THE GLENDALE GATEWAY TRUST

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2007

CHARITY NUMBER: 1059761

COMPANY NUMBER: 3208721

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Contents **Page**

Report of the trustees	1
Report of the auditors	6
Statement of financial activities	7
Resources applied to tangible fixed assets	8
Balance sheet	9
Notes forming part of the financial statements	10

The Glendale Gateway Trust

Report of the Trustees for the year ended 30 June 2007

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 30 June 2007

Reference and administration details

Charity Number: 1059761

Company Number: 3208721

Registered Office and operational address

Cheviot Centre, 12 Padgepool Place, Wooler, Northumberland, NE71 6BL

Registered Auditors

Greaves Grindle, Victoria House, Bondgate Within, Alnwick, Northumberland, NE66 1TA

Bankers

Unity Trust Bank, 9 Brindley Place, 4 Oozells Square, Birmingham

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

Chairman	Mr J N Bullock (Elected member)
Vice Chairman	Revd Canon R B S Burston (Community Action Northumberland)
Treasurer	Mr R Miket (Elected member)
Other Trustees	
Elected Trustees	Mr T Sale OBE
	Mrs B Rattcliff
	Mr J Hugonin
	Rev B Hurst (resigned during year)
Nominated Trustees	Mr C Hallam-Baker (Northumberland County Council)
	Mr J R Kirkup (Country Landowners and Business Association)
	Mr J Nesbit (Berwick upon Tweed Borough Council) (appointed during year)
	Mr R Tait (Wooler Parish Council)
	Mr E Brown (Northumberland Association of Local Councils)
	Mr J Mullard (Northumberland National Park Authority) (resigned during year)
	Mr J Short (National Farmers Union)
	Mr D Smibert (North Northumberland Tourism Association)
	Mrs A Wright (Wooler Retailers and Traders Association) (resigned during year)
	Mr D. Girdwood (Wooler Retailers and Traders Association) (appointed during year
Co-opted Trustees	Mr T Sharp
	Ms K Murphy (resigned during year)
Company Secretary	Mr J R Kirkup (Country Landowners and Business Association)

Employed Staff

Tom Johnston	Market Town Programme Manager
Shauna Goulbourne	Cheviot Centre Cleaner
Graham Goodwin	Youth Hostel Manager
Rachel Sinton	Administrator
John Davidson	GGT Projects Manager
Mike Hetherington FCA	Financial Administrator

Structure, Governance and Management

Governing Document and Constitution

The Glendale Gateway Trust is a Charitable Company limited by guarantee incorporated on 6 June 1996 The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association

Recruitment and Appointment of Management Committee

As set out in the Articles of Association, the business of the company is administered by a management committee

Nominated Members A total of ten members may be nominated by the following core organisations

i Northumberland County Council
ii Berwick-upon-Tweed Borough Council
iii Wooler Parish Council
iv Northumberland Association of Local Councils
v Community Action Northumberland
vi Northumberland National Park Authority
vii National Farmers' Union
viii North Northumberland Tourism Association
ix Country Landowners and Business Association
x Wooler Retailers' Association

Co-opted Members Three members may be co-opted onto the management committee and serve until the conclusion of the Annual General Meeting

Elected Members 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

Organisation

The management committee meets every two months and there is an executive sub-committee which meets monthly together with the employed staff of the trust

There are also sub-committees, which cover some specific activities

Risk Management

The Trustees have a risk management strategy, which comprises

- An annual review of the risks the charity may face,
- The establishment of systems and procedures to mitigate those risks identified in the plan, and
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

Objectives and Activities

Objectives

The company's principal objective is to promote, maintain, improve, encourage and advance the benefit in particular but not exclusively of the inhabitants of the town of Wooler and the surrounding area in particular through

- The advancement of education of the public in historical and architectural heritage and in all aspects of the natural environment
- The provision of facilities for public recreation or other leisure time occupation
- The provision of affordable housing accommodation
- The continued management of the multi purpose community Cheviot Centre
- The improvement of the infrastructure of the area and, in particular, the road services with the further object of improving road safety
- The promotion of such other charitable purposes for the general advancement of the inhabitants of the area as the Company shall from time to time think fit

Strategy

Central to the philosophy of the trust is its commitment to co-operation with representatives of voluntary organisations, statutory authorities, charities and other persons or organisations having similar objects or aims to that of the Company

Achievements and Performance.

The Trust celebrated its tenth anniversary during the year with an open day in the High Street shops The displays, highlighting its achievements, emphasized just how far it had come in that time It can be said to have fought hard for survival in its first five years of existence when all its efforts concentrated on getting the Youth Drop-In and Cheviot Centre projects up and running but since then it has flourished and gone from strength to strength

This last year has seen the completion of the affordable housing project on Wooler High Street The land sold to Home Housing's now has ten flats and five bungalows on it – all of which are occupied The site was officially opened by the Right Reverend the Bishop of Newcastle Martin Wharton on 22 June 2007 The three flats retained by the Trust were used over the year as a site office for Home's contractors and are being made ready for young key workers to rent

The purchase of Wooler Youth Hostel foreshadowed in last year's report was completed by November 2006 with generous grants from the Northern Rock Foundation, the Llankelly Foundation and the Northumberland Strategic Partnership Over £40,000 was spent on refurbishment in time for the hostel to open for business at Easter under the YHA Enterprise Hostel scheme by which it is marketed through their brochure and website

The High Street shops have continued to be used as exhibition and community resources and one of them will soon be let to promote a new business in the town

Other opportunities are presenting themselves – especially through the Retail Distinctiveness Report produced through funding from ONE North East – so the Trust has to choose carefully to avoid overstretching its resources

Financial Review

Capital Funds

Major grants were received during the year from the Northern Rock Foundation (£170,000) and the Northumberland Strategic Partnership (£120,000) which enabled the purchase of the Wooler Youth Hostel Together with other grants and donations these have also enabled a programme of improvements to the hostel The programme continues

Revenue Funds

The trust generated its own income of £118,000 and received grants of £94,000 to fund its revenue expenditure of £143,000 for the year The principal sources of the trusts own income is that of room rental and hire at the Cheviot Centre, the rental income from its Town Centre workshops and flats and the newly generated income at the Youth Hostel The largest grant provider was the Northumberland Strategic Partnership towards the Market Town Partnership initiative and the largest part of the trust's revenue expenditure is that of salaries (£84,000)

Plans for future periods

The Trust wishes to continue its development In order to do this it must successfully run the Cheviot Centre, the Youth Hostel and the town centre workshops and flats and at the same time it must pursue new initiatives For this work on initiatives it is crucial that the trust receives funding for its Market Town Programme manager For this the Northumberland Strategic Partnership will provide revenue grant up to 31 March 2008

The Trust will in the coming months treat the replacement of this income stream as a priority

Reserves Policy

Reserves are needed

- To bridge funding gaps
- For emergency building repairs
- To cover future costs while there is uncertainty over future generated and grant income

The trust believes that the current level of reserves of about £150,000 are insufficient at the present stage in the trust's expansion and development when it is so far short in its ability to generate sufficient income to cover its initiative costs The appropriate level of reserves for the trust will change as the Trust and its circumstances change

Declaration

The Trustees declare that they have approved the trustee's report above

Signed on behalf of the charity's trustees

Signature		Signature	R Miket.
Full name	Jeffrey Mewton Bunnett	Full name	Ron Miket.
Position	Chairman GCT	Position	Treasurer
Date	25 Sept 07	Date	25th September 2007.

Independent auditors report to the members of The Glendale Gateway Trust

We have audited the financial statements of The Glendale Gateway Trust Ltd for the year ended 30 June 2007, which comprise the Statement of Financial Activities, the Balance Sheet and the related notes These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985 Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed

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 Ltd 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 International Standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985 We report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements We also report to you if, in our opinion, 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 is not disclosed

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgements made by the 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the charity's affairs as at 30 June 2007 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Greaves Grindle

Greaves Grindle
Registered Auditors
Victoria House
Bondgate Within
Alnwick

Date 28th September 2007

Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 30 June 2007

	Notes	Unrestricted Funds 2007 £	Restricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income		65,486	346,750	**412,236**	139,904
Investment income		13,340		**13,340**	5,161
Income from charitable activities		88,887		**88,887**	41,575
Other Income		11,699		**11,699**	14,215
Total incoming resources	2	179,412	346,750	**526,162**	200,855
Resources expended					
Charitable expenditure		119,526	36,601	**156,127**	124,916
Governance costs		3,004		**3,004**	1,216
Total resources expended	3	122,530	36,601	**159,131**	126,132
Net incoming resources before transfers		56,882	310,149	**367,031**	74,723
Transfers between funds	9	1,943	(1,943)	**0**	-
Net incoming resources for the year		58,825	308,206	**367,031**	74,723
Net income for the year		58,825	308,206	**367,031**	74,723
Total funds at 1 July 2006		90,635	1,018,851	**1,109,486**	1,034,762
Total funds at 30 June 2007	9	149,460	1,327,057	**1,476,517**	1,109,485

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 2007

	Unrestricted Funds 2007 £	Restricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Net movement in funds for the year	58,825	308,206	**367,031**	74,723
Resources used for the acquisitions of tangible fixed assets	0	361,390	**361,390**	591
Net movement in funds available for future activities	58,825	(53,184)	**5,641**	74,132

Balance Sheet at 30 June 2007

	Notes	Unrestricted Funds 2007 £	Restricted Funds 2007 £	Total Funds 2007 £	Total Funds 2006 £
Fixed assets					
Tangible assets	6	85	1,147,205	**1,147,290**	814,475
		85	1,147,205	**1,147,290**	814,475
Current assets					
Debtors and prepayments	7	14496	310	**14,806**	3,411
Bank and building society deposits		138,314	184,623	**322,937**	323,083
		152,810	184,933	**337,743**	326,494
Creditors: amounts falling due within one year	8	(3,435)	(5,081)	**(8,516)**	(31,483)
Net current assets		149,375	179,852	**329,227**	295,011
Net assets		149,460	1,327,057	**1,476,517**	1,109,486
Funds					
Unrestricted		149,460	-	**149,460**	90,635
Restricted		-	1,327,057	**1,327,057**	1,018,851
Total funds	9	149,460	1,327,057	**1,476,517**	1,109,485

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 13th September 07 **and signed on their behalf by:**

.....

Mr J.N. Bullock
Chairman

Notes forming part of the financial statements for the year ended 30 June 2007

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance Companies Act 1985 and with the Statement of Recommended Practice (SORP 2005), "Accounting and Reporting by Charities" published in March 2005, Financial Reporting Standards for Smaller Entities and with the Charities Act 1993 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 incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

c) Grants

Grants are credited to the statement of financial activities when receivable

d) Restricted funds

Restricted funds are funds which are to be used in accordance with the specific instructions imposed by the donors or which is being raised by the charity for particular purposes The cost of raising and administering such funds are charged against the specific fund The aim and use of each restricted fund is set out in the financial statements

e) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements

f) Stocks

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

g) 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% per annum straight line
Leasehold buildings	2% per annum straight line
Computer equipment	25% per annum straight line
Other equipment	15% per annum reducing balance

2. Incoming Resources	Unrestricted £	Restricted £	2007 £	2006 £
Voluntary income:				
Donations	1,135	6,193	**7,328**	2,828
Grants receivable				
Countryside Agency - MTI			**0**	3,750
Northumberland Strategic Partnership - MTI			**0**	21,000
Northumberland Strategic Partnership	46,644	10,006	**56,650**	0
First Light Pilot Award			**0**	158
Northumberland County Council -MTP			**0**	3,000
Berwick upon Tweed BC Glendale Festival			**0**	500
Northumberland National Park Authority - Glendale Festival			**0**	500
Northumberland Strategic Partnership - Glendale Festival			**0**	500
NSP Glendale Gold Scheme		800	**800**	1,200
North Northumberland Rural Transport - Glendale Festival			**0**	80
Hugonin Family Trust		3,500	**3,500**	2,500
Llankelly Foundation		21,000	**21,000**	0
Training Support	798		**798**	0
Northumberland College Villages Online	1,085		**1,085**	3,026
Lloyds TSB Foundation			**0**	7,500
Community Foundation- The Arriva Fund			**0**	485
Community Foundation		3,000	**3,000**	1,440
Grainger Glendale Trust		500	**500**	1,000
Community Council Duncan and Sarah Davidson Fund			**0**	500
England Leader + Programme	14,824	10,751	**25,575**	48,937
Community Foundation -NE Brewers Assn			**0**	500
Berwick Borough Council			**0**	40,000
Northern Rock Foundation		170,000	**170,000**	0
Northumberland Strategic Partnership		120,000	**120,000**	0
The Sir James Knott Trust		1,000	**1,000**	0
Carr-Ellison Charitable Trust	500		**500**	500
Lord Vinson Charitable Trust	500		**500**	0
Total	**65,486**	**346,750**	**412,236**	139,904
Investment income				
Bank interest received	13,340		**13,340**	5,161
	13,340		**13,340**	5,161
Charitable activities				
Rental Income	39,936		**39,936**	37,649
Room Hire	14,643		**14,643**	0
Youth Hostel	29,586		**29,586**	0
Sale of goods or services	4,722		**4,722**	3,926
	88,887		**88,887**	41,575
Other Income				
Profit on sale of land	11,699		**11,699**	14,215
	11,699		**11,699**	14,215
Total Incoming Resources	179,412	346,750	**526,162**	200,855

	Unrestricted	Restricted	2007	2006
	£	£	£	£
3. Resources expended				
Charitable expenditure				
Cheviot Centre costs	17,419		**17,419**	24,494
Youth Hostel	13,837		**13,837**	0
Office costs	1,355		**1,355**	3,949
Other costs	261		**261**	788
Residential Property costs	865		**865**	478
Specific small project costs	585	8,040	**8,625**	12,919
Staff costs	83,776		**83,776**	61,471
Town Centre Workshop Costs	1,429		**1,429**	1,436
Depreciation		28,561	**28,561**	20,647
Value added tax recovered	0		**0**	(1,267)
	119,526	36,601	**156,127**	124,916
Governance costs				
Depreciation	14		**14**	17
AGM costs	0		**0**	52
Subscriptions	0		**0**	147
Audit and accountancy fees	2,990		**2,990**	1,000
	3,004	0	**3,004**	1,216
Total Resources Expended	122,530	36,601	**159,131**	126,132

5. Net income for the year

This is stated after charging	2007	2006
	£	£
Depreciation	**28,575**	19,280
Trustees' remuneration	-	-
Audit fees	**1,000**	500
	29,575	19,780

6. Tangible fixed assets

	Freehold property	Leasehold property	Plant and equipment	Total
	£	£	£	£
Cost				
At 1 July 2006	338,814	532,648	27,470	**898,931**
Additions	345,785		15,605	**361,390**
Sold				
At 30 June 2007	684,599	532,648	43,075	**1,260,321**
Depreciation				
At 1 July 2006	16,484	53,136	14,837	**84,456**
Provided for the year	13,690	10,653	4,232	**28,575**
Eliminated on disposal				
At 30 June 2007	30,174	63,789	19,068	**113,031**
Net book value				
At 30 June 2007	654,425	468,859	24,006	**1,147,290**
At 1 July 2006	322,330	479,512	12,633	**814,475**

Freehold property includes:

a) 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, responsibilities for maintenance costs and the inability of the trust to dispose of the property

b) The Town Centre Regeneration Properties, which are three flats, one house and two converted shops

c)The Wooler Youth Hostel which was purchased and refurbished this year

Leasehold Property

This is the Cheviot Centre which is held by the Trust on a 999 year lease commencing 21st February 2000 Costs are the development cost to bring the centre into use

7. Debtors

	2007	2006
	£	£
Other debtors	12,123	10,349
Prepayments	2683	903
	14,806	11,252

8. Creditors: amounts falling due within one year

	2007	2006
	£	£
Value Added Tax	(367)	2,118
Accruals	1,019	6,519
Home Housing	0	15,000
YH Accommodation Deposits held	2,483	,0
Retentions	5,081	7,546
Cash Bond	300	300
	8,516	31,483

9. Statement of funds

	At 1 July 2006	Income	Expenditure	Transfers	At 30 June 2007
	£	£	£	£	£
General fund	90,635	179,412	122,530	**1,943**	**149,460**
Total unrestricted funds	90,635	179,412	122,530	**1,943**	**149,460**
Restricted funds					
Capital Funds					
Cheviot Centre	492,046	10006	14,032		**488,020**
Town Centre Regeneration	522,662	1,863	7,938		**516,587**
Youth Hostel	0	316,686	6,591		**310,095**
Revenue Funds					
Glendale Festival	3,958	4,007	4,110		**3,855**
Women at the Turn of the 20th Century	(4,815)	9,688	2,930	**(1,943)**	**0**
Chevy Chase	0	1,000	1,000		
Repairs Reserve/other	5,000	3,500			**8,500**
Total restricted funds	1,018,851	346,750	36,601	**(1,943)**	**1,327,057**
Total funds	1,109,486	526,162	159,131	**0**	**1,476,517**

Particulars of the restricted funds are given in note 10

Fund transfers

Surplus or deficits on specific projects are transferred to unrestricted funding on completion of the project, with agreement of the principal funders

9. Statement of funds (Cont)

	Fixed Assets	Current Assets	Current Liabilities	At 30 June 2007	At 30 June 2006
	£	£	£	£	£
General fund	85	152,810	3,435	**149,460**	90,635
Total unrestricted funds	85	152,810	3,435	**149,460**	90,635
Restricted funds					
Capital Funds					
Cheviot Centre	488,020			**488,020**	492,047
Town Centre Regeneration	372,543	149,125	5,081	**516,587**	522,662
Youth Hostel	286,642	23,453		**310,095**	0
Revenue Funds					
Glendale Festival		3,855		**3,855**	3,958
Women at the Turn of the 20th Century		0		**0**	(4,815)
Repairs Reserve		8,500		**8,500**	5,000
Total restricted funds	1,147,205	184,933	5,081	**1,327,057**	1,018,852
Total funds	1,147,290	337,743	8,516	**1,476,517**	1,109,487

Particulars of the restricted funds are given in note 10

10. Particulars of restricted funds

Capital Funds

The Cheviot Centre and the Town Centre Regeneration programme (providing three flats, one house and two converted shop properties) are now completed projects with no deficiency of funds
The Youth Hostel has been purchased and the initial refurbishment has been completed Further work is planned and funds are held for this

Revenue Funds

The Glendale Festival is an annual music and arts festival in Wooler Town Centre It is ongoing with any commitments to expenditure strictly limited to grants and donations which have been agreed in advance