

2288607

NENE PARK TRUST

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

REPORT AND STATEMENT OF ACCOUNTS

Year ended 31 January 2002



NENE PARK TRUST

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NENE PARK TRUST

SCHEDULE OF INFORMATION

MEMBERS OF THE BOARD OF MANAGEMENT AND THEIR NOMINATING BODIES

Mr D E Bath	Royal Town Planning Institute
Mr R J Arnold	The Law Society
Dr J Cathie	Department of Land Economy of the University of Cambridge
Canon M Davies	Bishop of Peterborough
Mrs M Farrell	Peterborough City Council
Mrs S F Grant	Peterborough City Council
Mr T F Hadoke	Royal Institution of Chartered Surveyors
Mr J R Horrell CBE	Lord Lieutenant of Cambridgeshire
Mr L W McGuire	Cambridgeshire County Council
Mr G R Ridgway	Peterborough City Council
Mr I Smith	English Nature

MEMBERS OF SUB-COMMITTEES

Investment Sub-Committee

Mr D E Bath	(Chairman)
Mr R J Arnold	
Dr J Cathie	
Mr M J Bradley	(General Manager)
Mr A Plummer	(Accountant)

Remuneration Sub-Committee

Mr D E Bath	(Chairman)
Mr J R Horrell	
Dr J Cathie	

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:	Lloyds TSB Bank plc 27/31 Westgate Peterborough PE1 1YH
ACCOUNTANTS:	A Plummer Orton Wistow Peterborough PE2 6XL
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 Monkstone House City Road Peterborough PE1 1JE
SURVEYORS & LAND AGENTS:	Carter Jonas 43 Priestgate Peterborough PE1 1AR

NENE PARK TRUST

REPORT OF THE BOARD OF MANAGEMENT YEAR ENDED 31 JANUARY 2002

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.

Nene Park Trust is Trustee for the Charity "Endowment held in Connection with Nene Park", registered charity number 1085421.

Membership of the Board of Management during the year and of each Member's nominating body is set out on page 2. During the year the Royal Society for Nature Conservation resigned as a Member of the Trust and nominating body. An appropriate replacement is being sought.

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;
- state whether applicable accounting standards and statements of recommended practice have been followed; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Trust will continue in business.

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002**

Legal and Administration (contd.)

Board of Management's Responsibilities (contd.)

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.

Members of the Board of Management and their nominating bodies :

Mr D E Bath (Chairman)	Royal Town Planning Institute
Mr R J Arnold	The Law Society
Dr J Cathie	Department of Land Economy of the University of Cambridge
Canon M Davies	Bishop of Peterborough
Mrs M Farrell	Peterborough City Council
Mrs S F Grant	Peterborough City Council
Mr T F Hadoke	Royal Institution of Chartered Surveyors
Mr J R Horrell CBE	Lord Lieutenant of Cambridgeshire
Mr L W McGuire	Cambridgeshire County Council
Mr G R Ridgway	Peterborough City Council
Mr I Smith	English Nature

**REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002**

Objects and Nature of Activities

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.

Strategic Policy

The Trust was established in 1988 when the intention of its founders was that it should carry out its objects in perpetuity. To begin to realise these intentions, the Trust adopted policies with a long-term view for the maintenance and development of the 695 hectares of land it owns in Nene Park in the context of the particular financial structure which was put in place by its founders. The funding structure provided no capital sum in respect of the liabilities the Trust took on for future repair, maintenance or replacement in Nene Park. Instead the founders sought as part of the revenue funding to include an annualised element in respect of those liabilities over a forty-year period. Since the expenditure in terms of major structures and infrastructure alone – bridges, buildings, roads etc – in the coming decades will be substantial, the accumulation of equally substantial reserves is essential.

The Trust therefore established at an early stage and continues a policy of seeking to make adequate provision for future liabilities through maintaining its contributions to specific reserves and to provide for possible future developments and safeguard its operational requirements.

In parallel the Trust has sought through its Investment Fund to reduce in the longer-term the Trust's over-dependence on income from property - in Nene Park and from the endowment of commercial property held in trust by Peterborough City Council

The investment aim of the fund, a portfolio of equity and fixed interest investment, is to achieve the capital growth needed to maintain the real value of reserves and to provide the basis for the income streams which will be needed in the future. Over the lifetime of the fund so far the former aim has been achieved. At the end of a second difficult year for investments the Trust's long term performance target for the whole fund of exceeding the All Share index by 1% was again comfortably beaten.

REPORT OF THE BOARD OF MANAGEMENT (Contd.)

YEAR ENDED 31 JANUARY 2002

Strategic Policy (Contd.)

The aim of reducing the Trust's dependence on income from property in Peterborough was assisted at the end of last year when the net proceeds of the sale of Bretton Centre, the major part of the property endowment held in trust by Peterborough City Council, were transferred in late January 2001 to a new charity "Endowment held in Connection with Nene Park". It was established to hold the proceeds as permanent endowment to be invested for the benefit of Nene Park Trust with all net income payable to the Trust in place of the net rent income from the properties.

Risks

The greatest risk identified by the Board of Management has been and is the future income of the Trust. Its overwhelming dependence – originally over 80% - on income from property in Peterborough, with little or no prospect of growth but with costs rising at least with inflation and possibly in real terms, raised the prospect of financial difficulties in the future. The policies outlined above of protecting the Trust's reserves and seeking over time to secure a greater income from investments have been framed to mitigate this risk.

The switch of a major part of the endowment from property to investments replaced the prospect of flat or falling income with the possibility of real income growth in the future. The reduction in income that results in the short term and possible future scenarios in terms of inflation and returns were considered carefully before concluding that it offered the best prospect for the future, decades hence. The exercise was repeated during the year, taking account of the higher than expected initial capital sum (£6.6 million compared to £4.5 million), changes to the Trust's income from other sources and expenditure, and with similar pessimistic assumptions regarding inflation and investment returns, income and expenditure growth. The outcome indicated, as before, that income would be reduced in the initial years, but that risk of operational expenditure outgrowing income to the point where reserves could not be fully funded was considerably reduced.

Risks to Trust property, personnel and the public are covered by insurance with reputable companies. The levels and nature of the risks to be insured against are reviewed each year. A Health and Safety Consultant is retained to advise regularly on the Trust's procedures and practises and to ensure compliance with the wide range of regulations and law to which the Trust is subject due to the diverse nature of its activities in managing Nene Park.

The Trust's Auditors review and advise annually on the Trust's financial systems.

REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002

Review of transactions and financial position

The Trust continues to pursue the overall financial strategy of seeking to accumulate in the early years the appropriate level of reserves and supporting investments needed to secure financially the long-term future of the Park.

This was the first full year of the Trust receiving the income from the Endowment held in Connection with Nene Park, albeit the fund was not fully invested for much of the year. Income from the fund amounted to £0.227m whilst income from the remaining Endowment Properties was £0.229m (£0.366m last year).

During the year Net Incoming Resources were £0.632m (£0.924m). Net transfers to funds designated for future maintenance and development of the Park were £0.324m (£0.320m) whilst realised losses on investments were £0.134m (£0.253m). However the resultant notional surplus of £0.174m becomes a deficit of £0.824m after charging unrealised losses on investments amounting to £0.998m (£0.447m).

Designated funds are reviewed to ensure adequate provision for future acquisitions, repair, maintenance and replacement of property, vehicles and plant. The value of all designated 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 by the Trust as part of the development of the Park, together with vehicles, plant and equipment to fulfil operating requirements.

Whilst the results this year reflect a reduction in the valuation of some of the investments held by the Trust, nevertheless the long term performance of the Investment Fund remains well ahead of the target of exceeding the All Share Index by 1%. Overall, in a second difficult year for investments, the results are considered to be acceptable having regard to the Trust's long term objectives.

Summary of Operational Policies

Nene Park offers a multiplicity of leisure activities for a million visitors each year. In those areas which are directly managed and mainly used for informal recreation, a little over a third of the total area of Nene Park, the Trust continued to work to improve the information about Nene Park and to increase the amount and topicality of interpretative information available to visitors in a variety of forms. It continued to seek to upgrade facilities and fixtures when opportunities arose in addition to meeting identified needs.

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

REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002

Summary of Operational Policies (Contd.)

The Trust continued its policy of seeking to conserve the traditional landscape and to enhance it when opportunities arise, and to manage all landscape appropriate to its function and use with regard to creating and maintaining diversity for the interest of visitors and benefit of wildlife.

The Trust also pursued its management of all woodlands according to good forestry and arboricultural practice, aiming to maintain and enhance the amenity use of them.

The Trust is urged in its governing document to seek to develop and extend the Park, and 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 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.

Progress during the year

The disruption of last autumn and winter's wet weather spilled into the spring, and it was relatively late in the spring when ground conditions returned to normal. Consequently work continued initially on the "hard access" projects such as the car parks which had occupied much of the preceding months and they were substantially completed with revised and refreshed planting schemes which required only selective protection from the high rabbit population.

The outbreak of foot and mouth disease in late February had an impact through much of the year on the Trust, a number of its tenants and visitors. Some footpaths and bridleways, both public and consent, were closed for many months. Fortunately the core area of Ferry Meadows Country Park was unaffected and provided accessible open space when little else was available in the area and a good number of new visitors resulted. Most visitors recognised their good fortune compared to much of the country even when their choice of routes was restricted after those tenants who had been permitted moved cattle to summer grazing in Ferry Meadows. Tenants whose herds had been wintering out of county were less fortunate and were faced with the problem of managing their grass with a very restricted market for hay. Even toward the end of the year, the need for movement licences caused difficulties when heavy rain presaged a flood; this would normally have meant a rapid removing of stock from riverside meadows though fortunately the flood peaked before stock were seriously threatened.

One further effect of the outbreak was the diversion of resources within MAFF/DeFRA. Consequently the applications made during the year with two tenants to enter land into the countryside Stewardship Scheme had still not been decided at the year-end.

REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002

Progress during the year (Contd.)

The Trust expanded its programme of demonstrations, courses and workshops in traditional crafts which ranged from rush baskets to rustic furniture. They continue to be very popular with both participants and general visitors.

During the year, additions were planned to the Willow Trail which was opened in 2000. These are due for implementation early in 2002 and will add interest for children to the project. The Willow Garden, built as a culmination of the trail has matured well through the year and has attracted a great deal of interest both professional and general.

During the year the Trust's application under the Woodland Grant Scheme to the Forestry Authority was approved. The application was based on the plan for the next five year's management of the Trust's woodlands. It included the beginning of the conversion of one woodland compartment from predominantly even aged ash poles to a mixed aged woodland following the principles of continuous cover forestry. Work will begin early in 2002 on the first few coupes to establish the quantity of natural regeneration and the viability of coppice regeneration with a view to producing standard trees by selection.

The Trust has sought wherever possible to ensure that the product of its woodland management is put to use rather than disposed of. During the year material arising has gone for turning, basketmaking, garden structures, thatching, pallets, trug making, firewood and conservation planting in addition to the large quantity of wood chip used in the Park for mulching and path surfaces.

A survey of amphibians was carried out during the year. It revealed that over the seven ponds surveyed (two were inaccessible because of foot and mouth restrictions) all four lowland species (Frog, Toad, Smooth and Great Crested Newt) were present. There were not less than two species in each pond and incidentally up to sixteen species of dragon and damsel fly larvae were identified.

Use of the Park by general visitors and special interest groups remained high. On occasions up to five different activities or events were taking place in Ferry Meadows on a Sunday in addition to the regular activities. The use of the Park for training purposes also increased with a diverse range from boat handling training for RSPB staff to the Fire Service holding pumping exercises to courses for Pond Wardens. Schools and other educational institutions also continued to make use of the Park for a variety of activities and studies. In many of these Trust staff either led or contributed to the programme.

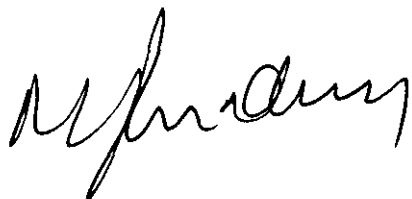
During the year an extension to the Trust's office was built, being completed just before the end of the year. It provides office space and access to office services to the Trust's outdoor staff and will enable Rangers in particular to increase their involvement in developing activities, services and information for visitors and the Trust's management systems.

REPORT OF THE BOARD OF MANAGEMENT (Contd.)
YEAR ENDED 31 JANUARY 2002

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 21 March 2002

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NENE PARK TRUST

We have audited the financial statements of Nene Park Trust for the year ended 31 January 2002 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

Respective responsibilities of the Board of Management and Auditors

As described on pages 4 and 5 the Board of Management, who are also the directors of Nene Park Trust for the purposes of company law, are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Report of Board of Management is not consistent with the financial statements, if 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' remuneration and transactions with the company is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 as to whether 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 2002 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 Auditors & Chartered Accountants

21 March 2002

NENE PARK TRUST

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) Year ended 31 January 2002

	Note	General Fund £'000	Designated Funds £'000	Total 2002 £'000	Total 2001 £'000
Incoming Resources					
Activities in furtherance of the charity's objects:					
Property income		562	-	562	528
Endowed income		229	-	229	678
Income from Endowment held in Connection with Nene Park		227	-	227	-
Trading income		26	-	26	24
Other income		72	-	72	91
Activities for generating funds:					
Investment income		354	-	354	374
Total Incoming Resources	2	1,470		1,470	1,695
Resources Expended					
Charitable expenditure:					
Costs of activities in furtherance of the charity's activities	3	744	-	744	678
Management and administration	4	94	-	94	93
Total Resources Expended		838	-	838	771
Net Incoming Resources before Transfers					
		632	-	632	924
Transfer to designated funds		(324)	324	-	-
Net Incoming Resources for the year	6	308	324	632	924
Other Recognised Gains and Losses					
Unrealised losses on investments		(998)	-	(998)	(447)
Realised losses on disposals of investments		(134)	-	(134)	(253)
Net movement in funds		(824)	324	(500)	224
Funds brought forward 1 February 2001		4,576	5,587	10,163	9,939
Funds carried forward 31 January 2002		3,752	5,911	9,663	10,163

The transfer to designated funds in the year to 31 January 2001 was £320,000

All amounts relate to continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net incoming resources for the year plus realised losses on investments and was £498,000 (2001: £671,000).

The accompanying notes form part of these accounts

NENE PARK TRUST

BALANCE SHEET

As at 31 January 2002

Note	£'000	2002 £'000	£'000	2001 £'000
FIXED ASSETS				
8 Tangible assets		837		701
9 Investments		8,810		9,494
		<u>9,647</u>		<u>10,195</u>
CURRENT ASSETS				
10 Stocks	11		10	
11 Debtors	220		199	
12 Cash at bank and in hand	216		211	
	<u>447</u>		<u>420</u>	
13 CREDITORS : Amounts falling due within one year	(56)		(76)	
	<u></u>		<u></u>	
NET CURRENT ASSETS		391		344
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>10,038</u>		<u>10,539</u>
14 ACCRUALS AND DEFERRED INCOME		(375)		(376)
NET ASSETS		<u>9,663</u>		<u>10,163</u>
15 FUNDS				
General Fund		3,752		4,576
Designated Funds		5,911		5,587
		<u>9,663</u>		<u>10,163</u>

Signed on behalf of the Board of Management



D E Bath
Director

Approved by the Board on 21 March 2002

The accompanying notes form part of these accounts

NENE PARK TRUST

CASH FLOW STATEMENT

Year ended 31 January 2002

Note	2002 £'000	2001 £'000
16(a) Net cash outflow from operating activities	(123)	(1)
16(b) Endowed income and returns on investments	803	910
16(c) Capital expenditure and financial investments	(675)	(959)
16(d) Increase/(decrease) in cash	<u>5</u>	<u>(50)</u>

NOTES TO THE ACCOUNTS

Year ended 31 January 2002

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued by the Charity Commission in October 2000.

(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) Income from Endowment held in Connection with Nene Park

Income is received from Endowment held in Connection with Nene Park, a registered charity of which Nene Park Trust is the sole beneficiary.

(f) 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.

(g) Endowed Income Maintenance Fund

The fund protects the Trust from significant falls in income which may arise when major works are carried out on those endowment properties held in Trust by Peterborough City Council.

(h) 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.

(i) Vehicle and Plant Replacement Fund

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

(j) Capital Development Fund

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

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 2002

1 ACCOUNTING POLICIES (Contd.)

(k) **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.

(l) **Pension Costs**

The Trust administers a group personal pension scheme for the benefit of qualifying employees. The funds of the scheme are separate from the Trust. The pension scheme cost charged to the accounts represents the employer's 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 :

	2002 £'000	2001 £'000
Trading income	26	24
Income from property	562	528
Other income	72	88
	<u>660</u>	<u>640</u>

(b) **Interest receivable, investment and endowed income**

Bank interest	9	10
Endowed income	229	678
Income from Endowment held in Connection with Nene Park	227	-
Income from fixed asset investments :		
Dividends	238	258
Interest	107	106
	<u>810</u>	<u>1,052</u>

(c) **Net profit on disposal of fixed assets**

	-	3
Total Incoming Resources	<u>1,470</u>	<u>1,695</u>

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 2002

	2002 £'000	2001 £'000
3 COSTS OF ACTIVITIES IN FURTHERANCE OF THE CHARITY'S OBJECTS		
Staff costs	399	388
Professional fees	22	33
Property running costs	45	30
Estate maintenance costs	91	55
Equipment costs	42	35
Goods for resale	13	12
Operating expenses	39	30
Depreciation	91	95
Loss on disposals of tangible fixed assets	2	-
	<u>744</u>	<u>678</u>
4 MANAGEMENT AND ADMINISTRATION		
Staff costs	56	51
Professional fees	26	33
Property running costs	2	2
Equipment costs	2	1
Operating expenses	6	4
Depreciation	2	2
	<u>94</u>	<u>93</u>
5 STAFF NUMBERS AND COSTS		
The average number of employees, analysed by function, (excluding Members of the Board of Management) was as follows :		
	No.	No.
Direct charitable expenditure	22	23
Management and administration of the charity	3	3
	<u>25</u>	<u>26</u>
The aggregate payroll costs of these persons were as follows :		
	£'000	£'000
Wages and salaries	370	358
Social Security costs	32	31
Pension costs	35	33
	<u>437</u>	<u>422</u>
Other staff costs	18	17
	<u>455</u>	<u>439</u>

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 2002

5 STAFF NUMBERS AND COSTS (Contd.)

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

	2002	2001
£50,001 to £60,000	-	1
£60,001 to £70,000	1	-

6 NET INCOMING RESOURCES FOR THE FINANCIAL YEAR

	£'000	£'000
This is stated after charging the following :		
Auditors remuneration	8	8
Depreciation of tangible fixed assets	93	97
Loss on disposals of tangible fixed assets	2	-
and after crediting the following :		
Property income	562	528
Profit on disposals of tangible fixed assets	-	3

Members of the Board of Management act in a trustee capacity and therefore may not receive remuneration. During the year expenses for travel and subsistence totalling £277 was reimbursed to one member of the Board of Management.

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 2002

8 TANGIBLE FIXED ASSETS							
Cost	Land & Buildings £'000	Plant & Machinery £'000	Motor Vehicles £'000	Office Equipment £'000	Total £'000		
At 1 February 2001	591	554	122	127	1,394		
Additions at cost	164	56	15	5	240		
Disposals	-	(51)	(12)	-	(63)		
At 31 January 2002	755	559	125	132	1,571		
Depreciation							
At 1 February 2001	154	375	69	95	693		
Charged in year	13	55	16	9	93		
Eliminated re disposals	-	(43)	(9)	-	(52)		
At 31 January 2002	167	387	76	104	734		
Net book value							
At 31 January 2002	588	172	49	28	837		
At 31 January 2001	437	179	53	32	701		

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 2002 comprised :

Freehold	332
Long leasehold	256
	<u>588</u>

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 2002

9 INVESTMENTS

	Listed Securities £'000	Cash £'000	Total £'000
Market value at 1 February 2001	8,487	1,007	9,494
Additions	3,317	-	3,317
Disposals	(2,377)	(492)	(2,869)
Net unrealised investment losses	(998)	-	(998)
Net realised investment losses	(134)	-	(134)
Market value at 31 January 2002	<u>8,295</u>	<u>515</u>	<u>8,810</u>
Historical cost as at 31 January 2002	<u>8,211</u>	<u>515</u>	<u>8,726</u>

All securities are listed on the London Stock Exchange.

Analysis of listed securities at 31 January 2002:

	£'000
UK Government Stocks	997
UK Equities	7,298
	<u>8,295</u>

The following individual investments represent 5% or more of the market value of listed securities:

Treasury 7½% Stock 2006	416
Rexam 64 2/7p ordinary	428
	<u> </u>

Losses/gains on investments during the year include the following:

Unrealised :

T R European Growth Trust	(255)
	<u> </u>

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 2002

	2002 £'000	2001 £'000
10 STOCKS		
Goods for resale	11	10
	—	—
11 DEBTORS		
Trade debtors	52	11
Other debtors	148	168
Prepayments	20	20
	—	—
	220	199
	—	—
12 CASH AT BANK AND IN HAND		
Deposit Account	216	211
	—	—
13 CREDITORS : Amounts falling due within one year		
Payments received in advance	29	26
Trade creditors	1	1
Social Security and other taxes	9	9
Value Added Tax	7	15
Accruals	10	25
	—	—
	56	76
	—	—
14 ACCRUALS AND DEFERRED INCOME		
Premiums on long leases	375	376
	—	—

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.) Year ended 31 January 2002

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 :

	TOTAL	GENERAL FUND	DESIGNATED FUNDS				
	£'000	£'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 2001	10,163	4,576	492	2,096	920	15	2,064
Net incoming resources and other recognised gains and losses	(500)	(500)	-	-	-	-	-
Transfers in year to designated funds	-	(398)	37	216	145	-	-
Transfers in year from designated funds	-	74	-	-	(73)	(1)	-
At 31 January 2002	9,663	3,752	529	2,312	992	14	2,064

NENE PARK TRUST

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 2002

	2002 £'000	2001 £'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	632	924
Investment income	(354)	(374)
Endowed income	(229)	(678)
Income from Endowment held in Connection with Nene Park	(227)	-
Operating deficit	(178)	(128)
Depreciation	93	97
Loss/(profit) on disposals of tangible fixed assets	2	(3)
Increase in stock	(1)	(1)
(Increase)/decrease in debtors	(14)	18
(Decrease)/increase in creditors	(25)	16
	(123)	(1)
(b) Endowed income and returns on investments		
Interest received	9	10
Investment income	345	364
Endowed income	222	536
Income from Endowment held in Connection with Nene Park	227	-
	803	910
(c) Capital expenditure and financial investments		
Payments to acquire tangible fixed assets	(236)	(102)
Receipts from disposals of tangible fixed assets	9	8
Funds invested	(448)	(865)
	(675)	(959)
(d) Analysis of changes in cash		
Balance at 1 February 2001	211	261
Net cash inflow/(outflow)	5	(50)
Balance at 31 January 2002	216	211

NOTES TO THE ACCOUNTS (Contd.)

Year ended 31 January 2002

17 CAPITAL COMMITMENTS

There was no capital expenditure authorised and contracted for at the end of the year (2001: Nil).

18 PENSION SCHEME

The Trust administers a Group Personal Pension Plan with Norwich Union Life and Pensions Limited.

Contributions made during the year by the employer amounted to £35,495 (2001: £32,545).

The Trust has also designated a stakeholder pension scheme with Norwich Union Life and Pensions Limited.

19 RELATED PARTY TRANSACTIONS

Nene Park Trust is the corporate trustee of Endowment held in Connection with Nene Park, a charity established by a Scheme dated 26 January 2001 and registered with the Charity Commission, number 1085421. The object of this charity is to advance the charitable purpose of Nene Park Trust.

During the year the Trust received £226,784 from Endowment held in Connection with Nene Park.

20 TRANSACTIONS WITH MEMBERS OF THE BOARD OF MANAGEMENT

During the year a company in which Mr J R Horrell, a member of the Board of Management, had an interest held an agricultural tenancy for land at a market rent of £3,550 per annum.