

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

Company Number 3446256

Registered Charity No. 1092258

DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2006

EDMUND WRIGHT & Co.

Chartered Accountants

Registered Auditors

London

SATURDAY



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URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006

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URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

YEAR ENDED 31ST MARCH 2006

LEGAL AND ADMINISTRATIVE INFORMATION

Incorporation Number: 3446256

Registered Charity Number: 1092258

Trustees/Directors:

A. Sharpe	
E. M. Broadway	
R. Farrar	
M. Ahdan	
Cllr. M. Smallman	resigned May 2006
Cllr. S. Coughlan	resigned May 2006
K. Martindale	
H. Audley	
R. Iggulden	appointed September 2006
H. Phibbs	appointed September 2006
J. Gilbert	appointed September 2006
Fr I. Rogers	appointed September 2006

Company Secretary and
General Manager: G. Keenan

Registered Office: Opportunities Centre
370-376 Uxbridge Road
London W12 7LL

Auditors: Edmund Wright & Co.
Chartered Accountants
90 The Ridgeway
London NW11 9RU

Solicitors: Russell-Cooke Solicitors
2 Putney Hill
London SW15 6AB

Bankers: HSBC
16 Shepherds Bush Green
London W12 8PT

Governing Document: Memorandum and Articles of Association
dated 8th October 1997

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2006

The Directors and Trustees present the annual report and the financial statements for the year ended 31st March 2006.

LEGAL AND ADMINISTRATIVE DETAILS

Urban Partnership Group is incorporated under the Companies Act 1985 as a Company Limited by Guarantee. The Company obtained charitable status with the Charity Commission on 29th May 2002 under registration number 1092258. Only members of the Company may be appointed Directors/Trustees.

The following Directors who are regarded as Trustees of Urban Partnership Group held office during the year to 31st March 2006.

A. Sharpe
E. M. Broadway
R. Farrar
M. Ahdan
Cllr M. Smallman
Cllr S. Coughlan
K. Martindale
H. Audley

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the profit or loss of the charity for that period. In preparing these 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 company will continue in business.

The trustees are responsible for keeping proper accounting records that 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 normally accepted accounting conventions. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2006 **(continued)**

REVIEW OF PROGRESS AND ACHIEVEMENTS

Income & Expenditure

In the year to 31st March 2006 the UPG's income from generated funds at £944k was down 15% year on year from 2004/2005. This reduction in overall income had been predicted in last year's annual report and is a reflection of more substantive changes taking place at borough level and across the regeneration sector in London at present. The reduction in financial resources has had a follow-on impact on staffing capacity within the organisation but, with careful planning and oversight of charitable priorities and budgets, the Group was able to achieve a modest surplus over the year of £13k.

Activities & Developments

Despite the reduction in available funding, the UPG was able to achieve a number of key outcomes, specifically in relation to:

- (a) the Learning with Adult Mentors (LAMP) initiative which saw the UPG exceed mentee recruitment targets by 25% and support some 52+ individuals from 7 local organisations into learning opportunities, whilst a further 18 mentors achieved units in the City & Guilds Qualification 9295;
- (b) under the combined Community Chest/NRF funding, a total of £219,255 was awarded to 145 local organisations and projects – an average allocation of £1,500 per group;
- (c) the securing of funding for, and the appointment of, a Development Manager for the H&F Credit Union Partnership in September 2005;
- (d) 12 Social Enterprise projects, including three new projects, have been supported by grants of £127,685 in total.

The UPG has provided training and workshops, career advice and guidance, and bookkeeping services in 154 projects to Voluntary Organisations.

Forward Strategy

As was outlined in last year's Annual Report, this is not the easiest of times for delivery organisations. Whilst new opportunities for funding will undoubtedly arise, the scale of accessible regeneration funds available in the West appears to have peaked and be moving eastwards with the Olympic agenda; reductions in capacity are organisational and are likely to play a part in the next 12 months. For the UPG this will mean the continuing development of advice and training services combined with marketing our range of financial, staffing/recruitment, business support, bookkeeping, project management and incubator services which are available under the social enterprise/consultancy wing of the group.

Risk

The Board reviews the Charity's operations on an annual basis to identify and plan the mitigation of the perceived risks of the Company.

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

DIRECTORS' AND TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2006 **(continued)**

REVIEW OF PROGRESS AND ACHIEVEMENTS (continued)

Reserves

The Board are of the opinion that the reserves are adequate for our future purposes.

Restricted Funds

Overspends on Restricted funds, and Urban Support and Opportunities Centre deficits, have been met by transfers from Reserves; negotiations continue in respect of a Co-Finance project, whilst an under-claim on another project is anticipated to be cleared in the next few months.

Summary

The UPG continues to extend its reputation as a delivery body of Social Enterprise advice and support in West London but further measured reductions in organisational scale may be necessary in the short to medium term in order to counteract the effects of the projected funding cuts. In conclusion, the Board of the UPG would like to acknowledge the support and commitment which the organisation's staff, partners and associates have provided. We would like to record our thanks to those individuals as well as to those key agencies who have provided the organisation with funding and support over the period of this Annual Report. Together we are making a Difference ...

Signed on behalf of the Board



G. Keenan
Secretary

8th December 2006

Registered Office:
Opportunities Centre
370-376 Uxbridge Road
London
W12 7LL

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
URBAN PARTNERSHIP GROUP**

We have audited the financial statements of Urban Partnership Group for the year ended 31st March 2006 which comprise the Statement of Financial Activities, the Balance Sheet, and related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

Respective Responsibilities of Directors/Trustees and Auditors

The Trustees' (who are also directors of Urban Partnership Group for the purposes of company law) Responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Trustees' Report is consistent with the Financial Statements.

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors'/trustees' remuneration and other transactions is not disclosed.

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

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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/Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

In our opinion the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities, of the state of the charity's affairs as at 31st March 2006 and of its surplus for the year then ended.

The Financial Statements have been properly prepared in accordance with the Companies Act 1985 and the information given in the Trustees' Report is consistent with the Financial Statements.

8th December 2006

90 The Ridgeway
London
NW11 9RU



EDMUND WRIGHT & Co.
Chartered Accountants
Registered Auditors

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2006

	Notes	Unrestricted funds £	Restricted funds £	Total 2006 £	Total 2005 £
<u>INCOMING RESOURCES</u>					
<u>Incoming Resources for Generating Funds</u>					
Voluntary Income	2	—	103,936	103,936	135,950
Activities for Generating Funds	3	140,428	—	140,428	129,570
Investment Income		13,107	—	13,107	14,659
<u>Incoming Resources from Charitable Activities</u>					
For Beneficiaries	2	—	383,236	383,236	464,530
For Service Contracts	2	—	302,112	302,112	364,987
Other Incoming Resources	2	—	1,667	1,667	5,070
<u>TOTAL INCOMING RESOURCES</u>		<u>£153,535</u>	<u>£790,951</u>	<u>£944,486</u>	<u>£1,114,766</u>
<u>RESOURCES EXPENDED</u>					
<u>Costs of Generating Funds</u>					
Fundraising Costs	4	7,125	—	7,125	9,753
Costs of Core Grants	4	—	97,587	97,587	100,863
Costs of providing Services	4	49,885	—	49,885	48,955
<u>Costs of Charitable Activities</u>					
Grants Payable to Beneficiaries	4&5	—	346,941	346,941	550,992
Direct Charitable Costs	4	—	375,753	375,753	370,394
<u>Governance Costs</u>	4	<u>54,482</u>	<u>—</u>	<u>54,482</u>	<u>67,725</u>
		<u>111,492</u>	<u>820,281</u>	<u>931,773</u>	<u>1,148,682</u>
Items Capitalised		—	—	—	(2,109)
<u>NET RESOURCES EXPENDED</u>		<u>£111,492</u>	<u>£820,281</u>	<u>£931,773</u>	<u>£1,146,573</u>
Net Incoming Resources before Transfers		42,043	(29,330)	12,713	(31,807)
Reallocation of Funds	13	—	18,768	18,768	—
Transfers between Funds					
- Capital		—	—	—	4,779
- Unrestricted	13	(32,398)	32,398	—	—
Total Funds brought forward		<u>400,324</u>	<u>(10,621)</u>	<u>389,703</u>	<u>416,731</u>
<u>TOTAL REVENUE FUNDS CARRIED FORWARD</u>		<u>£409,969</u>	<u>£11,215</u>	<u>£421,184</u>	<u>£389,703</u>

The Notes on pages 8 to 17 form part of the Financial Statements.

There are no recognised gains or losses other than the surplus for the year, which relates entirely to continuing operations.

URBAN PARTNERSHIP GROUP
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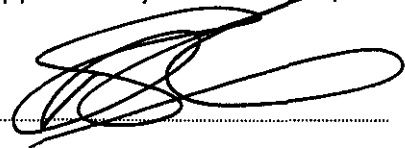
BALANCE SHEET AS AT 31ST MARCH 2006

	<u>Note</u>	<u>£</u>	<u>2006</u>	<u>£</u>	<u>2005</u>	<u>£</u>
<u>FIXED ASSETS</u>						
Tangible Fixed Assets	8		13,427		10,892	
<u>CURRENT ASSETS</u>						
Debtors	9	120,515		206,447		
Cash at Bank and In Hand		<u>572,153</u>		<u>436,123</u>		
		<u>692,668</u>		<u>642,570</u>		
<u>CURRENT LIABILITIES</u>						
Creditors: amounts falling due within one year	10	<u>276,269</u>		<u>255,117</u>		
<u>NET CURRENT ASSETS</u>			416,399		387,453	
Provision for Liabilities and Charges			<u>—</u>		<u>—</u>	
<u>NET ASSETS</u>			<u><u>£429,826</u></u>		<u><u>£398,345</u></u>	
<u>FUNDS EMPLOYED</u>						
Restricted Funds – Capital	13		8,642		8,642	
Restricted Funds - Income	13	11,215		(10,621)		
Unrestricted Funds	14	<u>409,969</u>		<u>400,324</u>		
			<u>421,184</u>		<u>389,703</u>	
			<u><u>£429,826</u></u>		<u><u>£398,345</u></u>	

The Notes on pages 8 to 17 form part of the Financial Statements.

These Financial Statements have been prepared in accordance with the special provisions of part VII, Companies Act 12985 relating to Small Companies.

Approved by the Trustees/Directors on 8th December 2006 and signed on their behalf by:



A. D. Sharpe
Trustee

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006

1. ACCOUNTING POLICIES

Accounting Policies

The Financial Statements of the Charity are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" 2005, issued by the Charity Commission, the Companies Act 1985 and comply with the Company's Memorandum and Articles of Association, and are drawn up on the historical cost accounting basis. Comparative figures for 2005 have been reanalysed for SORP 2005.

Fund Accounting

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

Income Streams will be identified as either Restricted or Unrestricted and reported in the Financial Statements appropriately.

Restricted Funds are monies raised for and their use restricted to a specific purpose or Grants subjected to donor imposed conditions.

Unrestricted Funds comprise those monies which may be used towards meeting the Charitable Objectives of the Charity at the discretion of the Trustees.

All Income, including Grants is credited to the Statement of Financial Activities on a receivable basis.

Direct Charitable expenditure comprises direct expenses incurred on the defined charitable purposes of the Charity and includes staff costs attributable to the activity. Other costs are charged to the Statement of Financial Activity and allocated between all activities, both restricted and unrestricted on an appropriate 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.

The Company was given guaranteed funding for three years, and a Capital grant to refurbish office premises. The refurbishment costs and the Capital grants were amortised over the three years and now have nil net book values.

Depreciation

In order to match the useful life of the funding with its Assets, the following Depreciation policy has been used:

- 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.

Leased Assets

Rentals applicable to operating Leases, where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statements of Financial Activities on a straight line basis over the term of the lease.

URBAN PARTNERSHIP GROUP

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(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 new staff are now offered Stakeholder pensions. Pension Costs in the current year were £27,803 (2005 – £24,459).

Non Consolidation of Subsidiary Company

Urban Partnerships Services Ltd (UPS) Company No 4446162 is a wholly owned subsidiary of UPG. Its activities and accounting are defined and controlled by the Directors of the Company and reported to the Board.

The results of the Company are not material and have not been consolidated and therefore these accounts are of the parent undertaking only.

The results of the Company for the year, taken from the unaudited figures are as follows:

External Turnover		<u>£39,845</u>
Result for the Year – Profits Retained		<u>£4,814</u>
Net Assets		<u>£13,848</u>
Comprised of		
Cash at Bank	36,618	
Liabilities	<u>(22,770)</u>	
		<u>£13,848</u>
Share Capital	1	
Retained Reserves Brought Forward	9,033	
Profit for year	<u>4,814</u>	
		<u>£13,848</u>

Taxation

UPG is a registered charity and not subject to Income or Corporation tax on its Income or Activities provided that resources are expended on the defined Charitable activities.

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.

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
2. <u>INCOMING RESOURCES</u>		
(a) <u>DEFERRED GRANTS</u>		
Deferred Grants Brought Forward	80,919	75,107
Grants Receivable in the year	802,516	976,349
Deferred Grants Carried Forward	(92,484)	(80,919)
	<u>£790,951</u>	<u>£970,537</u>
(b) <u>CORE GRANTS</u>		
Single Regeneration Budget	74,436	88,150
London Borough Hammersmith and Fulham	29,500	47,800
	<u>£103,936</u>	<u>£135,950</u>
(c) <u>GRANTS FOR BENEFICIARIES</u>		
NDC – Community Chest	—	135,707
Government Office for London (ESF)	38,179	54,951
Single Regeneration Budget	251,518	239,284
London Borough Hammersmith and Fulham	50,342	12,508
Home Office	12,411	—
Phoenix Fund	30,786	13,632
Healthy Living	—	8,448
	<u>£383,236</u>	<u>£464,530</u>
(d) <u>SERVICE CONTRACT GRANTS</u>		
Government Office for London (ERDF)	134,227	178,138
London Borough Hammersmith and Fulham	2,442	3,391
Capital Grants	10,647	17,390
NRF	141,043	135,949
Single Regeneration Budget	13,753	30,119
	<u>£302,112</u>	<u>£364,987</u>
(e) <u>OTHER INCOME</u>	<u>1,667</u>	<u>5,070</u>
<u>RESTRICTED INCOME</u>	<u>£790,951</u>	<u>£970,537</u>

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006

(continued)

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
3. <u>INCOMING RESOURCES</u>		
Activities for Generating Funds		
Rents and Services	71,002	33,078
Management Fees	61,805	91,492
Other Income	7,621	5,000
Unrestricted Income	<u>£140,428</u>	<u>£129,570</u>

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2006 (continued)

4. **(a) TOTAL RESOURCES EXPENDED**

	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other Costs</u>	<u>Total 2006</u>	<u>Total 2005</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fundraising and Publicity	5,830	—	1,295	7,125	9,753
Direct Charitable Expenditure	296,233	6,704	72,816	375,753	370,394
Grants Payable to Beneficiaries	—	—	346,941	346,941	550,992
Costs re Providing Services	36,445	—	13,440	49,885	48,955
Governance Costs	46,654	—	7,828	54,482	67,725
Costs re Core Grants	—	—	97,587	97,587	100,863
	<u>£385,162</u>	<u>£6,704</u>	<u>£539,907</u>	<u>£931,773</u>	<u>£1,148,682</u>

Management and Administration include Audit Fees of £8,489 and other regulatory costs of £ Nil.

4. **(b) STAFF COSTS**

	<u>2006</u>	<u>2005</u>
	<u>£</u>	<u>£</u>
Salaries	318,651	365,487
Social Security Costs	29,201	35,019
Redundancy Costs	9,507	15,904
Pension Costs	27,803	24,459
	<u>£385,162</u>	<u>£440,869</u>

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

Opportunity Centre	2	2
Management and Administration	3	3
Projects	7	9
	<u>12</u>	<u>14</u>

No staff earned over £50,000.

4. **(c) OTHER COSTS**

Grants disbursed (see Note 5)	346,941	550,992
Premises	32,266	20,668
Repairs & Renewals	3,171	6,364
Postage, Printing & Stationery	13,888	13,805
Marketing & Events	3,470	8,501
Miscellaneous Costs	140,171	100,595
Capital Items	—	2,109
	<u>£539,907</u>	<u>£703,034</u>

URBAN PARTNERSHIP GROUP

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

5. GRANTS PAYABLE TO BENEFICIARIES

The Charity is established to fulfil the following three main objectives:

1. To relieve unemployment through
 1. Education, training and retraining
 2. Financial assistance, technical assistance and business advice
 3. Creation of training and employment and workspace.
2. Develop the skills and capacity of local communities.
3. To relieve poverty, advance education and promote public health and the prevention of youth crime.

The Charity bids for funding streams that match their objectives, from Government and quasi Government Sources. In pursuit of the above the Charity has disbursed Grants to institutions as follows:

	£
<u>Social Enterprise Grants</u>	
Grants have been paid to 12 social enterprise projects to build capacity in the local community and promote social enterprise through development, appraisal, and ongoing support to projects.	127,685
<u>Neighbourhood Renewal Community Chest</u>	
Grants were paid for 62 projects that will improve quality of life in Hammersmith & Fulham and help more local people get involved in their communities and neighbourhoods.	109,946
<u>Objective 2 (European Regional Development Fund)</u>	
Grants were paid for 59 projects to facilitate the involvement of local community in the regeneration of the West London CED area.	72,694
<u>Regenasis</u>	
Grants were paid for 24 projects to develop and build upon the capacity of local organisations and individuals within the voluntary and community sector in order to contribute to the renewal and regeneration of their neighbourhoods.	36,616
	<u>£346,941</u>

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

6. **TRUSTEES' REMUNERATION**

The Trustees did not receive any remuneration or expenses during the year (2005 - £ Nil). No indemnity insurance is paid for trustees.

7. **OPERATING LEASES**

The Company has one operating lease at £20,000 p.a.

8. **TANGIBLE FIXED ASSETS**

	Equipment, Fixtures & Fittings £	Refurbishment Costs £	Total £
Balance at 1 st April 2005	104,935	228,447	333,382
Additions	9,239	—	9,239
Balance at 31 st March 2006	<u>£114,174</u>	<u>£228,447</u>	<u>£342,621</u>
Depreciation at 1 st April 2005	94,043	228,447	322,490
Depreciation Charge for year	6,704	—	6,704
Depreciation at 31 st March 2006	<u>£100,747</u>	<u>£228,447</u>	<u>£329,194</u>
Net Book Value at 1 st April 2005	<u>£10,892</u>	<u>£ —</u>	<u>£10,892</u>
Net Book Value at 31 st March 2006	<u>£13,427</u>	<u>£ —</u>	<u>£13,427</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.

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

	<u>2006</u> <u>£</u>	<u>2005</u> <u>£</u>
9. <u>DEBTORS</u>		
Revenue Grants	71,565	159,846
Other Debtors	48,950	46,601
	<u>£120,515</u>	<u>£206,447</u>
10. <u>CREDITORS</u> due within one year		
Hammersmith & Fulham Council:		
Revenue Expenditure	68,411	67,854
In Advance	31,123	43,122
Other Creditors	7,210	20,396
Accrued Expenses	20,475	27,806
Retention Fees	—	4
Grants in Advance	92,484	80,919
Grants Payable to Beneficiaries	56,566	15,016
	<u>£276,269</u>	<u>£255,117</u>
11. <u>CAPITAL EXPENDITURE</u>		
There were no capital commitments at 31 st March 2006 (2005 – £ Nil).		
12. <u>CONTINGENT LIABILITIES</u>		
There were no contingent liabilities at 31 st March 2006 (2005 – £ Nil).		

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

13. MOVEMENT ON RESTRICTED FUNDS

<u>INCOME</u>	<u>Balance at</u> <u>1st April</u> <u>2005</u> <u>£</u>	<u>Income</u> <u>£</u>	<u>Expenditure</u>		<u>Balance at</u> <u>31st March</u> <u>2006</u> <u>£</u>
			<u>External</u> <u>£</u>	<u>Internal</u> <u>£</u>	
Urban Support	—	29,500	47,702	—	(18,202)*
Opportunities Centre	—	74,436	80,274	6,000	(11,838)*
Children's Fund	—	25,500	23,000	2,500	—
Community Chest (SRB)	—	36,616	36,616	—	—
Community Chest (NRF)	304	128,932	112,115	16,817	304
Home Office – MACY	—	12,411	10,033	2,378	—
LBHF (LAMP)	—	27,284	25,284	2,000	—
West London Capacity					
Building 2	374	97,685	97,685	—	374
Social Enterprise (SEED)	458	219,352	207,481	11,871	458
Phoenix Fund	(3,068)	70,140	54,430	15,000	(2,358)*
QSVS (SRB)	—	38,179	35,539	2,640	—
West London Capacity					
Building 3	—	1,571	1,571	—	—
Community Chest (NDC)	86	—	—	—	86
Opportunities to Work					
Consortium	9,993	—	—	—	9,993
Neighbourhood Learning in					
Deprived Communities	—	—	—	—	—
ALG Co-Finance	(18,768)	—	—	—	(18,768) ¹
ISS	—	4,439	4,439	—	—
WLCCS	—	6,208	6,208	—	—
Community Learning Chest	—	18,698	16,255	2,443	—
	<u>£(10,621)</u>	<u>£790,951</u>	<u>£758,632</u>	<u>£61,649</u>	<u>£(39,951)</u>
Transfer from					
Unrestricted Funds					32,398 *
Reallocation of Funds					<u>18,768 ¹</u>
					<u>£11,215</u>
<u>CAPITAL</u>					
Balance Brought Forward					8,642
Capital Grants Received					—
Less Depreciation carried to the SOFA				6,704	
Charged in the year				<u>(6,704)</u>	
<u>Carried Forward</u>					<u>—</u>
					<u>£8,642</u>

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2006
(continued)

13. **MOVEMENT ON RESTRICTED FUNDS (continued)**

Administration Allowances – Internal Expenditure:

Where administration allowances are granted by funders either on a fixed percentage basis of the grant or on a fixed sum basis, actual costs, in so far as they can be determined under their respective component headings are charged against the allowance and any remaining balance is made the subject of a direct fund transfer crediting unrestricted funds and charging the appropriate restricted fund.

Where it has been found impossible to assess accurately the various component parts of the administration charge in respect of a particular allowance but the total charge is recognised as reasonable, then the entire allowance is made the subject of a fund transfer as described above.

14. **MOVEMENT ON UNRESTRICTED FUNDS**

	£
Balance at 1 st April 2005	400,324
Income	
Investment Income	13,107
Other Income (Note 3)	140,428
	<u>553,859</u>
Expenditure	
Costs Incurred (Note 4)	(111,492)
Transfers to Restricted Funds – Note 13	<u>(34,989)</u>
Balance at 31 st March 2006	<u><u>£407,378</u></u>

Analysis of Net Assets between Funds

	<u>Unrestricted</u>		<u>RESTRICTED</u>		<u>TOTAL</u>
		<u>Capital</u>		<u>Assets</u>	
	£	£		<u>held</u>	
				£	£
Tangible Fixed Assets	2,250	11,177	—	—	13,427
Debtors	120,515	—	—	—	120,515
Cash at Bank	572,153	—	—	—	572,153
Creditors	(276,269)	—	—	—	(276,269)
	<u>£418,649</u>	<u>£11,177</u>	<u>£ —</u>	<u>£ —</u>	<u>£429,826</u>