

THE GLENDALE GATEWAY TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2002

CHARITY NUMBER: 1059761

COMPANY NUMBER: 3208721



The Glendale Gateway Trust

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Trustees and Advisors for the year ended 30 June 2002

Board of Directors and Executive Management Committee

Chairman: Mrs B. Rattcliff
Treasurer: Mr I. Thompson
Mr P. Stanbury Resigned
Other Trustees: Mr T. Sale
Revd Canon R.B.S. Burston (Community Council of Northumberland)
Cllr W.N. Ferguson (Berwick upon Tweed Borough Council)
Cllr J.A. Lang (Northumberland County Council) Resigned 1.4.2002
Mr J.R. Kirkup (County Landowners' Association)
Mr D. Smibert (North Northumberland Tourism Association)
Mr K. Curry (Wooler Parish Council)
Mr J. Hugonin
Mr R. Sparkes Resigned 30.4.2002
Mr J. Bullock
Cllr S. Davidson (Northumberland County Council) Appointed 1.4.2002
Mrs C. Dunn (Wooler retail members) Appointed 1.3.2002
Mr J. Davidson (Co-opted Member) Appointed 19.6.02
Cllr A. Rogerson (NALC)
Mrs L. Murray (Co-opted Member) Appointed 24.6.2002
Mr J. Short (National Farmers Union)
Mr G. McWilliams Resigned 28.2.2002

Company Secretary: Mr W.E. Henry

Honorary Members

W E Henry	Secretary	Borough Solicitor
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Employed Staff

Tom Johnston	Development Officer
Christine Ainley	Administrator
Helen Morgan	Youth Worker
Allison Glen	Senior Creche Worker
Susan Middlemist	Creche Worker

Sub Committee Chairmen

John Thompson	Wooler Website
Hazel Rathbone	Youth Drop-in Centre
John Davidson	Glendale Festival
Jeff Bullock	Oral History Group

Registered Office

Council Offices
Wallace Green
Berwick upon Tweed
Northumberland
TD15 1ED

Business Address

12 Padgepool Place
Wooler

Registered auditors

Greaves Grindle
Victoria House
Bondgate Within
Alnwick
Northumberland
NE66 1TA

Bankers

Unity Trust Bank
9 Brindley Place
4 Oozells Square
Birmingham

Report of the Trustees for the year ended 30 June 2002

The Glendale Gateway Trust is a Charitable Company governed by its Memorandum and Articles of Association and is a Registered Charity, Number 1059761, Company Number 3208721 incorporated as a company limited by guarantee on the 6 June 1996.

The charity directors during the financial year 1 July 2001 to 30 June 2002 are set out on page 1.

Principal activities

The Trust's primary activity throughout the year continued to be the management and development of the Cheviot Centre and the progression of the M.T.I. programme.

Organisation

The business of the company is administered by a management committee. A total of 10 members may be nominated by the core organisations specified in Article 9 of the Articles of Association. A further 3 members may be co-opted onto the management committee, under Article 9.2.3 and serve until the conclusion of the Annual General Meeting. In addition a further five vacancies on the management committee may be filled by election by members of the company from amongst their number present at the company's AGM.

Objects of the Charity

The companies' principal objective is to promote, maintain, improve, encourage and advance the benefit of the inhabitants of the town of Wooler and the surrounding area,

Review of Operations

The Cheviot Centre has met with unqualified success and is now financially self-supporting.

The M.T.I. programme has commenced, a Programme Manager and an Administrator have been appointed and various projects are being assessed.

Financial Review

The Trust had a surplus of incoming resources of £17,248 (2001 £44,725) and the trustees are continuing to develop various projects for the benefit of the local community. The Statement of Financial activities on page 6 gives a full breakdown of results for the year.

Future proposals

The Trust's main concern for the future is to see the successful conclusion of projects under the M.T.I. initiative.

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately six months unrestricted expenditure. This provides sufficient funds to cover management and administration and support costs and to respond to emergency applications. Unrestricted funds were maintained at this level throughout the year.

Risk Management

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks.

Trustees' responsibilities in relation to the financial statements

The Charities Act 1993 and Company Law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the year and its profit or loss for the financial year. In preparing the financial statements, the directors are required to:-

1. Select suitable accounting policies and apply them consistently.
2. Make judgements and estimates that are responsible and prudent.
3. State whether the policies adopted are in accordance with the Charities SORP and with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements.
4. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate.

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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

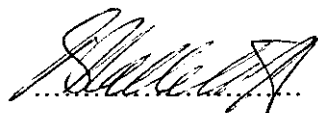
A resolution proposing that Greaves Grindle be re-appointed as the charitable company's auditors will be put to the Annual General Meeting.

Exemptions

The report is prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The accounts and Directors report comply with the SORP 2000.

Approved by the directors on17/2/2003..... and signed on their behalf by:



Mrs B. Rattcliff

Independent auditors report to the members of The Glendale Gateway Trust

We have audited the financial statements of The Glendale Gateway Trust for the year ended 30 June 2002 which comprise the Statement of Financial Activities, the Balance Sheet, 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 trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of the Glendale Gateway Trust for the purposes of company law) are responsible for the preparation of the Trustees' Annual Report and the 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 Trustees' Annual Report is not consistent with the financial statements, if the charity 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 trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit 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 significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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 charity's affairs as at 30 June 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.

Greaves Grindle

Greaves Grindle
Registered Auditors
Victoria House
Bondgate Within
Alnwick

Date *21st February 2003*

Statement of Financial Activities (Including Income and Expenditure Account)
for the year ended 30 June 2002

		Unrestricted Funds 2002 £	Restricted Funds 2002 £	Total Funds 2002 £	Total Funds 2001 £
	Notes				
Incoming resources					
Charitable activities					
Donations and legacies	2	4,562	6,843	11,405	39,534
Grants receivable	3	27,000	62,209	89,209	351,185
Fundraising income		533	809	1,342	3,054
Rental and hire income		0	21,207	21,207	10,724
Investment income		2,080	157	2,237	3,869
Other income		6,831	377	7,208	1,182
Total incoming resources		<u>41,007</u>	<u>91,602</u>	<u>132,608</u>	<u>409,548</u>
Resources expended					
Direct charitable expenditure	4	0	112,081	112,081	115,192
Management and administration	5	3,279		3,279	4,684
Total resources expended		<u>3,279</u>	<u>112,081</u>	<u>115,361</u>	<u>119,876</u>
Net incoming resources before transfers		37,728	-20,480	17,248	289,672
Transfers between funds	13	-28,244	28,244	0	-
Net incoming resources for the year		<u>9,484</u>	<u>7,764</u>	<u>17,248</u>	<u>289,672</u>
Net (expenditure)/income for the year		<u>9,484</u>	<u>7,764</u>	<u>17,248</u>	<u>289,672</u>
Total funds at 1 July 2001		8,505	117,947	126,452	81,727
Prior period adjustment	12		446,096	446,096	201,149
Total funds at 30 June 2002	13	<u>17,989</u>	<u>571,807</u>	<u>589,796</u>	<u>572,548</u>

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

**Statement of changes in resources applied for fixed assets for charity use
for the year ended 30 June 2002**

	Unrestricted Funds 2002 £	Restricted Funds 2002 £	Total Funds 2002 £	Total Funds 2001 £
Net movement in funds for the year	9,484	7,764	17,248	289,672
Resources used for the acquisitions of tangible fixed assets		14,903	14,903	163,922
Net movement in funds available for future activities	<u>9,484</u>	<u>(7,139)</u>	<u>2,345</u>	<u>125,750</u>

Balance Sheet at 30 June 2002

	Notes	Unrestricted Funds 2002 £	Restricted Funds 2002 £	Total Funds 2002 £	Total Funds 2001 £
Fixed assets					
Tangible assets	9	0	527,750	527,750	525,258
		<u>0</u>	<u>527,750</u>	<u>527,750</u>	<u>525,258</u>
Current assets					
Debtors and prepayments	10	258	5,156	5,414	37,223
Bank and building society deposits		18,731	69,014	87,745	63,940
		<u>18,989</u>	<u>74,170</u>	<u>93,160</u>	<u>101,163</u>
Creditors: amounts falling due within one year	11	-1,000	-30,113	-31,113	-26,873
Net current assets		<u>17,989</u>	<u>44,057</u>	<u>62,046</u>	<u>74,290</u>
Long term liabilities					
Interest free loan ex Northumberland County Council					-27,000
Net assets		<u>17,989</u>	<u>571,807</u>	<u>589,796</u>	<u>572,548</u>
Funds					
Unrestricted		17,989		17,989	8,505
Restricted			<u>571,807</u>	<u>571,807</u>	<u>564,043</u>
Total funds	13	<u>17,989</u>	<u>571,807</u>	<u>589,796</u>	<u>572,548</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved by the board of directors on 17/2/2003 and signed on their behalf by:



Mrs B. Rattcliff

Chairman

**Notes forming part of the financial statements
for the year ended 31 March 2002**

1. Accounting policies

The financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), the Companies Act 1985 and the Statement of Recommended Practice (SORP 2000), "Accounting and Reporting by Charities" published in October 2000. The principal accounting policies adopted in the preparation of the financial statements are as follows:

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

b) Incoming resources

All income is accounted for on an accrual basis, with the exception of donated income which is accounted for when received.

c) Grants

Grants are credited to the statement of financial activities when receivable.

d) Restricted funds

Restricted funds are restricted income funds, expendable at the discretion of the trustees in accordance with the conditions of funding imposed.

e) Stocks

Stocks are valued at the lower of cost or net realisable value.

f) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost of the tangible assets, less their estimated residual values, over the expected useful economic lives of the assets, as follows:

Freehold property	2% straight line
Leasehold buildings	2% straight line
Computer equipment	25% per annum straight line
Other equipment	15% reducing balance

g) Cash flow statement

The trust qualifies as a small entity and as a consequence, it is exempt from the requirement to publish a cash flow statement under Financial Reporting Standard 1 (Revised) 'Cash flow statement'

The Glendale Gateway Trust

2. Donations

	Unrestricted	Restricted	2002	2001
	£	£	£	£
Archbold memorial trust				1,250
The Davidson fund		1500	1,500	1,300
The Hugonin trust	2500		2,500	6,000
The Joicey trust				1,000
Sir James Knott trust				2,000
Readman foundation				1,500
The Sherburn trust				7,040
The Tudor trust		2000	2,000	15,000
The Garfield Weston Foundation		3000	3,000	
The William Webster trust				3,000
P Healy	750		750	
G and B Rattcliff	1000		1,000	
Others	312	343	655	1,444
	<u>4,562</u>	<u>6,843</u>	<u>11,405</u>	<u>39,534</u>

3. Grants

	Unrestricted	Restricted	2002	2001
	£	£	£	£
Berwick Borough Council		5000	5,000	42,397
Community Council of Northumberland		17991	17,991	25,219
Countryside Agency				5,259
D.E.T.R.				93,851
Hadrian Trust				1,000
N.C.L.B.		9693	9,693	90,290
Northumberland County Council	27000	2000	29,000	20,750
One North East		11840	11,840	47,419
National Park - Display in Foyer				25,000
Readman Foundation		10,000	10,000	
Berwick Family Centre		2,000	2,000	
Others		3,685	3,685	
	<u>27000</u>	<u>62209</u>	<u>89,209</u>	<u>351,185</u>

4. Direct charitable expenditure

	Unrestricted	Restricted	2002	2001
	£	£	£	£
Salaries		60,044	60,044	45,242
Web expenditure				5,005
Training suite expenditure				6,058
Solar panel expenditure				5,000
Other projects		7,417	7,417	5,309
Irrecoverable VAT				7,318
Other expenses		44,620	44,620	41,260
	<u>0</u>	<u>112,082</u>	<u>112,081</u>	<u>115,192</u>

5. Management and administration of the Charity

	2002	2001
	£	£
Other expenses	3,279	4684
	<u>3,279</u>	<u>4684</u>

6. Employee information

No remuneration was paid to any trustee during the year (2001: £Nil).

7. Net resources expended

Net incoming resources for the year is stated after charging:	2002	2001
	£	£
Depreciation	12412	732
Audit fees	500	1,555
	<u>12912</u>	<u>2,287</u>

8. Taxation

The company is a charity established under the Charities Act 1993. It is therefore exempt from taxation in respect of income tax and capital gains received within categories covered by S505 Income and Corporation Taxes Act 1988 or S256 Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to charitable purposes only.

9. Tangible fixed assets

	Freehold property	Leasehold property	Plant and equipment	Total
	£	£	£	£
Cost				
At 1 July 2001	1	525,014	2,926	527,941
Additions		4,359	10,544	14,903
At 30 June 2002	<u>1</u>	<u>529,373</u>	<u>13,470</u>	<u>542,844</u>
Depreciation				
At 1 July 2001			2,683	2,683
Provided for the year		10,587	1,825	12,412
At 30 June 2002	<u>0</u>	<u>10,587</u>	<u>4,508</u>	<u>15,095</u>
Net book value				
At 30 June 2002	<u>1</u>	<u>518,786</u>	<u>8962</u>	<u>527,750</u>
At 1 July 2001	<u>1</u>	<u>525,014</u>	<u>243</u>	<u>525,258</u>

The freehold property relates to the Mechanics Institute building which was transferred without consideration to the trust subject to ongoing restrictions on its use on 19th December, 1997. The property has been included at a nominal value of £1 due to onerous restrictions over the use of the property.

10. Debtors

	2002	2001
	£	£
VAT	257	12,599
Other debtors	4,254	23,757
Prepayments	903	867
	<u>5,414</u>	<u>37,223</u>

11. Creditors: amounts falling due within one year

	2002	2001
	£	£
Creditors	15,559	10,119
Accruals	1,000	2,200
Building retentions	14,554	14,554
	<u>31,113</u>	<u>26,873</u>

12. Prior period adjustment

The prior period adjustments relate to a) the capitalisation of costs in bringing the Cheviot Centre to its present condition £441014 previously charged to the statement of financial activities and b) an additional recovery of value added tax following agreement on the value added tax partial exemption scheme with H.M. Customs and Excise, the recovery being £5082.

13. Restricted funds

	At 1 July 2001	Income	Expenditure	Transfers	At 30 June 2002
	£	£	£	£	£
General fund	8,505	41,007	3,279	(28,244)	17,989
Total unrestricted funds	<u>8,505</u>	<u>41,007</u>	<u>3,279</u>	<u>(28,244)</u>	<u>17,989</u>
Restricted funds					
Represented by fixed assets					
Cheviot Centre Capital	520,395		10,939	9,580	519,036
Children's Area Soft Play Capital		2,800	1,059		1,741
Computer Room Capital		5,000	1,231	3,204	6,973
	<u>520,395</u>	<u>7,800</u>	<u>13,229</u>	<u>12,784</u>	<u>527,750</u>
Other Funds					
Cheviot Centre Running Costs	23,640	47,413	60,315	16,500	27,238
Children's Area Running Costs	9,269	10,502	17,310		2,461
Website	438				438
Josephine Butler Exhibition	613	450	812	(251)	0
Youth Drop-in Centre	9,688	13,259	13,986		8,961
Glendale Festival		2,493	533		1,960
Affordable Housing Project		6,000	3,000		3,000
Oral History		1,185	1,169	(16)	0
Funday		1,500		(1,500)	0
Rural Promotions		1,000	1,727	727	0
	<u>43,648</u>	<u>83,801</u>	<u>98,852</u>	<u>15,460</u>	<u>44,057</u>
Total restricted funds	<u>564,043</u>	<u>91,601</u>	<u>112,081</u>	<u>28,244</u>	<u>571,807</u>
Total funds	<u>572,548</u>	<u>132,608</u>	<u>115,360</u>	<u>0</u>	<u>589,796</u>

Transfers include the following

The provision of £15000 from unrestricted reserves to repay a grant from Northumberland County Council over three years, relating to the Cheviot Centre.

Transfers amounting to £12784 from unrestricted reserves to fund additional capital costs, the Computer Room of £3204, Training Suite of £4396 and Cheviot Centre of £5184.