bank charges	15	26
Sundry	216	(15)
Rent	-	72
Auditors' remuneration	1,375	-
Auditors' remuneration non-audit	1,681	-
Insurances	<u>420</u>	<u>631</u>
	<u>44,132</u>	<u>13,806</u>

17. PURCHASE OF INSURANCE

In 2001 £420 was spent by the charity on public liability insurance to protect the charity from loss arising from the neglect or defaults of its trustees or employee.

Notes to the Financial Statements (continued)
For the Year Ended 31 December 2001

18 CAPITAL COMMITMENTS

At the end of the year capital commitments were:

	2001	2000
	£	£
Contracted but not provided for:	<u>1,075,966</u>	<u>-</u>