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**PLYMOUTH AREA GROUNDWORK TRUST**  
**(Company Limited by Guarantee)**

**DIRECTORS' REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2002**

**PLYMOUTH AREA GROUNDWORK TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**DRAFT**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

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**PLYMOUTH AREA GROUNDWORK TRUST  
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**DRAFT**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
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**LEGAL AND ADMINISTRATIVE INFORMATION**

**PRINCIPAL PLACE OF BUSINESS**

The Soldiers Quarters,  
Crownhill Fort  
Crownhill  
PLYMOUTH  
PL6 5BX

**REGISTERED OFFICE**

Ballard House  
West Hoe Road  
PLYMOUTH  
PL1 3AE

**COMPANY REGISTRATION NUMBER** 2632905

**CHARITY REGISTRATION NUMBER** 1008537

**VAT NUMBER** 557 614423

**MEMBERS**

The members of the company are:-

The Groundwork Foundation  
Plymouth City Council  
Devon County Council  
Caradon District Council  
South Hams District Council  
Evening Herald  
Blue Circle Industries plc  
Imerys Mineral (formerly ECC International)  
Cornwall County Council

**PLYMOUTH AREA GROUNDWORK TRUST  
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**TRUSTEES**

The trustees, who are all directors of the company, who served during the year were:-

Mr R Furniss	Chairman
Mr MA West*	Vice Chairman
	Nominated by Evening Herald
Mr JM Harrison	Nominated by Imerys Mineral
Cllr PW Hitchins	Nominated by South Hams District Council
Cllr BA Lister*	Nominated by Cornwall County Council
Ald. D Dicker	Nominated by Plymouth City Council
Mr JM Crow	
Mrs J Harrison	Resigned 19 June 2002
Cllr EG Lewis BEM	
Mr MK Pearson*	Resigned 7 December 2001
Cllr Mrs A Sloggett	Nominated by Plymouth City Council
Cdr M Gilbert R N	
Frances Knight	Appointed 14 June 2002
Matthew McTaggart	Appointed 11 October 2002

Councillor Goulden, although not a director of the Company, is also invited to observe and contribute to meetings of the directors.

\*These trustees served on the Finance and Personnel Sub-Committee

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(COMPANY LIMITED BY GUARANTEE)**

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**Appointment of Trustees**

Each member organisation has the right to nominate a trustee (as shown on pages 1 and 2). Plymouth City Council, Devon County Council, Cornwall County Council, Caradon District Council and South Hams District Council each nominate a trustee, three are nominated by private sector sponsors and additional trustees are co-opted for their specialist experience.

The organisations nominate a replacement representative when their serving trustee resigns. The Board invites suitable individuals to become trustees when a co-opted vacancy occurs. The Chairman, Vice Chairman and members of the sub-committees are elected by the Board when a vacancy occurs.

**Principal Officers**

**Jon Andrewes**, the Executive Director, reports to the Board and is responsible for the overall management of the Trust and reports to the trustees.

A team of managers report to the Executive Director:

**Assistant Executive Director/Director Environment and Economy**

Nick Bishop, who is responsible for Environmental Business Services, Training, Landscape Design and Contracts.

**Director Environment and People**

Penny Comley-Ross, who is responsible for Health, Regeneration, Community Development and Quality Assurance.

**Director of Finance**

Steve Simmons, who is responsible for the development, implementation and maintenance of finance systems and dissemination of financial information.

**Independent advisers:-**

Solicitors:	Bond Pearce Ballard House West Hoe Road PLYMOUTH PL1 3AE	Bankers	Barclays Bank plc 19 Princess Street PLYMOUTH PL1 2HA
Auditors:	Bromhead & Co N & P House Derry's Cross PLYMOUTH PL1 2SG	Company Secretary	Bondlaw Secretaries Ltd Ballard House West Hoe Road PLYMOUTH PL1 3AE

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**DIRECTORS' REPORT**

The directors, all of whom are Trustees, present their annual report and the audited financial statements for the year ended 31 March 2002.

The financial statements comply with the current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice (2000).

The company is registered under the Charities Act 1960 and is a company limited by guarantee.

**OBJECTIVES AND PRINCIPAL ACTIVITIES.**

The mission of the Trust is to work in partnership with people in the Plymouth, and adjacent localities, primarily Caradon and South Hams, to enable them to care for their local environment and create a better place in which to live and work. It operates within each local authority area as well as in partnership with Cornwall County Council and Devon County Council.

To enable these aims to be met, project officers work closely with these Local Authorities, the community groups they serve and other relevant partner organisations. There have been no material changes in these policies since the last report.

The performance and management of the Trust are the responsibility of the Executive Director, the Director Environment and Economy, the Director of Environment and People and the Director of Finance. They work closely with the project managers and report progress and relevant issues to the Board of Trustees, and to the sub-committee of the Board focusing of Finance and Personnel issues.

The trading subsidiary is engaged in consultancy and environmental review work throughout the South West.

**BUSINESS REVIEW AND ACTIVITIES**

The results for the year are set out on page 9.

The trust has experienced a difficult year following the completion of significant projects and reappraisal of the technical management valuations of Work In Progress and Deferred Income. The projects contracted for which represent the Trusts order book for the future give rise to confident future prospects.

**Partners**

All land regeneration project sites are within the boundaries of Plymouth City Council, Caradon District Council, Restormel Borough Council, South Hams District Council, Torbay Council, Cornwall County Council, and Devon County Council. The project activities have been grouped into geographical areas, and from September 2002 Operations Managers for Plymouth, Cornwall and Torbay will ensure the Trust is responsive to the differing local needs of the population.

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There is regular liaison with the Groundwork National Office, with a likely shift in emphasis to Region imminent.

**MAJOR ACTIVITIES**

The main activities in each project area are highlighted below.

- Community Involvement – 2,248 young people and 6,368 adults have been involved in projects.
- Environmental Maintenance and Improvement – 3,339 trees have been planted, 263,972 square metres of land and 32,439 metres of routeway have been improved and maintained.
- Environmental Business Activity – 205 businesses have been involved with the Trust and 154 environmental reviews completed.
- Training Activity – 1,383 training weeks have been provided

The following are examples of the work undertaken in the Local Authority Areas:

**LOCAL AUTHORITY AREAS.**

**Plymouth**

Horticultural Healing project at Royal William Yard  
Ford Park cemetery maintenance  
Wolseley Road regeneration work

**Caradon**

Saltmill Millennium reclamation project and ongoing maintenance.

**Torbay**

Establishment of Community Groups within Ellacombe, Tormohun and Torwood, through the Torbay Community Development Programme.  
Bay Walks healthy walking project.  
Paignton Skate Park.

Training for Groundwork also involves teams undertaking various projects throughout Plymouth, including New Deal Teams undertaking conservation work in the local nature reserves.

**REVIEW OF TRANSACTIONS AND FINANCIAL POSITION**

The operations of the Trust during the year resulted in net outgoing unrestricted funds of £115,223 (2001, surplus £57,699)

The total reserves carried forward are £133,784 (2001, £249,007)

At the year end the Trust had net current assets of £464,492 (2001 : £735,315).

**PLYMOUTH AREA GROUNDWORK TRUST  
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All grants received are applied to producing high quality sustainable projects, with a contribution to support and development costs which are paid for partly by income from the Department of the Environment, Local Authorities and local private companies.

**RISK MANAGEMENT**

The Trustees have carried out a review of the charity's activities and produced a comprehensive plan setting out the major opportunities available to the charity and the risks to which it is exposed. The trustees monitor progress against objectives set out in the plan at the finance and personnel meetings and Board meetings. As part of the risk management the trustees have implemented the following:

- An annual review of the risks the charity may face
- The establishment of systems and procedures to mitigate those risks identified
- The implementation of procedures designed to minimise any potential impact on the charity should any of those risks materialise.

**DIRECTORS**

The names of the directors who served during the year are listed in the Legal and Administrative information.

**AUDITORS**

In accordance with Section 384 of the Companies Act 1985, a resolution for the appointment of auditors of the company is to be proposed at the forthcoming Annual General Meeting.

By order of the Board

Tim Jackman



*Secretary  
for and on behalf of  
Bondlaw Secretaries Limited.*

Ballard House  
West Hoe Road  
Plymouth  
Devon  
PL1 3AE



**PLYMOUTH AREA GROUNDWORK TRUST  
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

Law applicable to incorporated charities in England and Wales requires the trustees, who are also the directors of the company, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the group at the end of the year and of its financial activities during the year then ended.

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 the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

**PLYMOUTH AREA GROUNDWORK TRUST  
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2002**

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**REPORT OF THE AUDITORS TO THE MEMBERS OF PLYMOUTH AREA  
GROUNDWORK TRUST (COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements on pages 9 to 24.

**Respective responsibilities of directors and auditors.**

As described on page 7 the trustees, who are also directors of Plymouth Area Groundwork Trust (Company Limited by Guarantee) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

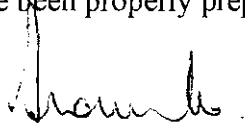
**Basis of opinion**

We conducted our audit in accordance with 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 directors in the preparation of the financial statement, and of whether the accounting policies are appropriate to the charitable group'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 affairs of the charitable company and the group as at 31 March 2002 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BROMHEAD & CO  
Chartered Accountants  
Registered Auditors.

6 December 2002

**PLYMOUTH AREA GROUNDWORK TRUST**  
**(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2002**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2002**

	Note	Unrestricted Funds	Restricted funds	Total 2002	Total 2001 (restated)
		£	£	£	£
Incoming resources	4				
Project funding			902,477	902,477	1,784,746
Deferred income					388,272
Investment Income		10,893		10,893	19,940
Income of trading subsidiary		230,949		230,949	155,205
Other income		3,240		3,240	-
Total Income		<u>245,082</u>	<u>902,477</u>	<u>1,147,559</u>	<u>2,348,163</u>
Resources Expended	5				
Direct charitable Expenditure		-	1,052,851	1,052,851	1,781,094
Fundraising and publicity		11,576		11,576	10,633
Management/Project Implementation		346,811		346,811	348,685
Expenses of trading subsidiary		929		929	150,052
Total resources expended		<u>359,316</u>	<u>1,052,851</u>	<u>1,412,167</u>	<u>2,290,464</u>
Net(outgoing)/incoming resources before					
Transfers		(114,234)	(150,374)	(264,608)	57,699
Transfers between funds		(989)	989	-	-
Net incoming resources in the year		<u>(115,223)</u>	<u>(149,385)</u>	<u>(264,608)</u>	<u>57,699</u>
Net Movement in funds		<u>(115,223)</u>	<u>(149,385)</u>	<u>(264,608)</u>	<u>57,699</u>
Fund balances brought forward at 1 April 2001		249,007	552,090	801,097	743,398
Fund balances carried forward at 31 March 2002		<u>£133,784</u>	<u>£402,705</u>	<u>£536,489</u>	<u>£801,097</u>

A reconciliation of the movement in funds is given in note 15. The company had no recognised gains or losses in either 2002 or 2001 other than the (deficit)/surplus for those years.

There were no acquisitions or discontinued operations within the company during 2002 or 2001.

The notes on pages 12 to 24 form part of these financial statements.

**PLYMOUTH AREA GROUNDWORK TRUST  
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
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**CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2002**

	Note	2002 £	2001 (restated) £
<b>Fixed Assets</b>			
Tangible Assets	8/9	97,735	65,782
<b>Current Assets</b>			
Pre Contract Costs/Work in progress	10	75,348	196,014
Debtors	11	490,376	365,021
Cash at Bank and in hand		177,839	548,224
		743,563	1,109,259
<b>Creditors:</b>			
Amounts falling due within one year	12	279,071	373,944
<b>Net current assets</b>		£464,492	£735,315
Amounts due after one year			
Hire Purchase		25,738	-
<b>Total assets less long term liabilities</b>		<b>£536,489</b>	<b>£801,097</b>
<b>Funds</b>			
Unrestricted funds	15	133,784	249,007
Restricted		402,705	552,090
<b>Total funds</b>		<b>£536,489</b>	<b>£801,097</b>

These financial statements were approved by the board of directors on 6 DECEMBER 2002 and were signed on its behalf by

  
**R Furniss**  
Chairman

**PLYMOUTH AREA GROUNDWORK TRUST**  
**(COMPANY LIMITED BY GUARANTEE)**

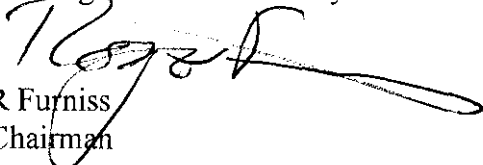
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
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**COMPANY BALANCE SHEET**  
**AS AT 31 MARCH 2002**

	Note	2002 £	2001 (Restated) £
<b>Fixed Assets</b>			
Tangible Assets	8	83,577	65,682
Investments		100	100
		-----	-----
		83,677	65,782
		-----	-----
<b>Current Assets</b>			
Work in progress and Pre Contract Costs	10	75,348	196,014
Debtors	11	509,239	297,894
Cash at Bank and in hand		150,384	501,504
		-----	-----
		734,971	995,412
<b>Creditors:</b>			
Amounts falling due within one year	12	276,462	276,378
		-----	-----
<b>Net current assets</b>		458,509	719,034
		-----	-----
Amounts falling due after one year			
Hire Purchase		25,738	-
<b>Total assets less long term liabilities</b>		<b>£516,448</b>	<b>£784,816</b>
		=====	=====
<b>Funds</b>			
Unrestricted funds	15	113,743	232,726
Restricted		402,705	552,090
		-----	-----
<b>Total funds</b>		<b>£516,448</b>	<b>£784,816</b>
		=====	=====

These financial statements were approved by the board of directors on 6 DECEMBER 2002 and were signed on its behalf by

  
R Furniss  
Chairman

**PLYMOUTH AREA GROUNDWORK TRUST  
(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
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**NOTES**

*(forming part of the financial statements)*

**1. Company status**

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company if it is wound up during the time he or she is a member, or within one year afterwards, for payments of debts and liabilities of the company contracted before the time at which he or she ceases to be a member and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding £1. There were 9 members at 31 March 2002.

**2. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

**Basis of preparation.**

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

**Group Financial Statements**

These financial statements consolidate the results of the charity and its wholly owned subsidiary Groundwork South West Enterprise Limited. In accordance with Section 230(4) of the Companies Act 1985 and paragraph 304 of SORP 2000 Plymouth Area Groundwork Trust (Company Limited by Guarantee) has taken advantage of the exemptions and has not presented a separate Statement of Financial Activities.

**Fund Accounting**

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

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the grant. The purpose and use of the restricted funds is set out in note 15 to the financial statements.

All income and expenditure is shown in the Statement of Financial Activities on page 9.

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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
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**Resources arising**

**Income**

Revenue based grants are credited to the Statement of Financial Activities in the period to which they relate.

**Gifts in kind.**

Gifts in kind are not valued in the accounts.

**Resources expended**

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

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

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

**Capital grants**

Capital based government grants are included within restricted funds in the balance sheet and credited to trading income over the estimated useful economic life of the assets to which they relate.

**Cash flow statement**

The company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard No. 1 on the grounds of its size.

**Stock and work in progress**

Resources expended on incomplete projects have been incorporated within the SOFA under the accruals concept. These costs have been matched with incoming resources received in the following period and hence no work in progress has been recorded at the year end.

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**Pre Contract Costs**

The company has taken the early adoption of the UITF Abstract 34. Directly attributable costs to projects can be recognised as an asset when it is virtually certain that a contract will be obtained and the contract will result in a net cash inflow on that project. These costs will be released into the Statement of Financial Activities when deemed appropriate and after periodical review.

**Pension costs**

The company operates a defined contributory personal pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged represents the contributions payable to the scheme in respect of the accounting period.

**Leases**

Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease". The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease whichever is shorter. Future instalments under such leases, net of finance charges, are included with creditors. Rentals payable are apportioned between the finance element, which is charged to the income and expenditure account, and the capital element which reduces the outstanding obligation for future payments.

All other leases are accounted for as "operating leases" and rental charges are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

**Fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided by the company on a straight line basis to write off the cost of tangible fixed assets over their estimated useful economic lives as follows:

	% p.a.
Motor Vehicles	20%
Furniture and fittings.	10%
Equipment	20%
Computers	33.33%



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**3. Subsidiary company**

A summary of the results of the subsidiary is shown below:

	2002 £	2001 £
Turnover	230,949	155,205
Administrative Expenses	(233,929)	(150,052)
Profit on Sale of Assets	6,740	-
Operating profit	3,760	5,153
Prior year reserve adjustment	-	13,628
Retained profit for the year	3,760	18,781

<b>Balance Sheet</b>	2002 £	2001 £
Fixed assets	14,058	-
Current assets	45,405	113,847
Current Liabilities	(39,422)	(97,566)
Net assets	20,041	16,281
Share Capital and reserves	20,041	16,281

**4. Incoming resources**

	2002 £	2001 £
Central Government	167,422	1,137,859
Public Agencies	180,000	348,341
Local Government	180,402	307,323
European Union	51,258	95,544
The Community Fund	25,500	40,036
Private Sector	532,084	399,120
Interest Received	10,893	19,940
	1,147,559	2,348,163

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The above incoming resources are derived from activities carried on in the furtherance of the charity's objects.

**5. Total resources applied**

	Staff Costs	Other direct Costs	Other allocated costs	2002	2001
	£	£	£	£	£
Direct charitable					
Expenditure	345,828	643,817	63,206	1,052,851	1,781,094
Fund raising and publicity	5,000	6,576	-	11,576	10,633
Management/Project					
Implementation	286,405	123,612	(63,206)	346,811	348,685
Expenses of trading					
Subsidiary	-	929	-	929	150,052
	<u>637,233</u>	<u>774,934</u>	<u>-</u>	<u>1,412,167</u>	<u>2,290,464</u>

**Staff costs**

	2002	2001
	£	£
Salaries	572,719	508,622
Social security costs	49,579	51,880
Pension costs	14,935	10,877
	<u>637,233</u>	<u>571,379</u>

The non-executive directors neither received nor waived any emoluments during the year (2001: £nil)

The average number of employees, analysed by function was

	2002	2001
	No	No
Architectural/scientific and project management	39	32
Administration	12	7
Non-executive directors	12	14
	<u>63</u>	<u>53</u>

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There were no employees with emoluments above £50,000.

Allocated costs

	2002	2001
	£	£
Premises	20,000	20,318
Centralised Services	18,082	118,555
Travel	25,124	10,063
	<u>63,206</u>	<u>148,936</u>

**6. Net incoming resources before transfers  
is stated after charging:**

	2002	2001
	£	£
Staff costs (see note 5)	637,233	571,379
Depreciation of tangible owned fixed assets	22,245	23,230
Auditors Remuneration		
Audit	5,000	3,000
Accountancy, taxation and other services	17,500	11,850
Operating leases – plant and machinery	4,017	2,779
Trustee indemnity insurance	2,200	2,105
	<u>688,195</u>	<u>614,273</u>

**7. Taxation**

The charge to UK Corporation tax based on the subsidiary results is:

	2002	2001
	£	£
UK Corporation tax at 21% (2000:21%) on the (loss)/profit for the year on ordinary activities of subsidiary undertaking	<u>-</u>	<u>-</u>

**PLYMOUTH AREA GROUNDWORK TRUST**  
**(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
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**8. Tangible fixed assets**

Group and Company	Furniture & equipment £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 April 2001	31,683	37,226	69,232	64,109	202,250
Additions	17,345	1,197	1,493	34,163	54,198
Disposals	-	-	-	(10,219)	(10,219)
<b>At 31 March 2002</b>	<b>49,028</b>	<b>38,423</b>	<b>70,725</b>	<b>88,053</b>	<b>246,229</b>
<b>Depreciation</b>					
At 1 April 2001	29,136	18,188	52,462	36,782	136,568
Charge for the year	1656	2,204	6,087	12,298	22,245
Eliminated on disposals	-	-	-	(10,219)	(10,219)
<b>As at 31 March 2001</b>	<b>30,792</b>	<b>20,392</b>	<b>58,549</b>	<b>38,861</b>	<b>148,594</b>
<b>Net Book Value</b>					
<b>At 31 March 2002</b>	<b>18,236</b>	<b>18,031</b>	<b>12,176</b>	<b>49,192</b>	<b>97,635</b>
At 31 March 2001	2,547	19,038	16,770	27,327	65,682

The net book value at 31 March 2002 includes £83,577 assets of the company and £14,058 assets of the subsidiary.

The following assets were fully depreciated and were in use at the year end:

	£	£	£	£	£
Cost	22,212	-	29,115	9,293	60,628

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**9. Fixed asset investments**

	Company £
Ordinary shares in subsidiary company:	
Cost at the beginning and end of the year	100

The company owns the whole of the issued ordinary share capital of Groundwork South West Enterprises Limited a company registered in England. The principal activities are consultancy, ground maintenance and other work outside of the charitable area of the company.

**10. Pre contract costs/Stock and work in progress**

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Work in progress	-	422,400	-	422,400
Payments on account	-	(226,386)	-	(226,386)
Pre contract costs	75,348	-	75,348	-
	<u>75,348</u>	<u>196,014</u>	<u>75,348</u>	<u>196,014</u>

**11. Debtors**

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
		restated		restated
Trade Debtors	149,911	322,911	131,962	183,522
Amount due from subsidiary undertaking	-	-	36,812	72,262
Other Debtors	295,665	42,110	295,665	42,110
Accrued Income	44,800	-	44,800	-
	<u>490,376</u>	<u>365,021</u>	<u>509,239</u>	<u>297,894</u>

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**12. Creditors: amounts falling due within one year**

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
		restated		restated
Trade Creditors	147,845	373,944	147,845	276,378
Overdraft	121,825	-	121,825	-
Hire Purchase	6,792	-	6,792	-
VAT	2,609	-	-	-
	<u>279,071</u>	<u>373,944</u>	<u>276,462</u>	<u>276,378</u>

**13. Commitments**

- (i) Commitments at the end of the financial year for which no provision has been made.

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Authorised but not contracted	-	-	-	-

- (ii) Annual commitments under non-cancellable leases are as follows:

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Operating lease which expires within one year	-	-	-	-
In the second to fifth year inclusive	936	936	936	936
	<u>936</u>	<u>936</u>	<u>936</u>	<u>936</u>

**14. Pension scheme**

The company operates a funded, defined contribution, contributory personal pension scheme. At 31 March 2002, £nil (2000 £nil) of contributions were due to the scheme in respect of the company.

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**15. Reconciliation of movement of funds**

	Balance 1 April 2001 £	Movement in year £	Balance 31 March 2002 £
Group			
Unrestricted funds	249,007	(115,223)	133,784
Restricted funds	552,090	(149,385)	402,705
	<u>801,097</u>	<u>(264,608)</u>	<u>536,489</u>

	Balance 1 April 2001 £	Movement in year £	Balance 31 March 2002 (restated) £
Company			
Unrestricted funds	232,726	(118,983)	113,743
Restricted funds	552,090	(149,385)	402,705
	<u>784,816</u>	<u>(268,368)</u>	<u>516,448</u>

All funds are raised and given for specific purposes on projects and are output related. These outputs incorporate fees, consultancies, project spend and implementation work. The conditions governing the income or grants restrict these funds and when these conditions have been met the earned income may become unrestricted and used as a contribution to the Trust's unrestricted funds. The Trust's unrestricted funds can be used, with the approval of the Trust's Board, to fund any expenditure relating to projects or general running costs which fall within the Trust's general aims and objectives.

In order to show the level of restricted funds more clearly it was thought appropriate to restate the comparative figures to 31 March 2001 by showing the relevant figures as restricted funds in the reserves section of the Balance Sheet as opposed to showing them as liabilities.

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**16. Restricted Funds**

Projects	Code	At 1 April 2001 £	Incoming Resources £	Outgoing Resources £	At 31 March 2002 £
Keyham srb/Wolseley Road	104/5/6	16,847	78,087	94,934	-
Wolseley Road Shops	107	2,076		2,076	-
Nest Box Week	115	-	904	804	100
Wildcheck	125	864	4,157	2,701	2,320
Health Impact Assessment	134	19,089	21,447	30,536	10,000
Health Action Zone	135	9,327	34,275	34,602	9,000
Wolseley Trust Partnership	146	-	25,562	25,562	-
EEP	151	-	5,000	1,000	4,000
ILM	155	-	87,991	87,991	-
City Pride	159	-	5,000	-	5,000
Saltash Partnership Project	228	-	9,752	9,752	-
Plym Valley Cycle Track	302	-	3,400	3,400	-
Longtimber	330	-	10,000	9,000	1,000
EMS	410	312	-	312	-
Consultancy	414	2,500	5,720	8,220	-
Micro Company Phase 3	415	2,665	-	2,665	-
GTA	417	70,000	-	50,155	19,845
ETSU Small Company	418	-	46,048	46,048	-
Konver Enact	427	-	36,702	36,702	-
Objective 5b	438	4,939	3,326	8,265	-
Waste Exchange	441	1,000	-	1,000	-
Advantage South West	450	9,629	22,746	32,375	-
BEA Membership	455	-	9,368	9,368	-
Cornwall College	474	-	1,000	-	1,000
Cornwall Greenbus	475	-	1,200	-	1,200
Training Development	501	1,011	-	1,011	-
Royal William Yard	506	-	17,234	17,234	-
Millfields Maintenance	507	-	13,883	13,883	-
Horticultural Healing	525	3,448	519	3,967	-
Contracts		-	50,606	50,606	-
Cadet	605	1,687	-	1,687	-
Greenlinks	620	7,270	5,085	12,355	-
Promise Somerset	621	767	-	767	-
Lee Mill Redevelopment	659	-	3,439	3,439	-
Landscape Design Services	665	-	1,223	1,223	-
TOTAP	702	7,382	-	7,382	-
Greendoors	804	-	16,474	15,595	879
Bay Walks	806	-	7,000	1,380	5,620
Restormel Youth	850	-	3,000	-	3,000
Restormel Scoping	851	-	4,000	-	4,000
Saltmill Arts	205a	14,220	4,953	4,099	15,074



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Projects	Code	At 1 April 2001	Incoming Resources	Outgoing Resources	At 31 March 2002
Completed projects and Development		-	91,044	91,044	-
Landfill Tax	Landfill	-	144,500	140,685	3,815
Saltmill Millenium Project	205	377,057	-	60,205	316,852
Sundry Small Projects		-	4,832	4,832	-
Endowment Fund		-	123,000	123,000	-
		<u>£552,090</u>	<u>£902,477</u>	<u>£1,051,862</u>	<u>£402,705</u>

**17. Directors' Material Interest in Contracts**

(i) Local Authority Directors.

The Trust obtains a significant amount of its project work and funding from the Local Authority members, each of which nominated one of its councillors as a Director of the Board. Plymouth City Council has a second, co-opted director on the Board and one councillor from Cornwall County Council is a co-opted director. During the year, the Trust contracted Cornwall County Council and Devon County Council to provide services for projects.

All negotiations and contracts are transacted independently from the Local Authority directors. These directors have no personal interest in the contracts.

(ii) The Bailey Partnership

The Trust entered into a contract with the Bailey Partnership to provide Surveying, Design and Quantity Surveying work. Mr M A West is the managing partner of this partnership which was offered the contract in the normal course of business. He has no personal interest in the contract other than as managing partner.

Name	Status	Value of Transaction	Balance owed at year end
Maurice West	Vice Chairman	£4,431	£352

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**DEFINITION OF FUNDS**

**RESTRICTED FUND**

These are funds which can only be applied for particular purposes. The restriction may apply to the use of income or capital or both. Income generated from assets held in a restricted fund will be subject to the same restriction unless either the terms of the original restriction specifically say otherwise or the restricted fund is an endowment fund, the income of which is expendable at the discretion of the trustees.

**UNRESTRICTED FUNDS**

These funds are available to the trustees to apply for the general purposes of the charity as set out in its governing document. The trustees are free to use these funds for any of the charity's purposes. Income generated from assets held in an unrestricted fund will be unrestricted income.

The trustees may set aside part of the charity's unrestricted funds to be used for particular purposes in the future. Such sums are described as "designated funds" and should be accounted for as part of the charity's unrestricted funds. The trustees have the power to reallocate such funds within the unrestricted funds unless and until expended.

**ENDOWMENT FUNDS**

An endowment fund is held on trust to be retained for the benefit of the charity as a capital fund. Where the trustees must permanently maintain the whole of the fund it is known as permanent endowment. Such a fund cannot normally be spent as if it were income. Any expenses incurred in the administration, or protection of that fund should be charged to it