3556721

ROMSEY MILL TRUST

GROUP REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002



ROMSEY MILL TRUST
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

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Principal Address

Romsey Mill
Hemingford Road
Cambridge
CB1 3BZ

Auditors

Chater Allan
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

Solicitors

Matthew, Winter and Bullock
168 Mill Road
Cambridge
CB1 3LP

Registered Charity Number

1069905

Registered Number

3556721

ROMSEY MILL TRUST
BOARD OF MANAGEMENT REPORT
FOR THE YEAR ENDED 31 DECEMBER 2002

BACKGROUND

Romsey Mill was set up in 1980 to respond to the needs of local young people and young families. Following 22 years under the charitable auspices of Shared Churches of Ely we changed our status in January 2002 and started to operate as Romsey Mill Trust, a company limited by guarantee in England and Wales (company no: 3556721) and a registered charity (charity no: 1069905).

The two Charity shops continue to trade as Romchurch Limited, a subsidiary of Romsey Mill Trust, as complimentary activities. The profits of both of them are donated to Romsey Mill Trust and Tear Fund.

MEMBERSHIP

S Tostevin (Chair)
J Rose (Treasurer)
C Phipps (Secretary)
R Barden
M Booker
J Garner
J Marshall
S Leeke
T Stubbings
S Taylor

COMMITTEES

The Board operates through a number of sub-committees which meet when required.

Finance Committee
This committee oversees the ongoing financial situation, budgets and forecasts for both Romsey Mill and Romchurch Limited. It keeps the Board informed of the overall situation and advises it of any action that may be necessary.

Programme Committee
This committee consists of Board members, staff and users and reviews the activities at the Mill and discusses the development of new projects.

Personnel Committee
This committee identifies staff needs, recruits, recommends remuneration levels, and ensures that staff reviews and support structures are being effective.

Fabric Committee
This group advises the Board on all aspects of the maintenance of the building and organises repairs and renewals as necessary. The Board has agreed to set aside money each year for the longer-term maintenance of the premises.

FINANCIAL REVIEW OF THE YEAR

2002 has seen further growth in the work of the three major project areas: the Under Fives, the Young Parent's Project and the Social Inclusion Project. This is included moving into new areas, for example SIP work in Netherhall School and YPP work in Huntingdon, and has involved further staff increases.

The North Cambridge Churches Youth Project was set up by local churches in the North of the City in 1998. Romsey Mill has been closely involved since its inception as it sought to replicate our work in the East of the City. After four years of operation those involved felt that the best way to secure long term growth of the project was for it to be fully run by Romsey Mill and the Trustees decided that this was an area of operation which was appropriate to incorporate with our work and the North Cambridge Churches Youth Project is now fully run and administered by Romsey Mill and has therefore been incorporated in this report.

These programmes have continued to attract substantial funding, with a further increase of almost 18% in the overall income; much of this support will continue in 2003.

FINANCIAL REVIEW OF THE YEAR (CONT)

The shops have continued their upward trend, with the contribution to Romsey Mill Trust of £17,146, an increase of 23% compared with 2001.

As a result, the year end balances show a further improvement of over £47,000, a substantial proportion of which is in unrestricted funds. These reserves now represent a much more secure base from which to plan the future. During 2003 we aim to secure a major part of the capital still required to complete the purchase of the site.

Once again the Trustees wish to record their great appreciation of the hard and dedicated work of the whole staff teams of both Romsey Mill and Romchurch Limited. During the year we employed over 27 people, full or part time, itself an indication of the growth of the activity level. However we are also very aware of the contribution made by the great team of volunteers in all areas. Behind all these workers is the great number of friends and supporters whose gifts and prayers provide the essential backing for this work of God.

RISK ANALYSIS AND RESERVES POLICY

The major risks to which the charity is exposed to have been identified, reviewed and systems established to mitigate those risks.

The Trust's Reserves policy is two fold. Firstly to have sufficient funds available to enable operations to continue for at least one quarter if funds and grants were unexpectedly delayed. Secondly, the Trust wishes to build up the Capital Fund to sufficient levels in order to complete the site purchase in 2007.

On behalf of the Board of Management on



10/9/03

S Tostevin
Chair

ROMSEY MILL TRUST

STATEMENT OF BOARD OF MANAGEMENT'S RESPONSIBILITIES

The Board of Management are responsible for the preparation of annual financial statements and ensuring that Romsey Mill Trust maintains proper accounting records. They are also responsible for safeguarding the assets of Romsey Mill Trust and thereby taking responsible steps to ensure the prevention and detection of fraud and other irregularities.

REPORT OF THE INDEPENDENT AUDITORS TO THE BOARD OF MANAGEMENT OF ROMSEY MILL

We have audited the financial statements for Romsey Mill Trust for the year ended 31 December 2002 on pages 4 to 12. These financial statments have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, and in accordance with the accounting policies set out on page 7.

This report is made solely to the company's Board of Management, 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 company's Board of Management those matters we are required to state to them in an auditors' 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 company and the company's Board of Management as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the Board of Mangement and Auditors

As described above the Board of Management 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 Accounting Standards.

We report to you our opinion as to whether the financial statements give a true and fair view. We also report to you if, in our opinion, the Report of the 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 board members' remuneration and transactions with the company is not disclosed.

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

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board of Management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board'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 affairs of Romsey Mill Trust and the Group as at 31 December 2002 and of its surplus for the year then ended.

Chater Allan
Chartered Accountants & Registered Auditors
Beech House
4a Newmarket Road
Cambridge
CB5 8DT

11 September 2003

ROMSEY MILL TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2002

	Note	Unrestricted Funds: General Funds £	Subsidiary Undertaking £	Designated Funds £	Restricted Funds £	Total 2002 £
Income and Expenditure						
Incoming Resources						
Donations and Grants	2(a)	73,007	-	-	6,723	79,730
Income from charitable activities in furtherance of the charity's objects	2(b)	97,127	52,132	-	111,738	260,997
Deed of Covenant	*	17,146	-	-	-	
Total Incoming Resources		187,280	52,132	-	118,461	340,727
Resources Expended						
Costs of generating funds		12,000		-	-	12,000
Direct charitable expenditure:						
Costs of activities in furtherance of the charity's objects	3(a)	121,291	19,817	-	91,032	232,140
Support costs	3(b)	30,549	13,878	-	-	44,427
Management and administration of the charity:						
Bank charges		736	138	-	-	874
Audit remuneration		2,139	705	-	-	2,844
Professional fees		-	448	-	-	448
Deed of Covenant	*	-	17,146	-	-	
Total Resources Expended		166,715	52,132	-	91,032	292,733
Net incoming resources		20,565	-	-	27,429	47,994
Transfer between funds:						
Designated Funds:						
Transfer to Maintenance Reserve		(2,500)		2,500		-
Transfer to Site Purchase Appeal		(12,000)		12,000		-
Transfer from Capital Appeal		5,000		(5,000)		-
Restricted Fund:						
Transfer from Jordan Appeal		6,025			(6,025)	-
Net movement in funds		17,090	-	9,500	21,404	47,994
Unrealised (losses)/gains on investment assets		(1,635)	-	-	-	(1,635)
Fund balances at 1 January 2002	1(g)	259				259
Transfer of Funds at 1 January 2002	1(g)	48,491	-	7,750	29,731	85,972
Transfer of North Cambridge Churches at 1 January 2002		(1,050)	-	-	-	(1,050)
Fund balances at 31 December 2002		63,155	-	17,250	51,135	131,540

Income and expenditure is derived solely from continuing operations.

* The Deed of Covenant represents the payment from Romchurch Limited, the subsidiary undertaking of Romsey Mill Trust. This has been excluded from the consolidated group figures.

ROMSEY MILL TRUST
GROUP BALANCE SHEET
AS AT 31 DECEMBER 2002

	Note	2002 £	£
FIXED ASSETS			
Tangible fixed assets	5		206,925
Investments	6		2,205
			209,130
CURRENT ASSETS			
Stock		356	
Debtors and prepayments	7	36,028	
Cash at bank and in hand		49,965	
		86,349	
CURRENT LIABILITIES			
Creditors due within one year	8	15,789	
NET CURRENT ASSETS			70,560
Creditors due after more than one year	9		(148,150)
NET ASSETS			£131,540
FUNDS			
Unrestricted funds			63,155
Designated funds	11		17,250
Restricted funds	10		51,135
			£131,540

Approved by the Board of Management on 16/9/03

S Tostevin (Chair)

ROMSEY MILL TRUST
PARENT BALANCE SHEET
AS AT 31 DECEMBER 2002

	Note	2002 £	£
FIXED ASSETS			
Tangible fixed assets	5		206,925
Investments	6		2,305
			209,230
CURRENT ASSETS			
Stock		356	
Debtors and prepayments	7	35,200	
Cash at bank and in hand		48,478	
		84,034	
CURRENT LIABILITIES			
Creditors due within one year	8	13,833	
NET CURRENT ASSETS			70,201
Creditors due after more than one year	9		(148,150)
NET ASSETS			£131,281
FUNDS			
Unrestricted funds			62,896
Designated funds	11		17,250
Restricted funds	10		51,135
			£131,281

Approved by the Board of Management on 10/9/03

S Tostevin (Chair)

ROMSEY MILL TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2002

1 STATEMENT OF ACCOUNTING POLICIES

a) Basis of accounting
The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with the Charities Statement of Recommended Practice (2000).

b) Incoming resources
Donations and legacies are accounted for when received or when receipt is reasonably certain. Other income is accounted for on an accruals basis.

c) Depreciation
Depreciation is provided at the following rates in order to write off each asset over its estimated useful life down to its resudual value.

Freehold Land and Buildings - 2% straight line
Building improvements - 5%/10% straight line
Fixtures and Fittings - 20% straight line
Motor vehicles - 20% straight line

d) Charitable expenditure
Expenditure incurred on fundraising and publicity to generate income to support direct charitable activities are included in costs of generating funds.

e) Stock
Stocks are stated at the lower of cost and net realisable value.

f) Pension costs
Romsey Mill contributes, on certain conditions, into employees' own pension schemes. Contributions payable are charged to the statement of financial activities in the period to which they relate.

g) Comparatives and Transfer of Funds
There are no comparative figures because although the company was incorporated in 1998, it only started to operate when it took over the activites of Romsey Mill in January 2002. The Fund balances brought forward at 1 January 2002 represent the investment in the subsidiary company, Romchurch Limited at that date. The Transfer of Funds at 1 January 2002 relate to the net assets of Romsey Mill.

2 INCOMING RESOURCES

	Unrestricted Funds				
	General Funds £	Subsidiary Undertaking £	Designated Funds £	Restricted Funds £	Total funds 2002 £
(a) Donations and Grants					
General donations and gifts	37,669	-	-	-	37,669
Churches and colleges	16,799	-	-	300	17,099
Trust donations	1,100	-	-	400	1,500
Romchurch	-	-	-	-	-
Council grants	10,714	-	-	-	10,714
Tax reclaimed	6,725	-	-	-	6,725
Capital Appeal	-	-	-	5,023	5,023
Jordan Appeal	-	-	-	1,000	1,000
	73,007	-	-	6,723	79,730
(b) Income from charitable activities in furtherance of the charity's objects					
Under Fives	24,972	-	-	3,614	28,586
Small Groups and Children's work	1,045	-	-	-	1,045
Young Parents Project	5,761	-	-	49,043	54,804
Social Inclusion Project	23,993	-	-	38,681	62,674
Spiritual Development	-	-	-	4,600	4,600
Adult groups	295	-	-	-	295
Jordan Bar	3,788	-	-	-	3,788
Minibus hire	1,329	-	-	4,000	5,329
Football	2,197	-	-	-	2,197
Room hire	4,746	-	-	-	4,746
NCCYP	14,069	-	-	11,200	25,269
Management	1,141	-	-	-	1,141
Centre for Youth Ministry	13,358	-	-	600	13,958
Sundry income	433	-	-	-	433
Charity shop sales	-	52,132	-	-	52,132
	97,127	52,132	-	111,738	260,997

3 DIRECT CHARITABLE EXPENDITURE

(a) Costs of activities in furtherance of the charity's objects

	Unrestricted Funds				
	General Funds £	Subsidiary Undertaking £	Designated Funds £	Restricted Funds £	Total Funds 2002 £
Establishment					
Light, heat and water	2,122	1,258	-	-	3,380
Property costs	4,006	707	-	300	5,013
Rent, rates and water	-	14,947	-	-	14,947
Insurance	1,735	386	-	-	2,121
Cleaning	3,612	614	-	-	4,226
	11,475	17,912	-	300	29,687
Programme					
Charitable donations	-	1,905	-	-	1,905
Under Fives	22,839	-	-	5,493	28,332
Small Groups and Children's work	1,170	-	-	-	1,170
Young Parents Project	5,300	-	-	42,543	47,843
Social Inclusion Project	27,420	-	-	24,211	51,631
NCCYP	9,532	-		7,750	17,282
Special events	194	-	-	-	194
Spiritual Development	-	-	-	1,792	1,792
Football	988	-	-	-	988
Jordan Bar	3,309	-	-	-	3,309
Volunteer Project	-	-	-	-	-
	70,752	1,905	-	81,789	154,446
General					
Depreciation	7,976	-	-	-	7,976
Minibus	5,222	-	-	-	5,222
Management	12,482	-	-	-	12,482
Centre for Youth Ministry	13,094	-	-	-	13,094
Capital Appeal	-	-	-	8,279	8,279
Jordan appeal	-	-	-	664	664
Sundry expenses	290	-	-	-	290
	39,065	-	-	8,943	48,007
	121,291	19,817	-	91,032	232,140
(b) Support Costs: Administration					
Salaries	20,182	12,343	-	-	32,524
Stationery and post	1,359	-	-	-	1,359
Telephone and IT	6,611	-	-	-	6,611
Photocopier	305	-	-	-	305
Volunteer expenses	-	664	-	-	664
Accountancy	1,044	293	-	-	1,337
Sundry	1,048	579	-	-	1,627
	30,549	13,878	-	-	44,427
Total Direct Charitable Expenditure	151,840	33,696	-	91,032	276,567

4 TAXATION

As a registered charity, Romsey Mill Trust is generally exempt from Income Tax and Capital Gains Tax, but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

5 TANGIBLE FIXED ASSETS - Group and Parent Undertaking

	Freehold Property £	Leasehold improvements £	Motor Vehicles £	Fixtures and Fittings £	Total £
Cost					
Transfer from Romsey Mill at 1 January 2002	-	37,532	15,000	17,948	70,480
Additions	150,000	11,095	-	6,963	168,058
As at 31 December 2002	150,000	48,627	15,000	24,911	238,538
Depreciation					
Transfer from Romsey Mill at 1 January 2002	-	-	15,000	8,637	23,637
Charge for year	1,000	3,921	-	3,055	7,976
As at 31 December 2002	1,000	3,921	15,000	11,692	31,613
Net Book Value					
As at 31 December 2002	149,000	44,706	-	13,219	206,925

All assets are used for charitable purposes.

6 INVESTMENTS - Group Undertaking

	2002 £
Transfer from Romsey Mill at 1 January 2002	3,840
Additions	-
Disposals	-
Realised profit on disposal	-
Unrealised (losses)/gains	(1,635)
Value as at 31 December 2002	2,205

In addition, the parent undertaking holds the £100 share capital in Romchurch Limited.

7 DEBTORS - Group Undertaking

	2002 £
Debtors	18,909
Prepayments and accrued income	17,004
Other Debtors	114
	36,028

DEBTORS - Parent Undertaking

	2002 £
Debtors	21,584
Prepayments and accrued income	13,615
	35,200

8 CREDITORS DUE WITHIN ONE YEAR

Group Undertaking	2002 £
Loans - Non interest bearing	600
Other taxes and social security costs	4,913
Other creditors and accruals	9,463
Deferred income	813
	15,789

Parent Undertaking	2002 £
Loans - Non interest bearing	600
Other taxes and social security costs	4,913
Other creditors and accruals	7,507
Deferred income	813
	13,833

9 CREDITORS DUE AFTER MORE THAN ONE YEAR

	2002
	£
Group and Parent Undertaking	
Loans - Non interest bearing	3,150
Purchase of freehold property	145,000
	148,150

The non interest bearing loan is repayable in annual instalments of £600.
The amount outstanding on the purchase of the freehold property of Romsey Mill, Hemingford Way, Cambridge is payable by instalments totalling £41,000 spread over five years with the balance due on 2 January 2007.

10 RESTRICTED FUNDS

	Transfer from Romsey Mill at 1 January 2002 £	Transfers £	Income £	Expenditure £	At 31 December 2002 £
City Council (SIP)	558	500	1,480	(2,168)	370
Small Groups	500	(500)	-	-	
City Council (YPP)	1,625	-	6,500	(6,500)	1,625
Capital Appeal	10,256	-	5,023	(8,279)	7,000
Jordan Appeal	5,689	(6,025)	1,000	(664)	-
Aidan Trust	5,000	-	10,000	(8,500)	6,500
Lloyds TSB	-	-	10,000	(3,500)	6,500
Under 5s	4,103	-	1,000	(4,623)	480
County Council	2,000		-	(2,000)	-
Trusts RAG	-	-	300	(300)	-
Trusts United Charities	-	-	100	-	100
Minibus	-	-	4,000	-	4,000
SIP Young Fathers	-	-	5,070	(2,470)	2,600
SIP Trust	-	-	4,000	(4,000)	-
SIP Equipment	-	-	1,983	(500)	1,483
SIP Safer Community Initiative	-	-	3,650	(1,375)	2,275
SIP DJ Project	-	-	1,046	(246)	800
SIP Connexions	-	-	1,452	(1,452)	-
Wrap around Care (U5's)	-	-	2,614	(870)	1,744
YPP Photography (CHA)	-	-	5,000	(4,000)	1,000
YPP Trusts	-	-	850	(850)	-
YPP Child Care (CHA)	-	-	3,800	(3,800)	-
YPP Comic Relief	-	-	12,750	(5,250)	7,500
YPP ESF	-	-	20,143	(20,143)	-
Bible Purchase	-	-	300	-	300
Spiritual Development Worker	-	-	4,600	(1,792)	2,808
CYM Mercers	-	-	600	-	600
NCCYP Safer Community Initiative	-	-	2,800	(1,350)	1,450
NCCYP Connexions	-	-	1,400	(1,400)	-
NCCYP Awards for All	-	-	5,000	(4,000)	1,000
NCCYP Roger Vere Fund	-	-	2,000	(1,000)	1,000
	29,731	(6,025)	118,461	(91,032)	51,135

Capital Appeal
This is to raise funds to purchase the premises and to fund improvements. Of the balance £3,500 was a grant from Cambridge City Council for the refurbishment of the project offices, a task which will be complete in early 2003.

Jordan Appeal
This appeal was for the refurbishment of the Jordan Bar, which was completed in 2002.

Aidan Trust and Lloyds TSB
These grants are to fund an additional development worker on the Social Inclusion project.

Under 5s
This was a grant from New Opportunities Fund for wrap around play group care.

Social Inclusion Project
The Social Inclusion Project received grants from a variety of sources to fund the development of Innovative projects to build young peoples social inclusion.

Minibus
This grant is towards the purchase of a further minibus in 2003.

YPP
Grants were received from the European Social Fund, the Cambridgeshire Health Authority, Cambridge City Council, Comic Relief and others to maintain the programme of work and to extend it to new areas.

Spiritual Development Worker
The Halley Stewart Trust have funded a part time worker to research and record the relationship between our programme of work and our spiritual understanding.

CYM
The Mercers Company have contracted us to carry out a small research contract in connection with the Centre for Youth Ministry.

NCCYP
These were donations from various sources which enable the continuation and growth for the work set up by the North Cambridge Churches.

11 DESIGNATED FUNDS

	Transfer from Romsey Mill at 1 January 2002	Transfers	Income	Expenditure	At 31 December 2002
	£	£	£	£	£
Capital Appeal	5,000	(5,000)	-	-	-
Maintenance Reserve	2,750	2,500	-	-	5,250
Site purchase Appeal	-	12,000	-	-	12,000
	7,750	9,500	-	-	17,250

Capital Appeal Reserve
Funds put aside to supplement the Capital Appeal Restricted Fund.

Maintenance Reserve
This reserve is for building maintenance and repairs.

Site Purchase Appeal
This reserve is to enable enough funds to be put aside in order to cover the licence payments on the building in the event that enough capital is not raised in order to purchase the site at Hemingford Way.

12 TOTAL RESOURCES EXPENDED

	Staff costs	Depreciation	Other costs	Total 2002
	£	£	£	£
Costs of generating funds	12,000	-	-	12,000
Direct charitable expenditure:				
Costs of activities in furtherance of the charity's objects	119,072	7,976	105,093	232,140
Support costs	32,524	-	11,903	44,427
Management and administration of the charity	-	-	4,166	4,166
	163,596	7,976	121,161	292,733

13 STAFF COSTS

	Funds
	£
	146,966
Wages and salaries	11,979
Social security costs	4,651
Pension costs	163,596

There are 10 full time and 17 part time members of staff who are all involved in direct charitable activities. No employee received £50,000 or more in the year. The charity's trustees received no remuneration during the year.

14 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds	Designated funds	Restricted funds	Total
	£	£	£	£
Fixed assets	209,130	-	-	209,130
Net current assets	2,175	17,250	51,135	70,560
Loans	(148,150)	-	-	(148,150)
	63,155	17,250	51,135	131,540