AMENDED ACCOUNTS

THE RUGBY PORTOBELLO TRUST

(a company limited by guarantee)

REPORT OF THE COMMITTEE

AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED

31 MARCH 2004

PHILIP HUDSON & CO
Chartered Accountants
89 Chiswick High Road
London W4 2EF

Company number: 4816209 Charity number: 1100143



(a company limited by guarantee)

COMMITTEE Adam Hackett (Chairman) - appointed 1.7.03 -

Bill Lake - appointed 1.7.03

Guy Mayers (Treasurer) - appointed 1.7.03 - appointed 22.9.03 -

Jane McVittie - appointed 22.9.03 - appointed 1.7.03 -

Sarah Evans - appointed 22.9.03 - Amanda Cairns - appointed 1.7.03 -

Amanda Cairns - appointed 1.7.03 - appointed 1.7.03

Alison Derham - appointed 1.7.03 *
Donald Douglas - appointed 1.7.03 *

David Ray - appointed 1.7.03 -

Tony Shearer - appointed 1.7.03 *

REGISTERED OFFICE

73 St Charles Square

London W10 6EJ

BANKERS

Bank of Scotland

PO Box 10

38 St Andrews Square

Edinburgh EH2 2YR

AUDITORS

Philip Hudson & Co

Chartered Accountants & Registered Auditors

89 Chiswick High Road

London W4 2EF

REGISTERED CHARITY NUMBER:

1100143

COMPANY REGISTRATION NUMBER:

4816209

TRUSTEES REPORT

The trustees present their annual report with the financial statements of the company for the period ended 31 March 2004.

Objects of the Charity

The charity is a company limited by guarantee, which was incorporated on 1 July 2003 for the purpose of combining three existing charitable organisations, referred to under principal activities elow, into one body. Its objects are the empowerment of young people in areas of social and economic deprivation and in particular within West London by offering a range of social and economic programmes aimed at tackling homelessness, exclusion and poverty for those most at risk between the ages of 13 and 25 years old.

Under the articles of association, the company is managed by the board of trustees. The trustees meet regularly and receive detailed reports from members of staff to retain effective control over the organisation and monitor the staff activities.

Trustees

Adam Hackett (Chairman)
Bill Lake
Guy Mayers (Treasurer)
Debbie Bourke
Jane McVittie
arah Evans
Amanda Cairns
John Reynolds
Lison Derham
Donald Douglas
David Ray
Tony Shearer

Principal Activities

Following agreement of the Charity Commissioners, The Rugby Portobello Trust (RPT) commenced its activities in October 2003 with the merger of the activities and the net assets of three organisations, namely The Rugby Clubs, Portobello Houseshare and Portobello Trust Limited. The merger brought together 150 years experience of working with young people in North Kensington as well as the consolidation of the provision of accommodation, training and youth education.

The Trust mission is to work with disadvantaged young people up to 25 years old, helping them towards achieving a relevant education and ultimately social and economic independence

TRUSTEES REPORT(continued)

Review of the Trust's Activities

Under the arrangement to combine the net assets of the three organisations under the umbrella of RPT the following transfers were achieved in the period of these accounts:-

a) The funds of Portobello Houseshare and Portobello Trust were fully transferred and comprise restricted and unrestricted funds as detailed in the "SOFA" on page 7. The funds received, principally bank balances, were as follows:-

Portobello Houseshare 299,892 Portobello Trust Limited 102,839

£ 402,731

b) The available cash balances of The Rugby Clubs totalling £ 693,191 and separately referred to in the agreement for the transfer of their assets, were transferred to RPT in the period are shown as an expendable endowment in the "SOFA" on page 7.

The remaining assets of The Rugby Clubs comprising land and buildings are currently in the process of being formally transferred to RPT. The properties to be transferred are:-

- a) The Club Premises at 223 Walmer Road London W11, together with Network Housing Association premises above The Club at the same address, subject to a long lease.
- Freehold interest in building at 225 Portland Road W11
- c) Land and residential properties in Kent.

he focus of The Rugby Portobello Trust has been working on the development of its new centre in Walmer Road, Notting Hill which is due to open early in 2005 and which will provide a much needed Youth Education Campus.

Whilst the building has been closed we have continued to provide our drugs education project in the Royal Borough of Kensington and Chelsea and Westminster Schools and we continued to provide 60 local young people with housing facilities of which 39 are housed in our 5 hostels in Westbourne Park Road, Oxford Gardens, North Pole Road, Barlby Road and Bevington Road. The rest of our tenants are housed in independent flats based in North Kensington. We are working closely with the Supporting People Team at The Royal Borough of Kensington and Chelsea. In October we had our first inspection which was completed satisfactorily.

In addition we have continued to run our Kosovan Refugee Computer Club and we continued to provide local young people with activities, thanks to our volunteers Richy Jacobs, Lorraine Powell and Sue Brown. Young people have been canoeing at Canalside Activities Centre and rock climbing and playing fives at Westway Sports Centre. Tina Alkaff has prepared young people for The Duke of Edinburgh Award. We now have 6 different football teams for ages up to 25 years old.

TRUSTEES REPORT(continued)

We would like to thank Campden Charities, Westway Development Trust, The Buttle Trust, The Lawrence Atwell Trust, St Martin in the Fields Vicar's Relief Fund, Housing the Homeless Central Fund, The Mercer's Company The Salvation Army The Family Welfare Association The Pocklington Apprenticeship Trust and The Society of Friends and all those who have kindly supported our young people.

In addition we would like to thank our volunteers. Catherine Moss, our Hon Volunteer co-ordinator, now has over 30 volunteers who support our young people.

The Neighbourhood Support Fund, RBK & C Community Education, Help a London Child, The Hollick Family Trust, Golborne United and Westway Development Trust have all generously donated funding to PT.

The new organisation is based at 73 St Charles Square which acts as our office base and which also has a small emputer room which is used by all our young people. Twice a week we run the Kosovan Computer Club and would like to thank The Neighbourhood Support Fund for their financial support of this.

Future Development

RPT is committed to developing its property assets and is working on a number of projects that might contribute to reducing dependence on public funding. The property assets are:-

- The Rugby Portobello Trust's Centre in Walmer Road, which is undergoing a major development financed by Network Housing Association in return for a 99 year lease at a peppercorn rent. This will be the major focus for the activities of the organisation and will also generate some income.
- The Rugby House in Portland Road which will provide a small but stable rental income.
- The campsite at St Mary's Bay in Kent which was shut for repairs and renewals during this period and opened for the Summer Season at Easter 2004.

PT is also working on a number of fundraising strategies aimed at securing its revenue funding needs for the next 10 years.

RPT Trustees and staff are working on a range of activities which will take place in the new Centre in Walmer Road. These will include:-

- Training courses
- A gymnasium / fitness centre
- ICT facilities
- A café and social facilities
- A specialist school

Fundraising 2003/2004

The focus of RPT fundraising efforts was the additional capital cost of £500,000 needed to complete the centre in Walmer Road. Applications for funding were made for £500,000.

We also ran our successful Christmas Fair, which raised £12,000 and our most successful Brain Game event raised £47,000.

TRUSTEES REPORT (continued)

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications for grants, which arise from time to time. Unrestricted funds were maintained at this level throughout the year.

Risk Management

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

Trustees Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the 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 application of accounting standards and statements of recommended practice have been followed subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any me the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking steps for the prevention and detection of fraud and other irregularities.

ould you please note that we have been instructed to act for the above and we enclose signed form 64-8 for your records.

Taxation Status

In the opinion of the committee the company is exempt from corporation tax in view of the fact that it is a registered charity.

Auditors

Philip Hudson & Co, Chartered Accountants, will be proposed for re-appointment in accordance with section 385 of the Companies Act 1985. This report has been prepared in accordance with the special provision relating to small companies within Part VII of the Companies Act 1985.

SIGNED ON BEHALF OF THE BOARD

Guy Mayers

24 March 2005

INDEPENDENT REPORT OF THE AUDITORS TO THE MEMBERS OF

THE RUGBY PORTOBELLO TRUST

We have audited the financial statements on pages 1 to 14 which have been prepared under the historical cost convention on the basis of accounting policies set out on page 9 and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

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 Trustees' Report, the company's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. Our esponsibility 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 company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing ractices 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 counting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true a fair view of the state of the company's affairs at 31 March 2004 and of its incoming resources and application of resources, including its income and expenditure, for the nine month period then ended and have been properly prepared in accordance with the provision of the Companies Act 1985 applicable to small companies.

PHILIP HUDSON & CO

Chartered Accountants and

Registered Auditors

89 Chiswick High Road

London

W4 2EF

STATEMENT OF FINANCIAL ACTIVITES AND INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD 1 JULY 2003 TO 31 MARCH 2004

N	lote	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Restricted Expendable Endowment £	Total Funds £
Income and expenditure						
Incoming resources: Funds transferred from Legistered charities Portobello Houseshare Portobello Trust Limited The Rugby Clubs	15	240,142 30,951		4 <i>,</i> 750	55,000 71,888 693,191	299,892 102,839 693,191
		271,093		4,750	820,079	1,095,922
Grants Donations Fees and contributions Investments and other income	3 4 5 6	7,215 9,852 - 68,191		57,273 21,540 322,763		64,488 31,392 322,763 68,191
Total incoming resources		356,351		406,326	820,079	1,582,756
esources expended: Costs of generating funds:- Fundraising and publicity	7	37,834				37,834
-	8		55,000	267,566		322,566
Project expenditure	9			67,939		67,939
Management and administration	10	53,703		71,844		125,547
Total resources expended		91,537	55,000	407,349		553,886
Net incoming/(outgoing) resources before transfers Transfers between funds		264,814 (56,023)	(55,000) 55,000	(1,023) 1,023	820,079	1,028,870
Surplus for the period	15	208,791	-		820,079	1,028,870
Fees and contributions Investments and other income Total incoming resources esources expended: Costs of generating funds:- Fundraising and publicity haritable expenditure: Housing and support Project expenditure Management and administration Total resources expended Net incoming/(outgoing) resources before transfers Transfers between funds	5 6 7 8 9 10	68,191 356,351 37,834 53,703 91,537 264,814 (56,023)	55,000 (55,000)	322,763 - 406,326 - 267,566 67,939 71,844 - 407,349 - (1,023)	820,079	31 32 6 12 55 1,02

The notes on pages 10 to 14 form part of these financial statements.

AT 31 MARCH 2004

THE RUGBY PORTOBELLO TRUST

BALANCE SHEET	A	T 31 MARCH 20
	Note	£
FIXED ASSETS	10	0.000
Tangible fixed assets	12	2,933
CURRENT ASSETS		
Debtors	13	84,306
Cash at bank and in hand		1,038,550
		1,122,856
CREDITORS: amounts falling due within one year	14	(41,919)
NET CURRENT ASSETS		1,080,937
TOTAL ASSETS LESS CURRENT LIABILITIES		£ 1,083,870
Represented by:		
FUNDS	15	
Expendable endowment - restricted		820,079
Designated funds – unrestricted		55,000
General fund - unrestricted		208,791
		£ 1,083,870
•		4 1,000,070

These accounts have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities. (Effective June 2002)

Approved by the committee on 24 March 2005 and signed on its behalf by:

Bill Lake

Committee member

W.J.J. Lhe

The notes on pages 10 and 14 form part of these financial accounts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD 1 JULY 2003 TO 31 MARCH 2004

1. ACCOUNTING POLICIES

Basis of accounting:

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice on Accounting by Charities (SORP 2000) and the Financial Reporting Standard for Smaller Entities (effective June 2002).

<u>Cash flow statement:</u>

The company is exempt from the requirement to prepare a cash flow statement as it is a small company as defined by section 247 of the companies Act 1985.

Tangible fixed assets:

The company manages various residential properties on behalf of other unconnected registered charities who are owners of and who are, basically responsible for the external maintenance and repairs to these properties. The rooms in the property are let out to young people in need. Depreciation is provided on tangible fixed assets as follows in order to write off each asset, less its residual value, over its estimated useful life.

Computer depreciation: 50% on a straight-line basis

Expenditure on furniture, furnishings and equipment used in managed properties is written off in the year of purchase as in the view of the committee it has a very limited useful life.

Grants and donations:

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Income from grants and donations is credited to the general fund unless restricted by the donors to specific purposes. Other income is on an accruals basis.

Charitable status:

The company is registered as a charity under registration number. Accordingly the company should be exempt from corporation tax in respect of its charitable activities and investment income received.

Income:

The income of the company is attributable to continuing operations.

Value added tax:

Value added tax borne is included with the relative assets or expenses and is not shown separately.

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MARCH 2004

1. ACCOUNTING POLICIES (Continued)

Unrestricted funds:

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

Designated funds:

Designated funds are unrestricted funds earmarked by the management committee for particular purposes.

Restricted funds:

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

TURNOVER

Turnover represents grants, donations, rents receivable and sundry income.

3. GRANTS

Income from grants was received as follows:

Restricted Funds

		Unrestricted Funds	Housing & GCS	Drugs Education Project	STPP Projects	Youth Projects	Total Funds 2004
	Royal Borough Kensington & Chelsea Westminster City Council	4,000 3,215	8,000	9,733 7,700	8,349	5,000	18,733 27,264
	Community Development Foundation (NSF) Paddington Development Trust	, , , , , , , , , , , , , , , , , , ,	7,748			10,743	10,743 7,748
	Total Grants	7,215	15,748	17,433	8,349	15,743	64,488
4.	DONATIONS						
	Campden Charities	_	_	-	-	20,640	20,640
	Help a London Child	-	-	_	-	900	900
	De Vitre Fund	350	-	-	-	-	350
	Individuals	1,012	-	-	-	-	1,012
	Other – The Rugby Clubs	8,490	-	-	-	-	8,490
		9,852	-	-	-	21,540	31,392
5.	FEES & CONTRIBUTIONS						
	General Counselling & Support	-	173,764	-	-	-	173,764
	Rents	-	123,534	-	-	-	123,534
	Social Service Fees	-	15,891	-	-	-	15,891
	Other Fees & Contributions	-	9,574	-	-	-	9,574
		-	322,763	_	-	-	322,763

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MARCH 2004

6. INVESTMENT & OTHER INCOME

Restricted Funds

	Unrestricted Funds	Housing & GCS	Drugs Education Project	STPP Projects	Youth Projects	Total Funds 2004
Bank Interest Fundraising Income	9,465 58,726	-	-	- -	-	9,465 58,726
	68,191	-	<u>.</u>	-	<u>.</u>	68,191
7. FUNDRAISING AND PUBLICITY	Unresi	briata d	Designated	Restricte	nd.	Total
		rictea Funds	Funds	Fun		Total
	•	£	£	Tun	£	£
Advertising & promotion		3,063	_		_	3,063
Consultancy		9,750	-		-	9,750
Salaries		2,558	-		-	2,558
Brain game		19,220	-		-	19,220
London marathon		1,469	-		-	1,469
Christmas fair		1,774	-		-	1,774
	-			-		07.004
	,	37,834	-		-	37,834
HOUSING AND SUPPORT	_					
Registered social landlord charges		-	-	60,3		60,382
Bad debts		-	-	12,2		12,256
Cleaning		-	-	1,1		1,187
General expenses		-	-	3,8:		3,823
Light and head		-	-	8,0 1,0		8,008 1,005
Staff welfare		_	_	8,6		8,679
Residents expenses Repairs and maintenance		_	-	11,5		11,502
Volunteer expenses		-	_		00	300
Salaries & social security }						
Costs }		-		145,3	95	145,395
Telephone		-	-	7,0		7,020
Training		-	-	9	63	963
Travel		-	-	8:		855- 855
Furniture		-	4F 000	6,1	91	6,191
Furniture replacement		-	45,000 10,000		_	-
Emergency fund for young people			10,000		-	
		-	55,000	267,5	66	322,566

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MARCH 2004

9.	PROJECT EXPENDITURE			
		Unrestricted	Restricted	Total
		Funds	Funds	
		1.7.03 to	1.7.03 to	1.7.03 to
		31.3.04	31.3.04	31.3.04
			<u> </u>	
	Schools teenage pregnancy sessions		14,597	14,597
	Driving lessons	-	9,020	9,020
	Galborne Club - IT	-	9,970	9,970
	Sports activities	-	1,385	1,385
	Kosovan club	-	3,743	3,743
	Drugs project	-	29,224	29,224
	0 1)		<u></u>	
		-	67,939	67,939
10.	MANAGEMENT AND ADMINISTRATIO	N COSTS		
10,				
	Salaries and social }			
	security costs)	18,492	43,146	61,638
	Legal and professional	2,753	· -	2,753
	Consultancy	350	-	350
	Audit and accountancy	4,582	-	4,582
	Computer software and IT	2,335	5,447	7,782
	Bank charges	180	-	180
	Council tax and water rates	2,125	4,959	7,084
	Repairs and maintenance	1,854	4,327	6,181
	Light and heat	1,014	2,365	3,379
	Cleaning	373	-	373
	Telephone	458	-	458
	Travel	154	~	154
	Subscriptions	110	-	110
	Postage, printing and stationery	4,493	•	4,493
	Office rent	3,468	8,090	11,558
	Depreciation	9,564	-	9,564
	General expenses	1,398	-	1,398
	Recruitment	-	3,510	3,510
		53,703		125,547
		00,7.00		
				

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MARCH 2004

		1.7.03 to 31.3.04 £
11.	NET INCOMING/OUTGOING RESOURCES	
	This is stated after charging:	
	Auditor's remuneration	4,582
	Depreciation	9,564
	STAFF COSTS	
	Wages and salaries	214,485
	Social Security costs	16,854
	Pension contributions	6,364
		£ 237,703
	The company contributes to an externally administered pension scheme on behalf of its staff no arrears or repayment of contributions at 30 September 2004. The average weekly number employees during the period was made up as follows:	
		1.7.03 to
		<u>31.3.04</u>
		£
	Charitable activities	10
	Administration	2
	Total	12
	No member of staff earned more than the equivalent of £50,000 per annum.	

RELATED PARTY TRANSACTIONS

There were no transactions with, payments to or on behalf of members of the committee or persons connected with them.

1.7.03 to

	1.7.03 to
12. TANGIBLE FIXED ASSETS	<u>31.3.04</u>
Equipment – computers	£
Additions	7,364
Transferred at net book value	5,133
Cost at 31.3.04	12,497
Depreciation charge for the year	2,892
Equipment written off in the year	6,672
Accumulated depreciation at 31.3.04	9,564
Net book value:	
At 31.3.04	£ 2,933

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE PERIOD ENDED 31 MARCH 2004

13 DEBTORS AND PREPAYMENTS

	<u>31.3.04</u>
	£
Rent arrears	17,081
Other debtors	3,797
Prepayments	1,784
Grant payable	11,622
Fees receivable	22,243
Royal Borough of Kensington and Chelsea	27,779
	£ 84,306
CREDITORS: amounts falling due within one year	31.3.04
	£
Accruals	12,854
Other creditors	10,435
PAYE/NI	5,058
Registered Social Landlord	13,572
	£ 41,919

15. FUNDS

Designated

The trustees have created two designated funds:

- (a) Furniture replacement (£45,000) for replacing furniture in properties let out to needy young people.
- (b) Emergency fund for young people (£10,000) to assist them when in need and too young to obtain benefits from the State.

Restricted

The funds transferred from three registered charities (referred to on page 7) on 12 January 2004 included funds amounting to £820,079 which were donated as expendable endowments. These are to be regarded as funds to be held as capital, the interest arising to be available to set against the core costs of the charity.

The trustees have adopted an investment policy regarding the cash held as an expendable endowment whereby the fund will be held in interest earning deposit accounts. The policy will be reviewed regularly.

In accordance with the agreement with The Rugby Clubs for the transfer of their assets to RPT, the remaining assets, which principally comprise land and buildings will be formally transferred to RPT in the current year. The interim transfer received being the expendable endowment comprised the available bank deposit.

16. SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. There were 12 members at 31 March 2004. In the event of the company being would up every member of the company undertakes to contribute to the assets of the company while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the company contracted before he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound (£1).