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# URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

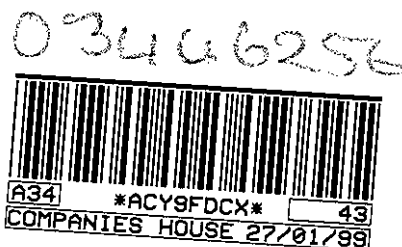
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## DIRECTORS' REPORT

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## FINANCIAL STATEMENTS

FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998



MALCOLM, WILSON, GILLOTT, WRIGHT & CO.

Chartered Accountants

London

URBAN PARTNERSHIP GROUP  
(A Company limited by Guarantee)  
FINANCIAL STATEMENTS  
FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998

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**URBAN PARTNERSHIP GROUP**

(A Company limited by Guarantee)

**DIRECTORS' REPORT**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

We are pleased to submit our first annual report and the audited Financial Statements for the period to 31st March 1998. The Directors who served during the period were:

G. Keenan	-	Appointed 8th October 1997
M. Ahdan	-	Appointed 8th October 1997
E.M. Broadway	-	Appointed 8th October 1997
D.H.A. Bray	-	Appointed 8th October 1997
J.L. Greengross	-	Appointed 8th October 1997
A.D. Sharpe	-	Appointed 8th October 1997

**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.

**INCORPORATION AND CHARITABLE STATUS**

The Company was incorporated on 8th October 1997, and has applied for Charitable Status.

**PRINCIPAL ACTIVITIES**

The principal activities are to facilitate and extend community involvement in the economic, social and environmental regeneration of White City and Shepherds Bush, College Park and Old Oak wards and their immediate surroundings and to promote capacity-building in the area of benefit allowing local people to develop the skills and knowledge to participate fully in community and economic activities.

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

DIRECTORS' REPORT

FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998

(continued)

BUSINESS REVIEW

It is with a mixture of some pride, relief and not a little amazement that we are able to look back over the recent history of the UPG and reflect on the considerable amount that has been achieved in a very short space of time. The UPG formally came into being as a company limited by guarantee in October 1997 and took on its first employee the following month.

In the thirteen months since then the UPG has secured funding for ten posts, has taken the lead in the development of the much needed Community Chest Awards Scheme and most notably of all we were able to secure the lease and subsequent funding for the transformation of the ex Fiat Car showroom into the new Community Enterprise & Opportunities Centre.

The Centre's opening in June 1998 by the Minister for Regeneration, Richard Caborn MP, represented a major milestone for the UP, a major step in the regeneration of the local area and to the commitment of those individuals who had held on to their vision of a community managed One Stop Opportunities facility for local people.

The activities of the Opportunities Centre are covered in more detail further into the report but I think it is fair to say that getting to this point and overcoming the many obstacles which face any emerging new organisation in its early development is never quite as straightforward or as inevitable as reflections in an annual report may sometimes make it appear. The key to the UPG's success to date has been, I believe, our partnership approach to funding and projects and in our promotion of "integration" as a working theme. Integration between different aspects of regeneration as well as integrated working between organisations. The Opportunities Centre with its range of services, tenant organisations and shared facilities is testimony to this approach.

The UPG was established with the principal aim of promoting a regeneration strategy which is genuinely people centred, partnership based and as importantly sustainable. In 1998 we have been able to lay the foundations for what is still a long term project. A number of significant challenges lie ahead in 1999. Within six months of its opening the Opportunities Centre is full. Space for employment, training and other regeneration activities remains at a premium locally and may be an area in which the UPG can continue to provide a level of support to partner community bodies and training organisations. We are presently working with a number of bodies to identify potential sites and opportunities for shared use. The Community Chest Fund remains too an important symbol of the UPG's commitment to getting regeneration funding to the grassroots and is an area of activity upon which we will be focusing some attention in 1999.

Without doubt however, our major challenge in the coming year will be in our working with the URBAN Partnership Advisory Board, Hammersmith & Fulham Council and White City Partnership to seek to ensure that the monies provided from the European URBAN Community Initiative are allocated to eligible projects in this calendar year. The timetable we have been given is extremely tight but if we can continue to build upon the partnerships and project ideas which were initiated in 1998 I am sure that we can maximise the levels of expenditure and benefits falling to the URBAN Partnership area.

URBAN PARTNERSHIP GROUP  
(A Company limited by Guarantee)  
DIRECTORS' REPORT  
FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998  
(continued)

RESULTS FOR THE PERIOD AND ACQUISITION OF FIXED ASSETS

The revenue surplus of £17,153 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 Malcolm, Wilson, Gillott, Wright & Co. be re-appointed as auditors of the Company will be put to the Annual General Meeting.

This report was approved by the Directors on 15th January 1999.

SIGNED ON BEHALF OF THE BOARD

X  X

G. KEENAN  
Secretary

15th January 1999

Registered Office  
92A Frithville Gardens  
London W12 7JW

URBAN PARTNERSHIP GROUP

(A Company limited by Guarantee)

AUDITORS' REPORT

TO THE MEMBERS OF URBAN PARTNERSHIP GROUP

We have audited the Financial Statements for the period ended 31st March 1998 on pages 5 to 12 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 1998 and of its Surplus for the period then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



MALCOLM, WILSON, GILLOTT, WRIGHT & CO.

Chartered Accountants

Registered Auditors

15th January 1999

30/38 Hammersmith Broadway  
London W6 7AB

**URBAN PARTNERSHIP GROUP**

**(A Company limited by Guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

	Note	Unrestricted Funds	Restricted Funds	Total
		£	£	£
<b><u>INCOMING RESOURCES</u></b>				
Grants	2	-	236,767	236,767
Donations and Interest Received		305	-	305
<b>Total Incoming Resources</b>	3	<u>£ 305</u>	<u>£236,767</u>	<u>£237,072</u>
<b><u>RESOURCES EXPENDED</u></b>				
Direct Charitable Expenditure:				
Capital Expenditure on the Centre	6	-	175,040	175,040
Other Expenditure:				
Management and Administration		-	23,078	23,078
<b>Total Resources Expended</b>	5	<u>£ -</u>	<u>£198,118</u>	<u>£198,118</u>
Net Incoming Resources before Transfers	4	305	38,649	38,954
Transfer to Capital Funds		-	175,040	175,040
Fund Balances at 8th October 1997		-	-	-
<b>Fund Balances at 31st March 1998</b>	9	<u>£ 305</u>	<u>£213,689</u>	<u>£213,994</u>

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

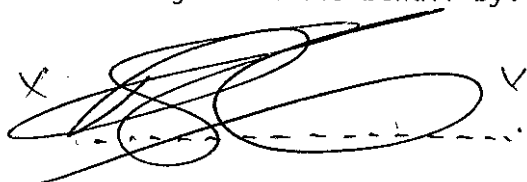
The Notes on pages 7 to 11 form part of these Financial Statements.

**URBAN PARTNERSHIP GROUP**  
**(A Company limited by Guarantee)**

**BALANCE SHEET**  
**AS AT 31ST MARCH 1998**

	Note	£	1998	£
<b><u>FIXED ASSETS</u></b>				
Tangible Fixed Assets	6			175,040
<b><u>CURRENT ASSETS</u></b>				
Debtors	7	73,950		
Cash at Bank and In Hand		<u>22,419</u>		
		96,369		
<b><u>CURRENT LIABILITIES</u></b>				
Creditors: amounts falling due within one year	8	<u>57,415</u>		
<b>NET CURRENT ASSETS</b>				<u>38,954</u>
<b>TOTAL ASSETS</b>				<u><u>£213,994</u></u>
<b><u>FUNDS</u></b>				
Restricted Funds: Capital	9	196,841		
Income	9	<u>16,848</u>		
	9			213,689
Unrestricted Funds				<u>305</u>
				<u><u>£213,994</u></u>

Approved by the Board of Directors on 15th January 1999  
and signed on its behalf by:

X  X

X  X  
G. KEENAN

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



**URBAN PARTNERSHIP GROUP**

(A Company limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

1. **ACCOUNTING POLICIES**

**Basis of Preparation**

The Financial Statements have been prepared under the Historical Cost Convention. The accounts, incorporating a Statement of Financial Activities, have been prepared in accordance with the Statement of Recommended Practice ("SORP" - Accounting by Charities), as the Group has made application for Charitable Status.

**Company Status**

The Group is a company limited by guarantee. The guarantors are the members of the Company and their liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member of the Company.

The Group 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.

**Fund Accounting**

General funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Group.

Restricted funds are funds subject to specific restrictive conditions imposed by donors. The purpose and use of the restricted funds is set out in the Notes to the Financial Statements which follow below. Virtually all incoming funds are restricted, and the Directors are of the opinion that there is no usefulness in detailing movements individually.

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

**URBAN PARTNERSHIP GROUP**

**(A Company limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

**1. ACCOUNTING POLICIES (continued)**

**Resources Arising**

**Grants Receivable**

Grants are accounted for on a receivable basis and are credited to income. Any unspent balances are carried forward on the appropriate fund. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

**Restricted Funds**

Funds have been given for two purposes: (a) to fund the refurbishment of premises to be used by the Group and other equipment needs. These funds have been capitalised. (b) to fund the management and administration of the Group.

**Resources Expended**

Most expenditure has been paid by the London Borough of Hammersmith & Fulham, who account to the Group for the capital and revenue costs. Other management and administration costs are expensed as incurred.

**Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition.

**Depreciation**

A lease was signed for the premises after 31st March 1998. An appropriate amortisation will be charged in subsequent Financial Statements.

The Furniture, Fittings and Equipment were acquired just before 31st March 1998, and will be depreciated in the next Financial Statements.

**Pension Costs**

The Group is now an "Admitted Body" and Officers are able to join the London Borough of Hammersmith & Fulham's pension scheme, which is a "final salary scheme".

**URBAN PARTNERSHIP GROUP**

(A Company limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

2. **GRANTS RECEIVABLE**

	Capital	1998 Revenue	Total
	£	£	£
Park Royal Urban Initiative	73,950	5,137	79,088
Single Regeneration Budget	92,891	-	92,891
Urban Partnership Group	-	27,304	27,304
London Borough of Hammersmith & Fulham	30,000	7,484	37,484
	<u>£196,841</u>	<u>£ 39,926</u>	<u>£236,767</u>

1998  
£

3. **TOTAL INCOMING RESOURCES**

European Community Funds	79,088
Central Government Funds	92,891
Local Government Funds	37,484
Private Sector	27,609
	<u>£237,072</u>

4. **NET INCOMING RESOURCES BEFORE TRANSFERS**  
is stated after charging:

Auditors' Remuneration	£ 500
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**URBAN PARTNERSHIP GROUP**

(A Company limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

**5. TOTAL RESOURCES EXPENDED**

	Staff Costs	Other Costs	1998 Total
	£	£	£
Capital Expenditure	-	175,040	175,040
Management and Administration	22,043	1,035	23,078
	<u>£ 22,043</u>	<u>£176,075</u>	<u>£198,118</u>
Staff Costs:			
Wages, Salaries and Payroll Costs			19,493
Social Security Costs			1,886
Pension Costs			664
			<u>£ 22,043</u>

No employee earned over £40,000.

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

Management and Administration	2
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After incorporation, personnel were employed by the London Borough of Hammersmith & Fulham, and were seconded to the Group. They will subsequently become employees of the Group.

**6. TANGIBLE FIXED ASSETS**

	Equipment; Fixtures & Fittings	Refurbishment Costs	Total
	£	£	£
Additions in the Period	<u>£ 1,040</u>	<u>£174,000</u>	<u>£175,040</u>

As noted in the Accounting Policies, the lease for the premises occupied by the Group was signed after 31st March 1998. There is no depreciation or amortisation charged in the period, and, as at 31st March 1998, no financial commitments for the lease.

The lease was signed on 11th May 1998, and is for 7 years.

**Capital Expenditure**

As at 31st March 1998, the Group had approved capital expenditure not contracted for of £35,250; and approved and contracted capital expenditure of £30,885.

**URBAN PARTNERSHIP GROUP**

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**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998**

		1998	
		£	
7.	<b><u>DEBTORS</u></b>		
	Capital Grants	£ 73,950	
8.	<b><u>CREDITORS</u></b>		
	due within one year		
	London Borough of Hammersmith & Fulham re Capital Expenditure	20,304	
	London Borough of Hammersmith & Fulham re Operating Costs	2,346	
	Accrued Expenses	3,960	
	Retention Fee in respect of Refurbishment Costs	30,805	
		£ 57,415	
9.	<b><u>STATEMENT OF FUNDS</u></b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>
		Capital Revenue	Total
		£	£
	Balance at 8th October 1997	-	-
	Net Movement of Capital Funds	196,841	196,841
	Net Movement of Revenue Funds	- 16,848	17,153
	Balance at 31st March 1998	£196,841	£213,994
10.	<b><u>ANALYSIS OF NET ASSETS</u></b>	<b>Restricted Funds</b>	<b>Unrestricted Funds</b>
	<b><u>BETWEEN FUNDS</u></b>	Total Funds	
		£	£
	Fund balances at 31st March 1998		
	are represented by:		
	Tangible Fixed Assets	175,040	175,040
	Current Assets	96,064	96,369
	Current Liabilities	(57,415)	(57,415)
		£213,689	£213,991

URBAN PARTNERSHIP GROUP

(A Company Limited by Guarantee)

CASH FLOW STATEMENT

FOR THE PERIOD 8TH OCTOBER 1997 TO 31ST MARCH 1998

1998

£

Reconciliation of Operating Profit to Net  
Cash Inflow from Operating Activities

Net Incoming Resources	213,994
(Increase) in Debtors	(73,950)
Increase in Creditors	57,415
Net Cash Inflow from Operating Activities	<u>£197,459</u>

CASH FLOW STATEMENT

Net Cash Inflow from Operating Activities	197,459
Capital Expenditure	(175,040)
Increase in Cash	<u>£ 22,419</u>

Represented by:

Cash and Bank Balances	<u>£ 22,419</u>
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