

2288607

NENE PARK TRUST

(A Company Limited by Guarantee
and not having a Share Capital)

REPORT AND STATEMENT OF ACCOUNTS

Year ended 31 January 1997



NENE PARK TRUST

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NENE PARK TRUST

SCHEDULE OF INFORMATION

MEMBERS OF THE BOARD OF MANAGEMENT AND THEIR NOMINATING BODIES:

Mr J Case (Chairman)	Royal Institution of Chartered Surveyors
Mr R J Arnold	The Law Society
Mr D E Bath	Royal Town Planning Institute
Mr G W Blagden	Peterborough City Council
Mr H Darbon (retired 14.3.96)	Sports Council (resigned membership 14.3.96)
Canon M Davies	Bishop of Peterborough
Mrs C A Donnelly	Royal Society for Nature Conservation
Mr J R Horrell CBE	Lord Lieutenant of Cambridgeshire
Mr J R Johnson (appointed 13.8.96)	Peterborough City Council
Mrs D McMeekin	Peterborough City Council
Mr R E Perkins JP	Cambridgeshire County Council
Mr G R Ridgway (retired 13.8.96)	Peterborough City Council
Mr I Smith	English Nature

MEMBERS OF SUB-COMMITTEES

Investment Sub-Committee

Mr J Case	(Chairman)
Mr R J Arnold	
Mr M J Bradley	(General Manager)
Mr A Plummer	(Accountant)

Remuneration Sub-Committee

Mr J Case	(Chairman)
Mr J R Horrell	
Mr D E Bath	

Project Sub-Committee

Mr J Case	(Chairman)
Mr R J Arnold	
Mr D E Bath	
Canon M Davies	

NENE PARK TRUST

SCHEDULE OF INFORMATION (Contd.)

SECRETARY AND REGISTERED OFFICE:	Mr M J Bradley Nene Park Trust Ham Farm House Ham Lane Peterborough PE2 5UU
BANKERS:	T S B Bank plc 27/31 Westgate Peterborough PE1 1YH
ACCOUNTANTS:	Plummer & Co 82 Crawthorne Road Peterborough PE1 4AE
AUDITORS:	Stephenson Smart & Co Chartered Accountants Stephenson House 15 Church Walk Peterborough PE1 2TP
INVESTMENT MANAGERS:	Charles Stanley & Co Ltd 25 Luke Street London EC2A 4AR
SOLICITORS:	Greenwoods 30 Priestgate Peterborough PE1 1JE
SURVEYORS & LAND AGENTS:	Carter Jonas 43 Priestgate Peterborough PE1 1AR

**REPORT OF THE BOARD OF MANAGEMENT
YEAR ENDED 31 JANUARY 1997**

Legal and Administration

Nene Park Trust is a company limited by guarantee and not having a share capital, number 2288607, incorporated under the Companies Act 1985 and governed by a Memorandum and Articles of Association as prescribed by the Act. It is a registered charity, number 800067.

The Trust is a single company, without branches or associated trading companies. It is controlled by the Board of Management, the members of which are both Trustees of the Charity and Directors for the purposes of the Companies Act. The General Manager, who is also Company Secretary, is responsible to the Board of Management for the conduct of the Trust's business in accordance with its policies.

Under the powers conferred by the Memorandum of Association, the Trust may invest in or upon such investments, securities or property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law. The power to appoint an investment manager with discretionary powers was conferred by the Charity Commissioners by an Order under Section 26, the Charities Act 1993.

Board of Management's Responsibilities

Company law requires the Board of Management to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing those financial statements, the Board of Management 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 a going concern basis unless it is inappropriate to presume that the Trust will continue in business.

The Board of Management are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and enable them to ensure that the financial statements comply with the Companies Act 1985. The Board of Management are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 1997**

Members of the Board of Management and their nominating bodies :

Mr J Case (Chairman)	Royal Institution of Chartered Surveyors
Mr R J Arnold	The Law Society
Mr D E Bath	Royal Town Planning Institute
Mr G W Blagden	Peterborough City Council
Mr H Darbon (retired 14.3.96)	Sports Council (resigned membership 14.3.96)
Canon M Davies	Bishop of Peterborough
Mrs C A Donnelly	Royal Society for Nature Conservation
Mr J R Horrell CBE	Lord Lieutenant of Cambridgeshire
Mr J R Johnson (appointed 13.8.96)	Peterborough City Council
Mrs D McMeekin	Peterborough City Council
Mr R E Perkins JP	Cambridgeshire County Council
Mr G R Ridgway (retired 13.8.96)	Peterborough City Council
Mr I Smith	English Nature

During the year Mr H Darbon resigned as a Member of the Board of Management and his nominating body, the Sports Council (Eastern Region), from membership of the company following a policy decision by the Sports Council to discontinue involvement in other organisations. Mr G Ridgway was succeeded by Mr J Johnson as one of Peterborough City Council's nominees. The Board is grateful to both retiring members for their contributions to the Trust.

Objects

The objects of the Trust are to provide for the public benefit a park and recreation ground for the inhabitants of Peterborough and visitors with the object of improving the conditions of life for such persons.

Nene Park comprises 695 hectares in the Trust's ownership, primarily on a 999 year lease, with a further 330 hectares in other ownerships, through which the Trust has access agreements, to the west of Peterborough in the valley of the River Nene. About a third of the Trust's land comprises the country park at Ferry Meadows, associated woodlands and other areas of informal open space. This is managed directly. Organised recreation and leisure activities, including golf courses and the rowing course account for a further sixth. The remaining half is open countryside in agricultural use with a network of routes for walking and riding. About a million visits are made each year to Nene Park, of which half are to Ferry Meadows.

REPORT OF THE BOARD OF MANAGEMENT (Contd.) YEAR ENDED 31 JANUARY 1997

The Trust was established in 1988 with the intention of its founders that it should carry out its objects in perpetuity. To begin to realise these intentions, the Trust has adopted policies with a long-term view for the maintenance and development of the 695 hectares of land it owns in Nene Park. Its policies for day to day operation have, understandably, a somewhat shorter focus, while its financial policies must take account of the long term needs in the context of the particular financial structure which was put in place by its founders.

Summary of policies

Being on the urban edge, requests to acquire Trust land for one purpose or another are relatively frequent. To resist these the Trust has resolved to retain land in its stewardship and ownership. And since it is urged in its governing document to seek to develop and extend the Park, it has determined to acquire land as opportunities arise to extend the area of Nene Park under the Trust's ownership or to complement its management of the Park.

The landscape in Nene Park is diverse and dominated by the River Nene and its floodplain. It retains many traditional features and is as important a piece of heritage as any building. Equally there are extensive areas of recently created landscape. The Trust has resolved to conserve the traditional landscape and to enhance it when opportunities arise, and to manage all landscape with regard to creating and maintaining diversity for the interest of visitors and benefit of wildlife. Much of the Trust's land is tenanted and is "working land" of various kinds. Management must therefore be appropriate to its function and use, and the Trust works through and with its tenants to achieve its aims.

The woodlands, ranging in age from probably medieval to very recent plantings, are a particular feature of the Park in one of the least wooded areas of the country. The Trust therefore has decided to manage all woodlands according to good forestry and arboricultural practice and to maintain and enhance the amenity use of them.

As well as offering a multiplicity of leisure activities for a million visitors each year to Nene Park, the Trust recognises its particular role in the local community. The Trust manages directly those areas mainly used for informal recreation, a little over a third of the total area of Nene Park. Here the Trust works to improve continually the information about Nene Park and increase the amount and topicality of interpretative information available to visitors, and to make it appropriate to their interest and knowledge. It seeks to upgrade facilities and fixtures when opportunities arise in addition to meeting identified needs.

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 1997**

In fulfilling its role in the community the Trust aims to develop and maintain links with local groups sharing aims and interests with the Trust and to advise and assist groups seeking to carry out projects in their own communities and neighbourhoods. It particularly encourages greater use of Ferry Meadows Country Park by people with special needs which make the wider countryside inappropriate or inaccessible to them.

The Trust recognises that its aims can only be achieved through its staff. It therefore ensures that through training, they are fully equipped to carry out their responsibilities and are able to contribute fully to the development of Nene Park, its services and activities.

The founders of the Trust, on granting to it in 1988 a 999 year lease of Nene Park which had been developed over the preceding two decades, also sought to make adequate financial provision for the Trust to enable it to carry out its stewardship. The Trust, still in its first decade, has taken a view that ensuring its viability for the very long-term should guide its financial strategy.

The Trust's founders recognised that the lease imposed on the Trust considerable liabilities for the repair, maintenance and replacement of buildings, roads, footpaths, bridges, machinery and other equipment. They did not provide a capital sum reflecting these liabilities, but sought to ensure that the Trust's annual income from its own property and from an endowment of commercial property, of which it is the beneficiary, would provide an adequate surplus over operating costs to enable the Trust to accumulate sufficient funds over time to meet these liabilities. Taking the view that the early years of relatively low maintenance would present the greatest opportunity to allocate funds for future needs, the Trust established a number of reserves to meet these identified liabilities as well as providing for possible future expansion and developments and safeguarding its operational requirements.

In 1990 some 85% of the Trust's income, directly or indirectly, was derived from rents in Peterborough, almost one third of the total was from a single source and 45% was generated from this and two others. This high dependence on a single location makes the Trust vulnerable to changes in the local economic climate and property markets. The Trust therefore decided to broaden the base of its income, initially by establishing an investment portfolio. This year the proportion derived from property calculated on the same basis was 73%.

REPORT OF THE BOARD OF MANAGEMENT (Contd.) YEAR ENDED 31 JANUARY 1997

Progress during the year

The Trust's landscape and woodland management during the year saw both the continuation of existing programmes and the beginning of new ones.

A further tranche of old willow pollards was brought back into management and a number of prospective replacements planted with a view to having successors to the older trees in place by the end of the century. A proportion of the new pollards created in the last decade were cut again and show every indication that they are, as expected, producing fewer but stronger shoots each time. The success of the Trust's programme of repollarding and the range of ages and rotations it maintains continues to attract interest and enquiries from other landowners and agencies, particularly since hosting a study day for the Ouse Valley Project, the Environment Agency and English Nature last year.

Replanting the osier beds in Bluebell Wood continued in conjunction with Nene Park Basketmakers. The area, planted in 1991 by the Trust with the assistance of children from Orton Longueville School, is now coming fully into production, and pupils from Marshfield Special School continued the management of their section.

Woodland management continued within the framework of the plan agreed with Forestry Authority. The largest task during the year was the removal from Orton Mere of the poplar and willow planted for initial protection to release the hardwoods growing beneath them. As with many of the Trust's woodlands the location and proximity of public routes presented the Trust's staff with a complex task when felling and extracting. At the end of the year coppicing had been undertaken in Bluebell Wood to prepare for the thinning due in the new year. It will be the basis for establishing a coppice cycle to increase the diversity of the Wood. The thinning is the first step to creating a mixed age, continuous cover woodland.

The dry summer coupled with closely controlling numbers of livestock by Trust tenants saw dramatic improvements to the more botanically and ornithologically interesting riverside meadows. While it is unlikely that they will ever revert to their original state, their existing diversity will at least be maintained.

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 1997**

During the course of the year the Trust commissioned a comprehensive ecological survey covering the whole of Nene Park. It will ensure that items of interest and significance, such as rare and typical plant species and communities or particular habitats are formally identified. It will also provide the initial input for a computer based recording system and a base line against which to measure the effects of management strategies and varying conditions. In addition it will also be used to provide project material for visiting schools and information for visitors.

Local groups assisted both in the collection of information on aspects of the Park and in projects contributing to its management. Most notable was a tour de force by the Conservation Section of the Caravan and Camping Club taking advantage of the low summer water levels to construct an extensive revetment from willow grown on the Park to arrest erosion on the island in Overton Lake.

The economic origins of much woodland management were demonstrated by some of the thirty different crafts people who participated in an event "From coppice to craft". A large number of visitors enjoyed demonstrations of skills as diverse as Bronze Age style log splitting, through more conventional production of thatching and hurdle making materials, to contemporary sculpture all using materials from the Trust's woodlands and pollards. It was part of the programme of events and activities for families and children organised by the Trust through the year in Nene Park. Other events were mounted in conjunction with Peterborough Arts Council and Peterborough Sculpture Trust.

The Trust replaced during the year two battricar provided for visitors with limited mobility with three electric scooters. Less bulky and more manoeuvrable, they have proved to be a great success in attracting both new users and a growing number of regular, frequent users. The conversion of the former toilet block, replaced by a new building last year, produced both storage and battery charging facilities for the scooters and storage for specially adapted tricycles for the local Sense branch. Its residents, frequent visitors to Ferry Meadows for some years, also began during the year to undertake with Trust staff regular tasks in Nene Park. Adapting communication and training skills to work effectively with people with impairments to both hearing and sight proved to be a challenge for Trust staff to which they responded enthusiastically and effectively.

REPORT OF THE BOARD OF MANAGEMENT (Contd.)

YEAR ENDED 31 JANUARY 1997

Further improvement to visitor facilities were achieved. The construction of a length of footpath around the main car park in Ferry Meadows completed a circular route around the centre of the country park for pedestrians and cyclists without mixing with vehicles. The remaining area of the main car park in Ferry Meadows was resurfaced in asphalt producing a much more comfortable and durable surface for all visitors than the previous stone finish and a further phase of renewing the planting to improve both the appearance and security of the car park was also undertaken. The play area adjacent to Overton Lake was completely re-equipped to the delight of the younger visitors to Ferry Meadows.

Projects under discussion during the year included two with the Environment Agency. The first, also involving Proteus Canoe Club, was for an artificial canoe course adjoining one of the locks on the river through Nene Park. The other was for new fishing stands for disabled anglers in Ferry Meadows. It is hoped that further progress will be made during the coming year. Discussions also took place with several tenants in respect of improvements or extensions to facilities they occupy.

The general level of use of the Park was high, encouraged by the dry summer, with around 500,000 visits to Ferry Meadows through the year and a similar number to other areas and facilities in Nene Park. Particularly welcome was the higher use by schools for organised activities, many curriculum related. In excess of 40 schools, colleges and children's and young people's groups visited during the year, a number of them several times. Groups holding activities and events in the Park during the year ranged from the Aga Khan Foundation to the World Wide Fund for Nature, with one or more most weekends through the summer. Notable among professional visitors was a party of Rangers from the Danube Delta in Romania in Britain as part of a World Bank supported training programme. Nene Park was chosen to illustrate how high levels of visitor pressure could be sustained alongside high conservation and wildlife interest.

Review of transactions and financial position

These are the first annual accounts produced by the Trust in accordance with the Statement of Recommended Practice "Accounting by Charities" issued by the Charity Commission. Consequently a change in accounting policy has been adopted to report investments at market value instead of cost.

Having regard to the overall aims of the Trust and the length of its expected existence, the most important aspect of financial policy has been to ensure the adequacy and stability of the Trust's financial base in the very long term. This is reflected in the Statement of Financial Activities and Balance Sheet.

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 1997**

Income from property, investments and operating activities combine with endowed income to produce a surplus before transfer to designated funds of £554,000. But it should be noted that without the endowed income and self-generated investment income, the Trust would have incurred a deficit for the year of £228,000.

To ensure adequate provision for future liabilities for repair, maintenance and replacement, the Trust has designated funds covering general property and vehicles and plant. In addition, a further fund provides for the maintenance of endowed income when major works are carried out on endowment properties by their trustees. The level of transfer to these funds is reviewed periodically with the benefit of appropriate professional advice. Net transfers into these funds for the current year amounted to £222,000. A separate Capital Development fund is maintained to provide for development of the Park's facilities. This may include acquiring additional land which may be offered in substantial lots. During the year £180,000 was transferred into this fund. The value of all funds was fully covered by the Trust's investment holdings at the year end.

Tangible assets of the Trust comprise land and buildings acquired or constructed as part of the development of the Park, together with vehicles, plant and equipment to fulfil operating requirements. Much of the Trust's land and buildings are held on a 999 year lease and are subject to restrictions by the Department of the Environment on gains from disposals. Consequently, the Board of Management are of the opinion that a valuation of the leased land and buildings would not be appropriate.

The investment strategy of the Trust is to ensure that the Trust will be able to meet costs arising from major repairs and renewals in the Park, maintain the real value of the Trust's reserves, and protect against falls in income or increases in expenditure. All investments held were in accordance with the powers available to the Trustees. At this stage of the Trust's life the value of investments at the year end of £4.7m was considered appropriate to the Trust's long-term responsibilities, and the overall Net Assets of £5.4m were considered satisfactory.

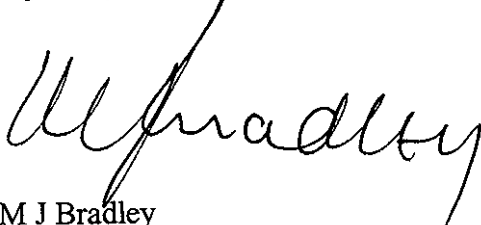
NENE PARK TRUST

REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 1997

AUDITORS

In accordance with Section 385(2) of the Companies Act 1985 a resolution proposing the re-appointment of Stephenson Smart & Co. as auditors to the Trust will be put to the Annual General Meeting.

Signed by order of the Board of Management

A handwritten signature in black ink, appearing to read 'M J Bradley', is written over the printed name.

M J Bradley
Secretary

Approved by the Board on 20 March 1997

REPORT OF THE AUDITORS TO THE MEMBERS OF NENE PARK TRUST

We have audited the financial statements on pages 14 to 26 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 17 and 18.

Respective responsibilities of the Board of Management and Auditors

As described on page 4 the Board of Management, who are also the directors of Nene Park Trust for the purposes of company law and the trustees for the purposes of charity law, are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial 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 judgements made by the Board of Management in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable 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 charitable company's state of affairs at 31 January 1997 and of its 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.



Stephenson House
15 Church Walk
Peterborough PE1 2TP

Stephenson Smart & Co.
Registered Auditor
Chartered Accountants

20 March 1997

NENE PARK TRUST

STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31 January 1997

	Note	General Fund £'000	Designated Funds £'000	Total 1997 £'000	Total 1996 £'000
INCOME AND EXPENDITURE					
Incoming Resources					
Property income		442		442	474
Investment income		210		210	175
Endowed income		572		572	669
Trading income		22		22	26
Other income		62		62	48
Total Incoming Resources	2	<u>1,308</u>		<u>1,308</u>	<u>1,392</u>
Resources Expended					
Direct charitable expenditure	3	681		681	619
Management and administration of the charity	4	73		73	69
Total Resources Expended		<u>754</u>		<u>754</u>	<u>688</u>
Net Incoming Resources before Transfers	6	554		554	704
Transfer to designated funds		(402)	402	-	-
Net Incoming Resources for the year		<u>152</u>	<u>402</u>	<u>554</u>	<u>704</u>
Other Recognised Gains and Losses					
Unrealised gains on investments		332		332	412
Realised losses on disposal of investments		(50)		(50)	(15)
Net movement in funds		<u>434</u>	<u>402</u>	<u>836</u>	<u>1,101</u>
Balances brought forward 1 February 1996		1,321	3,231	4,552	3,451
Balances carried forward 31 January 1997	£	<u>1,755</u>	<u>3,633</u>	<u>5,388</u>	<u>4,552</u>

All amounts relate to continuing activities

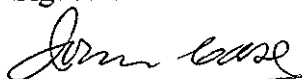
The accompanying notes form part of these accounts

NENE PARK TRUST

BALANCE SHEET As at 31 January 1997

Note	£'000	1997 £'000	Restated 1996 £'000
FIXED ASSETS			
8 Tangible assets		688	715
9 Investments		4,701	3,922
		<u>5,389</u>	<u>4,637</u>
CURRENT ASSETS			
10 Stocks	10		12
11 Debtors	102		33
12 Cash at bank and in hand	317		406
	<u>429</u>		<u>451</u>
13 CREDITORS : Amounts falling due within one year	(54)		(160)
	<u></u>		<u></u>
NET CURRENT ASSETS		375	291
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>5,764</u>	<u>4,928</u>
14 ACCRUALS AND DEFERRED INCOME		(376)	(376)
NET ASSETS	£	<u>5,388</u>	<u>4,552</u>
15 FUNDS			
General Fund		1,755	1,321
Designated Funds		3,633	3,231
	£	<u>5,388</u>	<u>4,552</u>

Signed on behalf of the Board of Management



J Case
Director

Approved by the Board on 20 March 1997

The accompanying notes form part of these accounts

NENE PARK TRUST

CASH FLOW STATEMENT **Year ended 31 January 1997**

Note	1997 £'000	1996 £'000
16(a) Net cash outflow from operating activities	(157)	(62)
16(b) Endowed income and returns on investments	618	883
16(c) Capital expenditure and financial investments	(550)	(801)
16(d) (Decrease)/increase in cash	£ <u>(89)</u>	<u>20</u>

NOTES TO THE ACCOUNTS

Year ended 31 January 1997

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting by Charities" issued by the Charity Commission. The comparative figures for the year ending 31 January 1996 have been restated in accordance with the Statement of Recommended Practice.

(a) Basis of Accounting

The accounts have been prepared under the historical cost convention except for investments which are shown at market value.

(b) Depreciation

Depreciation is calculated so as to write off the cost of tangible fixed assets over their estimated useful lives as follows :

Buildings : Leasehold	10-40 years on a straight line basis
Freehold	10-40 years on a straight line basis
Plant and Machinery	25% per annum on reducing balance
Motor Vehicles	25% per annum on reducing balance
Office Equipment	25% per annum on reducing balance

(c) Stocks

These are valued on a first in first out basis at the lower of cost and net realisable value.

(d) Endowed income

Income is received from an endowment established by Peterborough Development Corporation which is held in Trust by Peterborough City Council for the benefit of Nene Park Trust.

(e) Endowed Income Maintenance Fund

The fund protects the Trust from significant falls in income which may arise when major works are carried out on the endowment properties.

(f) General Property Maintenance Fund

The fund reflects the Trust's liability to maintain the landscape, structures and buildings of Nene Park in accordance with a planned programme of works.

(g) Vehicle and Plant Replacement Fund

The fund reflects the Trust's liability to replace its equipment in accordance with a planned replacement programme.

(h) Capital Development Fund

The fund reflects the Trust's anticipated liabilities for development of the Park's facilities.

(i) Resources Expended

Costs have been allocated and apportioned on a percentage basis so as to ensure the accounts consistently and reasonably reflect the nature of the expenditure incurred.

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

1 ACCOUNTING POLICIES (Contd.)

(j) Deferred income

Premiums on long leases have been received, portions of which are being credited to the Statement of Financial Activities over the periods of the leases, on a basis to reflect the diminution in their value.

(k) Pension Costs

The Trust operates a pension scheme for the benefit of qualifying employees. The funds of the scheme are administered by a trustee and are separate from the Trust. The pension scheme cost charged to the accounts represents contributions payable to the fund (see note 18).

2 TOTAL INCOMING RESOURCES

(a) Operating Income

Operating income represents amounts receivable by the Trust in respect of goods, services and facilities provided during the year, excluding Value Added Tax. The analysis of operating income, all of which arose in the United Kingdom, is as follows :

	1997	1996
	£'000	£'000
Trading income	22	26
Income from property	442	474
Other income	59	47
	<u>523</u>	<u>547</u>

(b) Interest receivable, investment and endowed income

Bank interest	18	23
Endowed income	572	669
Income from fixed asset investments :		
Dividends	125	106
Interest	67	46
	<u>782</u>	<u>844</u>

(c) Net profit on disposal of fixed assets

	3	1
Total Incoming Resources	£ 1,308	1,392

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

	1997 £'000	1996 £'000
3 DIRECT CHARITABLE EXPENDITURE		
Staff costs	321	300
Professional fees	45	40
Property running costs	35	27
Estate maintenance costs	126	107
Equipment costs	37	37
Goods for resale	12	14
Operating expenses	25	27
Depreciation	80	67
	£ 681	619
4 MANAGEMENT AND ADMINISTRATION OF THE CHARITY		
Staff costs	44	39
Professional fees	23	23
Property running costs	1	1
Equipment costs	1	1
Operating expenses	3	4
Depreciation	1	1
	£ 73	69
5 STAFF NUMBERS AND COSTS		
The average number of employees, analysed by function, (excluding Members of the Board of Management) was as follows :		
Direct charitable expenditure	22	22
Management and administration of the charity	3	3
	25	25
The aggregate payroll costs of these persons were as follows :		
	£'000	£'000
Wages and salaries	300	282
Social Security costs	26	23
Pension costs	29	25
	355	330
Other staff costs	10	9
	£ 365	339

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

5 STAFF NUMBERS AND COSTS (Contd.)

The number of employees whose emoluments for the year exceeded £40,000 are within the following bands :-

	1997	1996
£40,001 to £50,000	1	0
	—	—

6 NET INCOMING RESOURCES FOR THE FINANCIAL YEAR

	£'000	£'000
This is stated after charging the following :		
Auditors remuneration	7	7
Depreciation of tangible fixed assets	81	68
and after crediting the following :		
Property income	442	474
Profit on sale of tangible fixed assets	3	1
	—	—

Members of the Board of Management act in a trustee capacity and therefore may not receive remuneration.

7 TAXATION

The Trust is a Registered Charity (Registration Number 800067) and its income, derived from and applied for charitable purposes, is therefore exempt from taxation under section 505(1)(c) of the Income and Corporation Taxes Act 1988.

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.) Year ended 31 January 1997

8 TANGIBLE FIXED ASSETS

Cost	Land & Buildings £'000	Plant & Machinery £'000	Motor Vehicles £'000	Office Equipment £'000	Total £'000
At 1 February 1996	588	403	85	75	1,151
Additions at cost	3	43	12	2	60
Disposals	-	(28)	(9)	-	(37)
At 31 January 1997	£ 591	418	88	77	1,174
Depreciation					
At 1 February 1996	73	251	58	54	436
Charged in year	19	47	9	6	81
Eliminated re disposals	-	(23)	(8)	-	(31)
At 31 January 1997	£ 92	275	59	60	486
Net book value					
At 31 January 1997	£ 499	143	29	17	688
At 31 January 1996	£ 515	152	27	21	715

1 The Trust occupies property and buildings known as Nene Park, which is situated in the City of Peterborough, under the provision of a lease between the Trust and the Peterborough Development Corporation dated 23 September 1988. The lease is for a duration of 999 years from 31 March 1988 and includes covenants restricting the use and disposal. No value has been put on the lease in these accounts.

2 The net book value of land and buildings at 31 January 1997 comprised :

Freehold	194
Long leasehold	305
	£ 499

3 All the fixed assets are held for the use of the charity.

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

9 . INVESTMENTS

	Endowed Income Maintenance Fund £'000	Listed Securities £'000	Cash £'000	Total £'000
Market value 1 February 1996	395	3,383	144	3,922
Additions	-	2,760	3,224	5,984
Disposals	(395)	(2,332)	(2,760)	(5,487)
Net unrealised investment gains	-	332	-	332
Net realised investment losses	-	(50)	-	(50)
Market value 31 January 1997	£ -	4,093	608	4,701
Historical cost as at 31 January 1997	£ -	3,603	608	4,211

All securities are listed on the London Stock Exchange.

Analysis of listed securities at 31 January 1997:

	£'000
UK Government Stocks	484
Fixed interest securities	55
UK Equities	3,554
	<u>4,093</u>

The following investments represent over 5% by value of the listed securities:

	Market value at 31 January 1997 £'000
Conversion 9.5% Stock 2005	267
Treasury 12.5% Stock 2003/2005	217
EMAP 25p ordinary shares	228
Provident Financial 10p ordinary shares	207

There are no material restrictions which might apply to the realisation of the above investments.

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

	1997 £'000	1996 £'000
10 STOCKS		
Goods for resale	£ 10	12
	—	—
11 DEBTORS		
Trade debtors	6	7
Other debtors	3	3
Prepayments	19	23
Endowed income receivable	74	-
	£ 102	33
	—	—
12 CASH AT BANK AND IN HAND		
Deposit Account	£ 317	406
	—	—
13 CREDITORS : Amounts falling due within one year		
Payments received in advance	19	31
Endowed income received in advance	-	90
Trade creditors	3	10
Social Security and other taxes	7	6
Value Added Tax	10	14
Accruals	15	9
	£ 54	160
	—	—
14 ACCRUALS AND DEFERRED INCOME		
Premiums on long leases	£ 376	376
	—	—

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.) **Year ended 31 January 1997**

15 FUNDS

The Trust is limited by guarantee and does not have a Share Capital. The members' liability is limited to £1 each.

Movement on Funds during the year was as follows :

	GENERAL		DESIGNATED FUNDS				
	FUND						
	Total	£'000	Endowed Income Maintenance	General Property Maintenance	Vehicle and Plant Replacement	Equipment Valuation	Capital Development
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 February 1996	4,552	1,321	368	1,124	578	27	1,134
Net incoming resources and other recognised gains and losses	836	836	-	-	-	-	-
Transfers in year to specific reserves	-	(556)	66	180	130	-	180
Transfers in year from specific reserves	-	154	(75)	-	(73)	(6)	-
At 31 January 1997	5,388	1,755	359	1,304	635	21	1,314

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

	1997 £'000	1996 £'000
16 NOTES TO THE CASH FLOW STATEMENT		
(a) Reconciliation of operating income to net cash outflow from operating activities		
Net incoming resources before transfers to designated funds	554	704
Investment income	(210)	(175)
Endowed income	(572)	(669)
Operating deficit	(228)	(140)
Depreciation	81	68
Profit on sale of tangible fixed assets	(3)	(1)
Decrease/(increase) in stock	2	(2)
Decrease in debtors	5	14
Decrease in creditors	(14)	(1)
£	<u>(157)</u>	<u>(62)</u>
(b) Endowed income and returns on investments		
Interest received	18	23
Investment income	192	153
Endowed income	408	707
£	<u>618</u>	<u>883</u>
(c) Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(63)	(255)
Receipts from sales of tangible fixed assets	10	7
Additional funds invested	(497)	(553)
£	<u>(550)</u>	<u>(801)</u>
(d) Analysis of changes in cash		
Balance at 1 February 1996	406	386
Net cash (outflow)/inflow	(89)	20
Balance at 31 January 1997	<u>£ 317</u>	<u>406</u>

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 1997

17 • CAPITAL COMMITMENTS

Capital expenditure authorised and contracted for at the end of the year was £27,000 (1996: Nil).

18 PENSION SCHEME

Nene Park Trust acts as Trustee to a company pension scheme administered by the Norwich Union Life Assurance Society which is known as the "Nene Park Trust Pension Plan". This plan is a group money purchase scheme and is contracted out of the State scheme. Contributions made during the year by the employer amounted to £ 29,105 (1996: £ 25,574).

19 TRANSACTIONS WITH BOARD OF MANAGEMENT MEMBERS

During the year a company in which Mr J R Horrell had an interest held an agricultural tenancy for land at a market rent of £3,100.