

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

Company Number 3446256

DIRECTORS' REPORT

&

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

MALCOLM, WILSON, GILLOTT, WRIGHT & CO.

Chartered Accountants

London



URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

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URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2000

We are pleased to submit our 3rd annual report and the audited Financial Statements for the period to 31st March 2000. The Directors who served during the year were:

G. Keenan	resigned 7th March 2000
M. Ahdan	
E.M. Broadway	
D.H.A. Bray	
J.L. Greengross	resigned 10th February 2000
A.D. Sharpe	
M.H. Audley	
C. Butts	
M. Medas	
L. Ncube	resigned 10th February 2000
R. Farra	appointed 10th February 2000

DIRECTORS' RESPONSIBILITIES

Company law requires the Directors to prepare Financial Statements for each period which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those Financial Statements, the Directors have:-

- selected suitable accounting policies and then applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepared the Financial Statements on the going concern basis.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PRINCIPAL ACTIVITIES

The principal activity of the Company is to facilitate and extend community involvement in the economic, social and environmental regeneration of those Wards in the Borough of Hammersmith and Fulham and adjoining areas and their immediate surroundings, which are eligible for Regeneration Funding, and to promote capacity-building in the area of benefit allowing local people to develop the skills and knowledge to participate in full in community and economic activities.

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

DIRECTORS' REVIEW

The Directors report that the last year has certainly been a year of challenges and achievements for the UPG with the primary challenge being that of ensuring the allocation of the EU URBAN fund monies before the December 31st 99 deadline. That deadline was met and a number of key training & employment initiatives are now up and running and attracting local residents to their doors as a result. A list of those projects & organisations are shown in the appendix attached and we have also turned the spotlight on a few case study examples overleaf which I hope will serve to provide a flavour of the activities with which we are involved & seek to promote.

Three areas of activity are worthy of note in the period under review.

The first has been Partnerships and the level to which officers of this organisation have worked to develop effective partnerships with other organisations in the last year. Key partnerships have been developed in the Community, Employment, Childcare & Social Enterprise Sectors with UPG staff working alongside officers of Hammersmith & Fulham Regeneration Partnership to improve the level of integration & co-operation between groups and agencies working in similar fields. Many of these Partnerships, or Consortia to use the local vernacular/buzz word, are still in their early days of creation but for me they represent a key foundation upon which the UPG's future may very well depend.

The second activity is the UPG's progress in the Social Enterprise field. In the last year the UPG has managed to establish a substantial 'Key Fund', value £400k approximately, of SRB & URBAN grant aid which is now being used to promote community based enterprise initiatives in the North of the borough. In addition to the Key Fund we have secured funds to employ a Development Worker and perhaps most importantly have brought together a London wide panel of experts to advise and oversee the funding process.

Our new programme is still in its infancy but already the signs are encouraging and we've attracted a little bit of attention from colleagues across London. A number of organisations have already come forward with proposals which will result in improved local services and the creation of jobs for local residents. Social Enterprise is fundamentally about people & groups in the locality 'doing it for themselves' and is an area of activity which the UPG think may be about to significantly increase.

The third UPG activity worth mentioning is our involvement in Childcare initiatives. Childcare has been established as a priority under this government and has received a lot of media attention of late. Here in Hammersmith & Fulham the UPG has been working alongside the mainstream departments, i.e. Education, Social Services, as well as local voluntary agencies, such as the Pre School Learning Alliance, to try and put together schemes which not only maximise local childcare provision but maximise local jobs & salary levels in this sector. The UPG's involvement on the White City Day Nursery Steering Group and in the Hammersmith & Fulham Childcare Consortium are small examples of the investments we are making now in terms of staff time & resources in the hope that rewards, for the area, will follow in the years ahead.

URBAN PARTNERSHIP GROUP LIMITED

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DIRECTORS' REPORT

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

Overall 1999/2000 was a successful year for the UPG. The Directors are well aware that last year's success is no guarantee of success in the future but it is perhaps evidence of a team pulling together both within the Board & among the staff and that can only bode well for the year ahead. Finally, the Directors and the staff team would like to put on record our thanks to all those individuals and organisations who have supported us throughout the year.

RESULTS FOR THE PERIOD AND ACQUISITION OF FIXED ASSETS

The net income of £19,609 (1999: £29,832) has been carried forward to future periods as set out in Note 9 of the Financial Statements. The Capital Funds are also shown in Note 9, and have been used primarily in refurbishing the premises the Group operates from, as shown in Note 6.

AUDITORS

A resolution proposing that auditors be appointed subject to a tendering process will be put to the Annual General Meeting.

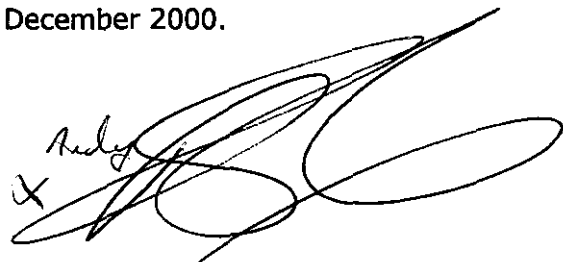
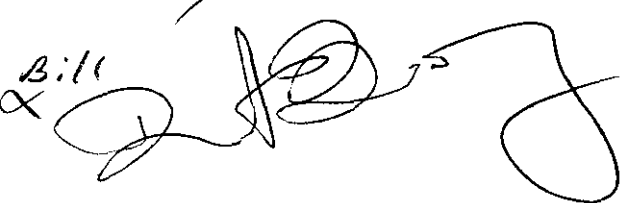
This report was approved by the Directors on 4th December 2000.

SIGNED ON BEHALF OF THE BOARD

Gordon Keenan

G KEENAN
Secretary

4th December 2000

Andy
X 
Bill
X 

Registered Office
370-376 Uxbridge Road
Shepherds Bush
London W12 7LL

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

AUDITORS' REPORT

TO THE MEMBERS OF URBAN PARTNERSHIP GROUP

We have audited the Financial Statements for the year ended 31st March 2000 on pages 5 to 11 which have been prepared under the Historical Cost Convention and the accounting policies set out on pages 7 to 8.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As described on page 1, the Company's Directors 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 Statements, and of whether the accounting 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 and fair view of the state of the Company's affairs as at 31st March 2000 and of its Surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


MALCOLM, WILSON, GILLOTT, WRIGHT & CO.

Chartered Accountants
Registered Auditors

 2000

30-38 Hammersmith Broadway
London W6 7AB

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2000

	<u>Notes</u>	<u>2000</u>	<u>1999</u>
		<u>£</u>	<u>£</u>
<u>INCOME</u>			
Grants	2	616,522	255,792
Membership Fees		2,057	—
Rent and Other Charges		<u>39,597</u>	<u>24,215</u>
		658,176	280,007
<u>LESS: EXPENDITURE</u>			
Management and Administration	5	379,761	207,563
Grants Made		263,403	43,629
Depreciation	6	93,112	93,897
Transfer from Capital Fund		<u>(93,112)</u>	<u>(93,897)</u>
		643,164	251,192
		<u>15,012</u>	<u>28,815</u>
<u>OTHER INCOME</u>			
Interest Received		<u>5,746</u>	<u>1,287</u>
<u>Net Operating Income before Taxation</u>		20,758	30,102
Taxation	10	<u>(1,149)</u>	<u>(270)</u>
<u>NET INCOME TRANSFERRED TO REVENUE RESERVES</u>		<u>£19,609</u>	<u>£29,832</u>

The Company has no other recognised gains or losses other than those stated above, which all relate to continuing activities.

The Notes on pages 7 to 11 form part of these Financial Statements.

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

BALANCE SHEET

AS AT 31ST MARCH 2000

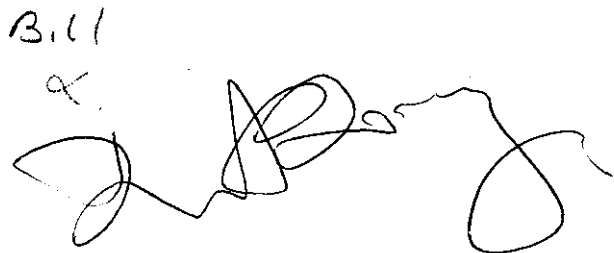
	Note	2000 £	£	1999 £	£
<u>FIXED ASSETS</u>					
Tangible Fixed Assets	6		95,988		168,867
<u>CURRENT ASSETS</u>					
Debtors	7	142,902		91,451	
Cash at Bank and In Hand		<u>236,092</u>		<u>84,983</u>	
		<u>378,994</u>		<u>176,434</u>	
<u>CURRENT LIABILITIES</u>					
Creditors: amounts falling due within one year	8	<u>305,292</u>		<u>119,223</u>	
<u>NET CURRENT ASSETS</u>					
			73,702		57,211
Provision for Liabilities and Charges			<u>(1,149)</u>		<u>(270)</u>
<u>NET ASSETS</u>					
			<u>£168,541</u>		<u>£225,808</u>
<u>FUNDS EMPLOYED</u>					
Capital Fund	9	101,947		178,823	
Income Fund	9	<u>66,594</u>		<u>46,985</u>	
			<u>£168,541</u>		<u>£225,808</u>

Approved by the Board of Directors on
and signed on its behalf by:

Bill
~~14th December~~ 2000

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A. D. SHARPE

Bill
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The Notes on pages 7 to 11 form part of the Financial Statements.

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

1. ACCOUNTING POLICIES

Company Status

The Urban Partnership Group is a company which is limited by guarantee.

The partnership has availed itself of Paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the company's activities.

Reserves

The reserves include surpluses resulting from both revenue and capital activity for the company. The capital reserves are being written down each year to reflect the amortization of fixed assets over periods of one and three years.

Grants and Other Income Receivable

Grants and other Income are accounted for on a receivable basis.

Tangible Fixed Assets and Amortization

Tangible fixed assets are included in the balance sheet at cost and include any incidental expenses relating to refurbishment works to the Opportunities Centre and the acquisition of other furniture and office equipment.

Assets included in the balance sheet have been funded by grants and are mainly being written down or amortized on a straight line basis over three years; the period over which funding is assured for the Urban Partnership Group.

Depreciation

As disclosed in the note above, the Urban Partnership was originally funded for a three year period ending on 31st March 2000, and depreciation was calculated on that basis. Due to the short period that the Company can be regarded as a going concern, the basis of amortization has been set as follows:

- 1) For assets acquired under short life projects, the amortization period is the time span of the project.
- 2) For all other assets, three years on the straight line basis, to coincide with the funding of the Company.

Subsequently the funding period has been extended to 31st December 2001. The Directors are of the opinion that adjusting the Depreciation Charge would be of negligible benefit to the Company and the Depreciation Charge therefore remains as originally calculated.

URBAN PARTNERSHIP GROUP LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

1. ACCOUNTING POLICIES (continued)

Pension Costs

Staff who previously worked for the Council continued to subscribe to the Local Government pension scheme operated by Hammersmith & Fulham Council. The employers' contributions to the scheme are funded by the Urban Partnership Group.

All staff other than temporary staff are invited to join the Council pension scheme, to which the UPG pays the employer's contribution.

Cashflow

The Company has taken advantage of the exemption in Financial Reporting Standard No. 1 from the requirement to produce a cashflow statement on the grounds that it qualifies for exemption as a small company.

2. GRANTS RECEIVABLE

	<u>2000</u>		<u>1999</u>	
	<u>Capital</u>	<u>Revenue</u>	<u>Capital</u>	<u>Revenue</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Government Office for London	4,403	364,714	36,616	102,925
Single Regeneration Budget	15,829	179,041	17,948	85,716
Benefits in Kind	—	11,871	—	—
London Borough of				
Hammersmith & Fulham	—	60,896	21,315	46,618
Department of Education	—	—	—	20,533
	<u>£20,232</u>	<u>£616,522</u>	<u>£75,879</u>	<u>£255,792</u>

3. DIRECTORS' REMUNERATION

The remuneration and other costs for directors amounted to £37,239 (1999 – £35,637).

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

4. AUDIT AND BANK CHARGES

Audit and bank charges shown below have been included as part of the operating costs:

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Auditors' Remuneration	4,000	4,082
Bank Charges	175	68
	<u>4,175</u>	<u>4,150</u>

5. EXPENDITURE

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Management and Administration	<u>£379,761</u>	<u>£207,563</u>
Staff Costs:		
Wages, Salaries and Payroll Costs	206,988	73,405
Social Security Costs	15,113	6,466
Pension Costs	18,710	4,758
Agency Staff	31,200	57,599
	<u>£272,011</u>	<u>£142,228</u>
No employee earned over £40,000.		

The average number of employees, analysed by function, was:

Opportunity Centre	5	2
Management and Administration	3	2
Others	5	2
	<u>13</u>	<u>6</u>

After incorporation, personnel were employed by the London Borough of Hammersmith & Fulham, and were seconded to the Group. They have subsequently become employees of the Group.

URBAN PARTNERSHIP GROUP LIMITED

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

6. TANGIBLE FIXED ASSETS

	Equipment, Fixtures & Fittings £	Refurbishment Costs £	Total £
Balance at 1st April, 1999	56,375	206,389	262,764
Additions	15,078	5,155	20,233
Balance at 31st March, 2000	<u>£71,453</u>	<u>£211,544</u>	<u>£282,997</u>
Depreciation at 1st April, 1999	25,101	68,796	93,897
Depreciation Charge for year	21,738	71,374	93,112
Depreciation at 31st March, 2000	<u>£46,839</u>	<u>£140,170</u>	<u>£187,009</u>
Net Book Value at 1st April, 1999	<u>£31,274</u>	<u>£137,593</u>	<u>£168,867</u>
Net Book Value at 31st March, 2000	<u>£24,614</u>	<u>£71,374</u>	<u>£95,988</u>

Depreciation

The rates and bases used are as follows:

Equipment, Fixtures & Fittings	-	33 ¹ / ₃ % on straight line method.
Refurbishment Costs	-	33 ¹ / ₃ % on straight line method.

Capital Expenditure

As at 31st March, 2000, the group had approved and contracted capital expenditure of £ Nil (1999 - £9,144).

7. DEBTORS

	2000 £	1999 £
Capital Grants	15,829	24,739
Revenue Grants	126,133	61,733
Prepayments	940	4,979
	<u>£142,902</u>	<u>£91,451</u>

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH, 2000

(continued)

**8. CREDITORS
due within one year**

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Hammersmith & Fulham Council:		
Revenue Expenditure	156,965	39,951
Capital Expenditure	—	55,717
Grant in Advance	139,876	7,184
Accrued Expenses	8,001	11,073
Retention Fee	450	4,850
SRB Grant in Advance	—	448
	<u>£305,292</u>	<u>£119,223</u>

9. RECONCILIATION OF MOVEMENT OF FUNDS

	<u>2000</u>		<u>1999</u>	
	<u>£</u> <u>Capital</u>	<u>£</u> <u>Revenue</u>	<u>£</u> <u>Capital</u>	<u>£</u> <u>Revenue</u>
Reserves as at 1st April 1999	174,826	46,985	196,841	17,153
Receipts of Capital Funds	20,233	—	75,879	—
	<u>195,059</u>	<u>46,985</u>	<u>272,720</u>	<u>17,153</u>
Less: Depreciation	93,112	—	93,897	—
	<u>101,947</u>	<u>46,985</u>	<u>178,823</u>	<u>17,153</u>
Revenue Surplus	—	19,609	—	29,832
Prior Year Adjustment	—	—	(3,997)	—
	<u>—</u>	<u>—</u>	<u>(3,997)</u>	<u>—</u>
Reserves as at 31st March 2000	<u>£101,947</u>	<u>£66,594</u>	<u>£174,826</u>	<u>£46,985</u>

Capital Funds are already committed towards refurbishment of Premises and replacement of Equipment, Fixtures and Fittings.

The Prior Year adjustment is in respect of an ERDF/ESF grant in arrears, estimated in the previous year which has now been adjusted.

10. CORPORATION TAX

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
UK Corporation Tax at 20% on Interest Received (1999 - 21%)	<u>£1,149</u>	<u>£270</u>

URBAN PARTNERSHIP GROUP LIMITED

(A Company limited by Guarantee)

SCHEDULE TO INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2000

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
<u>MANAGEMENT AND ADMINISTRATION EXPENSES</u>		
Directors Remuneration	37,239	35,637
Salaries	235,855	106,591
Training and Seminars	7,524	5,726
Marketing and Recruitment	8,622	6,636
Rent and Rates	27,603	13,787
Room Hire	1,275	870
Postage, Printing and Stationery	11,136	12,804
Light and Heat	3,376	2,033
Telephone and Fax	5,354	3,941
Insurance	1,026	852
Cleaning	4,372	4,441
Repairs and Maintenance	3,803	3,973
Meeting Expenses	643	614
Consultancy	6,175	1,974
Travelling Expenses	1,503	1,612
Staff Refreshments	311	537
Membership Fees	936	20
Bank Charges	175	68
Audit Fees	4,000	4,082
Sundry Expenses	1,313	1,365
Services in Kind	11,871	—
Equipment Hire	197	—
Data Tracker Project	5,452	—
	<u>£379,761</u>	<u>£207,563</u>
<u>GRANTS MADE</u>		
Community Chest Grants	88,139	18,974
E.R.D.F. Projects (Measure 1)	116,495	24,655
E.S.F. Projects (Measure 2)	58,769	—
	<u>£263,403</u>	<u>£43,629</u>