

PLYMOUTH AREA GROUNDWORK TRUST
(Company Limited by Guarantee)

DIRECTORS' REPORT AND CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003



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

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

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

**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

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TRUSTEES

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

Mr R Furniss*	Chairman (Appointed as Chairman 1 October 2000)
Mr MA West*	Vice Chairman (Appointed as Vice Chairman 1 October 2000) 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	Appointed 14 July 2000
Mrs J Harrison	Resigned 19 June 2002
Cllr EG Lewis BEM	Resigned 14 April 2003
Cllr Mrs A Sloggett	Nominated by Plymouth City Council
Cdr M Gilbert R N	
Cllr Frances Knight	Appointed 14 June 2002
Matthew McTaggart	Appointed 11 October 2002
Sylvia Wooldridge	Appointed 14 March 2003

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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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 operational managers report to the Executive Director:

Operations Director - Cornwall

James Shepherd has a geographical responsibility for operations in Cornwall and a functional responsibility for Training, Landscape Design, Finance and Trading Company Business. James Shepherd joined the company on 7 April 2003.

Operations Director - Devon

Penny Comley-Ross has a geographical responsibility for operations in Devon and a functional responsibility for Health, Community Development, Quality Assurance, Human Resources, Youth and Education.

Director of Environment and Economy

Nick Bishop who is responsible for Environmental Business Services, Training, Landscape Design and Contracts. Nick Bishop resigned from the company on 31 March 2003.

Director of Finance

Steve Simmons, who is responsible for the development, implementation and maintenance of finance systems and dissemination of financial information. Steve Simmons resigned from the company on 31 March 2003.

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

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

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

DIRECTORS' REPORT

The directors, all of whom are Trustees, present their annual report and the audited financial statements for the year ended 31 March 2003.

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 Operations Director for Devon and the Operations Director for Cornwall. 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 on 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 significant rise in income and has been able to deliver projects, generate sufficient income for the Trust to manage its overhead costs and has made a small surplus which will contribute to improvement in the balance sheet position. Most of the work undertaken by the Trust is contained within 3 year funding programmes which are developed within the core funding provision that the Trust receives on an annual basis.

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. Each County area is managed by an Operations Director with each Local Authority area being overseen by an area Operational Manager. There is regular liaison with the Groundwork National Office, with a likely shift in emphasis to Region imminent.

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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

MAJOR ACTIVITIES

The main activities in each project area are highlighted below.

- Community Involvement – 2,280 young people and 8,200 adults have been involved in projects.
- Environmental Maintenance and Improvement – 1,230 trees have been planted, 297,680 square metres of land and 30,128 metres of routeway have been improved and maintained.
- Environmental Business Activity – 195 businesses have been involved with the Trust and 181 environmental reviews completed.
- Training Activity – 2,115 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
Stonehouse Regeneration – City Pride
Envision Plymouth

Caradon

Saltmill Park Millennium Project
Sparrow Park Site Savers Project
Seaton Valley Nature Reserve

Torbay

Establishment of Community Groups within Ellacombe, Tormohun and Torwood, through the Torbay Community Development Programme.
Bay Walks Healthy Walking Project.
Paignton Skate Park.

Restormel

Environmental Business Services
Project Development Programme
Youth Works Programme Development

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

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FOR THE YEAR ENDED 31 MARCH 2003**

REVIEW OF TRANSACTIONS AND FINANCIAL POSITION

The operations of the Trust during the year resulted in net incoming unrestricted funds of £11,559 (2002, outgoing £115,223)

The total reserves carried forward are £145,343 (2002, £133,784)

At the year end the Trust had net current assets of £564,502 (2002: £464,492).

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

**PLYMOUTH AREA GROUNDWORK TRUST
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2003**

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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**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 25.

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.

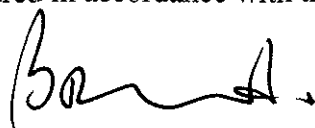
Basis of opinion

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 2003 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.

5 September 2003.

**PLYMOUTH AREA GROUNDWORK TRUST
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**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
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**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2003**

	Note	Unrestricted Funds	Restricted funds	Total 2003	Total 2002
		£	£	£	£
Incoming resources	4				
Project funding		35,000	1,097,087	1,132,087	902,477
Deferred income					-
Investment Income		1,931		1,931	10,893
Income of trading subsidiary		361,839		361,839	230,949
Other income		-	-	-	3,240
		-----	-----	-----	-----
Total Income		398,770	1,097,087	1,495,857	1,147,559
		=====	=====	=====	=====
Resources Expended	5				
Direct charitable Expenditure		-	1,014,602	1,014,602	1,052,851
Fundraising and publicity		19,468		19,468	11,576
Management/Project Implementation		367,743		367,743	346,811
Expenses of trading subsidiary		-		-	929
		-----	-----	-----	-----
Total resources expended		387,211	1,014,602	1,401,813	1,412,167
		=====	=====	=====	=====
Net(outgoing)/incoming resources before Transfers		11,559	82,485	94,044	(264,608)
Transfers between funds		-	-	-	-
		-----	-----	-----	-----
Net incoming resources in the year		11,559	82,485	94,044	(264,608)
		=====	=====	=====	=====
Net Movement in funds		11,559	82,485	94,044	(264,608)
		-----	-----	-----	-----
Fund balances brought forward at 1 April 2002		133,784	402,705	536,489	801,097
		-----	-----	-----	-----
Fund balances carried forward at 31 March 2003		£145,343	£485,190	£630,533	£536,489
		=====	=====	=====	=====

A reconciliation of the movement in funds is given in note 15. The company had no recognised gains or losses in either 2003 or 2002 other than the (deficit)/surplus for those years.

There were no acquisitions or discontinued operations within the company during 2003 or 2002.

The notes on pages 12 to 25 form part of these financial statements.

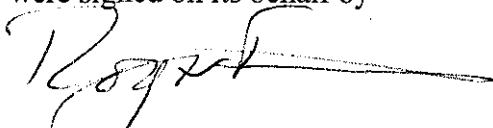
**PLYMOUTH AREA GROUNDWORK TRUST
(COMPANY LIMITED BY GUARANTEE)**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
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**CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2003**

	Note	2003	2002
		£	£
Fixed Assets			
Tangible Assets	8/9	86,044	97,735
		-----	-----
Current Assets			
Pre Contract Costs/Work in progress	10	50,232	75,348
Debtors	11	519,461	490,376
Cash at Bank and in hand		106,601	177,839
		-----	-----
		676,294	743,563
Creditors:			
Amounts falling due within one year	12	111,792	279,071
		-----	-----
Net current assets		£564,502	£464,492
		-----	-----
Amounts due after one year			
Hire Purchase		20,013	25,738
Total assets less long term liabilities		£630,533	£536,489
		=====	=====
Funds			
Unrestricted funds	15	145,343	133,784
Restricted		485,190	402,705
		-----	-----
Total funds		£630,533	£536,489
		=====	=====

These financial statements were approved by the board of directors on 05 September 2003... and were signed on its behalf by


R Furniss
Chairman

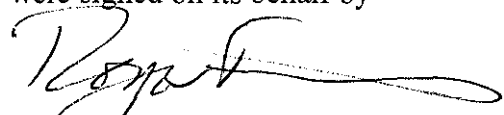
**PLYMOUTH AREA GROUNDWORK TRUST
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**COMPANY BALANCE SHEET
AS AT 31 MARCH 2003**

	Note	2003	2002
		£	£
Fixed Assets			
Tangible Assets	8	85,944	83,577
Investments		100	100
		-----	-----
		86,044	83,677
		-----	-----
Current Assets			
Work in progress and Pre Contract Costs	10	50,232	75,348
Debtors	11	550,242	509,239
Cash at Bank and in hand		48,050	150,384
		-----	-----
		648,524	734,971
		-----	-----
Creditors:			
Amounts falling due within one year	12	109,046	276,462
		-----	-----
Net current assets		539,478	458,509
		-----	-----
Amounts falling due after one year			
Hire Purchase		20,013	25,738
Total assets less long term liabilities		£605,509	£516,448
		=====	=====
Funds			
Unrestricted funds	15	120,319	113,743
Restricted		485,190	402,705
		-----	-----
Total funds		£605,509	£516,448
		=====	=====

These financial statements were approved by the board of directors on 05. September 2003 and were signed on its behalf by



R Furniss
Chairman

**PLYMOUTH AREA GROUNDWORK TRUST
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**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 2003.

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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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 reducing balance 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:

	2003 £	2002 £
Turnover	361,839	230,949
Administrative Expenses	(356,855)	(233,929)
Profit on Sale of Assets	-	6,740
	-----	-----
Operating profit		3,760
Prior year reserve adjustment	-	-
	-----	-----
Retained profit for the year	4,984	3,760
	=====	=====

Balance Sheet	2003 £	2002 £
Fixed assets	-	14,058
Current assets	204,709	45,405
Current Liabilities	(179,685)	(39,422)
	-----	-----
Net assets	25,024	20,041
	=====	=====
Share Capital and reserves	25,024	20,041
	=====	=====

4. Incoming resources

	2003 £	2002 £
Central Government	200,201	167,422
Public Agencies	230,141	180,000
Local Government	538,398	180,402
European Union	30,809	51,258
The Community Fund	-	25,500
Private Sector	494,377	532,084
	-----	-----
	1,493,926	1,136,666
Interest Received	1,931	10,893
	-----	-----
	1,495,857	1,147,559
	=====	=====

**PLYMOUTH AREA GROUNDWORK TRUST
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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	2003	2002
	£	£	£	£	£
Direct charitable					
Expenditure	367,253	560,821	86,528	1,014,602	1,052,851
Fund raising and publicity	11,681	7,787	-	19,468	11,576
Management/Project					
Implementation	327,631	126,640	(86,528)	367,743	346,811
Expenses of trading					
Subsidiary	-	-	-	-	929
	-----	-----	-----	-----	-----
	706,565	695,248	-	1,401,813	1,412,167
	=====	=====	=====	=====	=====

Staff costs

	2003	2002
	£	£
Salaries	639,147	572,719
Social security costs	52,663	49,579
Pension costs	14,755	14,935
	-----	-----
	706,565	637,233
	=====	=====

The non-executive directors neither received nor waived any emoluments during the year (2002: £nil)

The average number of employees, analysed by function was

	2003	2002
	No	No
Architectural/scientific and project management	30	39
Administration	10	12
Non-executive directors	14	12
	-----	-----
	54	63
	=====	=====

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

Allocated costs

	2003 £	2002 £
Premises	31,536	20,000
Centralised Services	28,937	18,082
Travel	26,055	25,124
	-----	-----
	86,528	63,206
	=====	=====

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

	2003 £	2002 £
Staff costs (see note 5)	706,565	637,233
Depreciation of tangible owned fixed assets	26,766	22,245
Auditors Remuneration		
Audit	5,000	5,000
Accountancy, taxation and other services	10,000	17,500
Operating leases – plant and machinery	4,389	4,017
Trustee indemnity insurance	2,200	2,200
	=====	=====

7. Taxation

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

	2003 £	2002 £
UK Corporation tax at 21% (2002:21%) on the (loss)/profit for the year on ordinary activities of subsidiary undertaking	-	-
	=====	=====

PLYMOUTH AREA GROUNDWORK TRUST
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8. Tangible fixed assets

Group and Company	Furniture & equipment £	Fixtures & fittings £	Computer equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2002	49,028	38,423	70,725	88,053	246,229
Additions	-	4,258	10,843	-	15,101
Disposals	-	(32)	-	-	(32)
At 31 March 2003	49,028	42,649	81,568	88,053	261,298
Depreciation					
At 1 April 2002	30,792	20,392	58,549	38,861	148,594
Charge for the year	4,484	4,030	7,060	11,192	26,766
Eliminated on disposals	-	(6)	-	-	(6)
As at 31 March 2003	35,276	24,416	65,609	50,053	175,354
Net Book Value					
At 31 March 2003	13,752	18,233	15,959	38,000	85,944
At 31 March 2002	18,236	18,031	12,176	49,192	97,635

The net book value at 31 March 2003 includes £85,944 assets of the company.

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

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Pre contract costs	50,232	75,348	50,232	75,348
	-----	-----	-----	-----
	50,232	75,348	50,232	75,348
	=====	=====	=====	=====

11. Debtors

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Trade Debtors	401,003	149,911	254,845	131,962
Amount due from subsidiary undertaking	-	-	176,939	36,812
Other Debtors	53,638	295,665	53,638	295,665
Accrued Income	64,820	44,800	64,820	44,800
	-----	-----	-----	-----
	519,461	490,376	550,242	509,239
	=====	=====	=====	=====

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12. Creditors: amounts falling due within one year

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Trade Creditors	96,041	147,845	96,041	147,845
Overdraft	-	121,825	-	121,825
Hire Purchase	6,792	6,792	6,792	6,792
VAT	8,959	2,609	6,213	-
	=====	=====	=====	=====
	111,792	279,071	109,046	276,462
	=====	=====	=====	=====

13. Commitments

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

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Authorised but not contracted	-	-	-	-
	=====	=====	=====	=====

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

	Group		Company	
	2003	2002	2003	2002
	£	£	£	£
Operating lease which expires within one year	-	-	-	-
In the second to fifth year inclusive	936	936	936	936
	=====	=====	=====	=====
	936	936	936	936
	=====	=====	=====	=====

14. Pension scheme

The company operates a funded, defined contribution, contributory personal pension scheme. At 31 March 2003, £nil (2002 £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 2002 £	Movement in year £	Balance 31 March 2003 £
Group			
Unrestricted funds	133,784	11,559	145,343
Restricted funds	402,705	82,485	485,190
	-----	-----	-----
	536,489	94,044	630,533
	=====	=====	=====

	Balance 1 April 2002 £	Movement in year £	Balance 31 March 2003 £
Company			
Unrestricted funds	113,743	6,576	120,319
Restricted funds	402,705	82,485	485,190
	-----	-----	-----
	516,448	89,061	605,509
	=====	=====	=====

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.

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16. Restricted Funds					
Projects	Code	At 1 April 2002	Incoming Resources	Outgoing Resources	At 31 March 2003
		£	£	£	£
Keyham srb/Wolseley Road	104/5/6	-	7,768	7,768	-
Nest Box Week	115	100	-	100	-
Furze Park	116	-	7,000	1,886	5,114
Wildcheck	125	2,320	-	2,320	-
Devonpost HIA	133	-	3,851	3,851	-
Health Impact Assessment	134	10,000	3,851	1,244	12,607
Health Action Zone	135	9,000	23,249	25,449	6,800
Wolseley Trust Partnership	146	-	52,196	52,196	-
Link Up	149	-	73,424	44,348	29,076
General Projects	150	-	13,099	8,209	4,890
EEP	151	4,000	-	4,000	-
ILM	155	-	53,927	53,927	-
City Pride	159	5,000	52,180	57,180	-
Sparrow Park	209	-	12,804	4,788	8,016
Thankes Meadow	218	-	1,802	1,726	76
Groundwork Millenium	230	-	843	843	-
Seaton Valley	240	-	122,096	115,985	6,111
Plym Valley Cycle Track	302	-	5,230	4,471	759
Longtimber	330	1,000	-	1,000	-
WDWM	411	-	3,500	3,500	-
Consultancy	414	-	3,932	3,932	-
GTA	417	19,845	-	19,845	-
Somerset	431	-	40,417	38,756	1,661
Somerset LFT	432	-	25,938	25,938	-
Envision	439	-	88,514	88,514	-
ISO14001	442	-	54	54	-
BEA Membership	455	-	9,424	7,006	2,418
Sustain	462	-	978	978	-
Cornwall College	470	1,000	5,435	6,435	-
Cornwall Greenbus	475	1,200	500	764	936
Business Link	477	-	11,040	11,040	-
Training Development	502	-	14,194	14,194	-
New Deal	503	-	10,435	10,435	-
Royal William Yard	506	-	16,925	16,925	-
Local Nature Reserves	508	-	16,684	11,109	5,575
Stonehouse	514	-	1,040	1,040	-
Seaton Barracks	519	-	2,480	2,480	-
Ford Park Cemetery	520	-	13,933	13,933	-
Ford Park Compost	521	-	7,000	5,633	1,367
Horticultural Healing	525	-	22,203	15,866	6,337
Contracts	550	-	54,365	54,365	-

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Projects	Code	At 1 April 2002	Incoming Resources	Outgoing Resources	At 31 March 2003
TR+	551	-	1,229	1,229	-
Greenlinks	620	-	3,000	3,000	-
Promise Somerset	621	-	5,975	5,975	-
Development	641	-	4,981	4,981	-
Regional Development	642	-	51,306	51,306	-
Quality	645	-	75,493	34,140	41,353
Scott Hospital	680	-	3,300	1,893	1,407
TOTAP	702	-	6,953	4,140	2,813
Torbay Development	802	-	39,610	39,610	-
Torbay Community	803	-	36,004	36,004	-
Greendoors	804	879	-	879	-
Bay Walks	806	5,620	23,603	26,027	3,196
Small Grants	811	-	7,976	3,862	4,114
Brewery Park	815	-	879	879	-
Paignton Skate Park	820	-	10,000	-	10,000
Restormel Development	850	3,000	21,000	19,851	4,149
Restormel Scoping	851	4,000	-	4,000	-
ECWM	852	-	4,900	17	4,883
Saltmill Arts	205a	15,074	-	11,129	3,945
Landfill Tax	Landfill	3,815	-	3,815	-
Saltmill Millenium Project	205	316,852	-	-	316,852
Sundry Small Projects		-	18,567	17,832	735
		£402,705	£1,097,087	£1,014,602	£485,190

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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	£441

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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.