

THE INCORPORATED
MANSFIELD HOUSE UNIVERSITY SETTLEMENT
R E P O R T A N D A C C O U N T S
FOR THE YEAR ENDED 31 MARCH 1997

REGISTERED NO: 48350

CHARITY NO: 220085



THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

Bankers

Barclays Bank plc
Newham Business Centre
737 Barking Road
Plaistow
London E13 9PL

Solicitors

Duthie Hart & Duthie
517-519 Barking Road
Greengate
Plaistow
London E13 8PT

Auditors

Hughes Allen
Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

Investment Advisers

Independent Investment Management Limited
11 Old Jewry
London EC2R 8DU

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

REPORT OF THE TRUSTEES

The Trustees submit their financial statements for the period ended 31 March 1997.

Results

The results for the period are shown on Page 6.

It is proposed that the retained deficit of £97,834 is transferred to reserves.

Market Value of Land and Buildings

The Board consider that the Company's freehold land and buildings market value to be in excess of its book values.

Fixed Assets

Changes in fixed assets during the year are shown in Notes 11 and 12 to the financial statements.

Members of the Board of Management

The Members of the Board of Management who served throughout the period unless stated otherwise are as follows:-

Mr Alan J Shelley	(Chairman)
Mr Jim Scott	
Mr Harold Fitzsimons	
Mr Angus Irvine	
Mr Douglas Stratford JP	
Mr Amir Bhatia	
Dr Jane Jackson	
Mr Dennis Trevelyan	(Resigned 23 July 1996)
Mrs Daphne Gibson JP	
Mr Simon Aldridge	
Mr Shaun Murphy	
Prof. David Marquand	(Appointed 12 December 1996)

Settlement Director and Secretary to the Board

The Rev Geoffrey M Hooper

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

REPORT OF THE TRUSTEES (Continued)

Directors' Responsibility Statement

The directors are required by law to prepare financial statements each year, of which the form and content is prescribed by the Companies Act 1985, which give a true and fair view of the state of affairs of the company, at the end of the financial year and of the profit or loss for that year.

The directors are responsible for maintaining adequate accounting records, safeguarding the assets of the company and preventing and detecting fraud and other irregularities.

The directors confirm that the above requirements have been complied with and that the financial statements have been prepared using suitable accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates. The directors also confirm that the financial statements have been prepared on the going concern basis following applicable accounting standards.

Auditors

Messrs. Hughes Allen having expressed their willingness to continue in office, a resolution will be proposed for their re-appointment for the ensuing year.

Company Status

The company is a registered charity and has limited liability by guarantee and constituted by its Memorandum and Articles.

Review of the Business and Future Development

The last twelve months have seen many of Mansfield's long-term goals come to fruition, particularly in our work with 11-25 year olds: Never before have we attracted so many groups to our Essex Outdoor Centre who fall within the needs and geographical criteria we have set, ensuring young people from the deprived London Boroughs and adults with some of the severest learning difficulties gain most of our support. Similarly, in Newham at our Plaistow base, the successful pilot scheme undertaken during 1994/95 focusing on 10-16 year olds who increasingly seem to be outside the control of the community, has matured into an effective Youth Programme which has gained the respect of statutory and other voluntary bodies for bringing positive change and stability to young people's lives.

Inevitably, these successes have been a drain on our resources. Although income we have raised to support project activity has increased by £60,000 compared with the previous twelve months and income for capital projects by £48,700, the increased activity within our work programmes, the purchase and renovation of a new building to house the Plaistow Youth work - partly through a successful National Lottery bid - and improvements we have made to Plaistow Centre and Outdoor Centre buildings, have needed Mansfield to contribute £97,800 from our reserves. We see this as a positive investment in the future, confident that we are achieving the work we were established to do 108 years ago.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

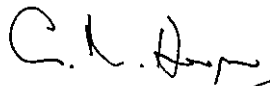
REPORT OF THE TRUSTEES (Continued)

Review of the Business and Future Development (Continued)

Aware of the necessity to attract new sources of income if we are to sustain - and hopefully expand - our work programmes, last year we commissioned a major review of Fundraising Strategy by an external Consultant. With positive encouragement from the Consultant that our work was of such excellence that it should be able to generate considerably more income from corporate and grant-making sources, we have just appointed a new team to two staff to undertake this task, and formed a Fundraising Support Group comprised of voluntary members drawn from a wide and influential spectrum of society.

It is, therefore, with prudent confidence that we move into the next financial year determined to maintain the momentum and quality of our work, believing that those who are in a position to give a chance to those who have had a few chances in life, will respond to our new fundraising initiatives.

BY ORDER OF THE BOARD


Geoffrey Hooper
Secretary

30 Avenons Road
Plaistow
London E13 8HT

Registered No: 48350

Charity No: 220085

Date: 22 July 1997

AUDITORS' REPORT TO THE MEMBERS OF
THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

We have audited the financial statements on pages 5 to 14 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 8.

Respective responsibilities of Directors and Auditors

As described in the Directors' Report, the company's trustees, who are also the directors for the purpose of company law are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

Basis of Opinion

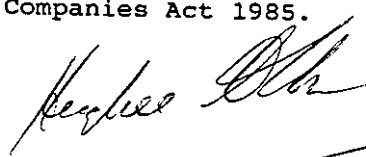
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audits 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 mis-statement, whether caused by fraud or other irregularity or error. However, the evidence available to us was limited because a substantial proportion of the company's recorded turnover comprises voluntary donations over which there was a limited system of control on which we could rely for the purposes of our audit. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

As explained in Note 1, the company has not depreciated freehold buildings as required by Statement of Standard Accounting Practice Number 12.

Except for the failure to depreciate freehold buildings, in our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 March 1997 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.


HUGHES ALLEN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR

Greenwood House
4/7 Salisbury Court
London EC4Y 8BT

Date: 22 July 1997

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 1997

	Un- Restricted Fund £	12 months to 31 March 1997		Total Funds £	18 months to 31 March 1996 Total Funds £
		Restricted Fund £	Endowment Fund £		
Incoming Resources					
Donations, grants and legacies	50,803	423,753	-	474,556	617,852
Letting income	-	80,871	-	80,871	98,058
Investment income	1,693	-	41,124	42,817	73,207
Other income	-	38,281	-	38,281	47,658
	-----	-----	-----	-----	-----
Total incoming resources	52,496	542,905	41,124	636,525	836,775
	-----	-----	-----	-----	-----
Resources Expended					
Direct charitable expenditure (Note 5)	-	599,004	-	599,004	778,373
Management and administration of the charity (Note 6)	57,802	-	-	57,802	67,647
	-----	-----	-----	-----	-----
Total resources expended (Note 7)	57,802	599,004	-	656,806	846,020
	-----	-----	-----	-----	-----
Net incoming/ (outgoing) resources before transfers	(5,306)	(56,099)	41,124	(20,281)	(9,245)
Transfer between funds	(92,528)	133,652	(41,124)	-	-
	-----	-----	-----	-----	-----
Net incoming/ (outgoing) resources for the period	(97,834)	77,553	-	(20,281)	(9,245)
Gains on investment assets					
Realised	-	-	79,663	79,663	69,926
Unrealised	-	-	3,914	3,914	66,536
	-----	-----	-----	-----	-----
Net movement in funds	(97,834)	77,553	83,577	63,296	127,217
Fund balances brought forward at 1.4.96	46,852	887,887	1,056,965	1,991,704	1,864,487
	-----	-----	-----	-----	-----
Fund balances carried forward at 31.3.97	£(50,982)	£965,440	£1,140,542	£2,055,000	£1,991,704
	=====	=====	=====	=====	=====

The notes on pages 8 to 14 form an integral part of these financial statements.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

SUMMARY INCOME AND EXPENDITURE ACCOUNT
For the period ended 31 March 1997

	<u>Notes</u>	<u>12 months to</u> <u>31 March 1997</u>	<u>18 months to</u> <u>31 March 1996</u>
		<u>£</u>	<u>£</u>
<u>Turnover</u>	3	593,708	763,568
<u>Administrative expenses</u> (including operating costs)	4	(656,806)	(845,998)
<u>Operating loss</u>		(63,098)	(82,430)
<u>Other income:</u>			
Interest receivable		1,693	4,018
Income from listed investments:			
Dividends and interest	41,124		69,189
Realised profit on disposal of investments at cost	79,663		147,437
		120,787	216,626
Interest payable and similar charges	8	59,382	138,214
		-	(22)
Designated Capital Grants transferred to Restricted Fund	9	59,382	138,192
Designated Endowment items transferred to Endowment Fund	9	(77,553)	(43,219)
		(79,663)	(147,437)
<u>Loss on ordinary activities for the 12 months ended 31 March 1997</u>		<u>£(97,834)</u>	<u>£(52,464)</u>

A detailed analysis of income by source and expenditure is provided in the Statement of Financial Activities.

The notes on pages 8 to 14 form an integral part of these financial statements.

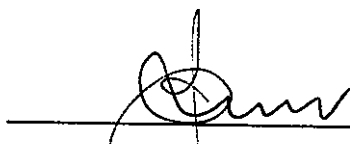
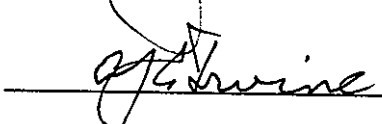
THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

BALANCE SHEET

As at 31 March 1997

	<u>Notes</u>	<u>31 March 1997</u>		<u>31 March 1996</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
<u>Fixed assets</u>					
Tangible fixed assets	11		1,212,923		1,121,778
Investments	12		801,396		844,176
			-----		-----
			2,014,319		1,965,954
<u>Current assets</u>					
Stock	13	2,919		3,642	
Other debtors	14	42,941		33,782	
Prepayments		33,514		4,273	
Cash at bank and in hand		2,466		4,861	
		-----		-----	
		81,840		46,558	
		-----		-----	
<u>Creditors: (Falling due within one year)</u>					
Bank overdraft		3,732		-	
Other creditors		292		12,671	
Accruals		37,135		8,137	
		-----		-----	
		41,159		20,808	
		-----		-----	
<u>Net current assets</u>			40,681		25,750
			-----		-----
<u>Total assets less current liabilities</u>			£2,055,000		£1,991,704
			=====		=====
<u>Funds</u>					
Unrestricted Fund		(50,982)		46,852	
Restricted Fund		965,440		887,887	
Endowment Fund		1,140,542		1,056,965	
		-----		-----	
		£2,055,000		£1,991,704	
		=====		=====	

Approved by the Board of Management on 22 July 1997

	Mr A Shelley
	Mr A Irvine

The notes on pages 8 to 14 form an integral part of these financial statements.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS
For the period ended 31 March 1997

1. Accounting policies

The accounts have been prepared in accordance with the applicable accounting standards and the Statement of Recommended Practice Accounting by Charities. A summary of the principal accounting policies is set out below:

a. Basis of financial statements

These financial statements amalgamate the financial statements of the company and its former sister charities, The Golden Jubilee Trust and Lady Trower Trust. Under a scheme of the Charity Commissioners, these charities have merged and were for the purpose of the financial statements combined with effect from 1 October 1993 (See Note 16).

b. Income

Subscriptions, donations, legacies, lettings and contributions received by appeal are accounted for on a cash received basis, unless specifically designated otherwise by the donor.

Grants receivable are accounted for on an accruals basis.

Designated Capital Grants are transferred to the Restricted Fund and designated Endowment Grants and profits and losses on sale of investments are transferred to the Endowment Fund.

c. Expenditure

Expenditure has been charged to the appropriate revenue accounts on an accruals basis, and where applicable costs include Value Added Tax.

d. Freehold and leasehold land and buildings

The company does not depreciate freehold and leasehold buildings. The freehold land and buildings were revalued in the year ended 30 September 1988.

e. Plant and machinery

The cost of plant and machinery are capitalised and written off over ten years in equal annual instalments.

Motor vehicle are capitalised at cost and written off over four years in equal annual instalments.

Furniture, fixtures and fittings costs are capitalised at cost and written off over 5 years in equal annual instalments.

f. Stocks

Stock is valued at the lower of cost and net realisable value.

g. Investments

Fixed asset investments are stated at market value. Gains and losses on revaluation and investment asset disposals are allocated to the Endowment Fund.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

2. Directors' remuneration

No directors' remuneration has been paid in the year (1996: NIL).

3. Turnover

Turnover includes all subscriptions, contributions, donations, legacies and grants in accordance with Note 1(b) and letting and sundry income, which includes the following:

	<u>12 months to 31 March 1997</u>	<u>18 Months to 31 March 1996</u>
Rental income from ground rents	£ 3,150 =====	£ 4,365 =====

4. Administrative expenses (including operating costs)

	<u>12 months to 31 March 1997</u>	<u>18 months to 31 March 1996</u>
Administrative expenses include the following:	<u>£</u>	<u>£</u>
Auditors' remuneration - Audit	3,000	6,000
- Other	2,816	9,042
Depreciation	15,527	25,882
Hire of equipment and rooms	2,276	4,202
Operating lease on equipment	7,506 =====	7,688 =====

5. Direct Charitable Expenditure
- all restricted fund

	<u>12 months to 31 March 1997</u>	<u>18 months to 31 March 1996</u>
	<u>£</u>	<u>£</u>
Mansfield Centre	96,923	179,324
Outdoor Centre	280,199	337,618
Route 15 Project	139,752	242,838
Youth Project	78,132	18,593
Fundraising	3,998	-
	-----	-----
	£599,004 =====	£778,373 =====

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

6.

<u>Management and administration of the Charity - all unrestricted funds</u>	<u>12 months to 31 March 1997</u>	<u>18 months to 31 March 1996</u>
	<u>£</u>	<u>£</u>
Salaries and office costs	48,956	57,157
Audit and accountancy	913	2,465
Legal and professional	5,182	1,151
Depreciation	2,751	5,098
Appeal expenses	-	1,776
	-----	-----
	£ 57,802	£ 67,647
	=====	=====

7.

<u>Total Resources Expended</u>	<u>Staff Costs</u>	<u>Depreciation</u>	<u>Other</u>	<u>Total 12 months to 31 March 1997</u>	<u>18 months to 31 March 1996</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Mansfield					
Centre	61,138	-	35,785	96,923	179,324
Outdoor Centre	108,012	12,936	159,251	280,199	337,618
Route 15					
Project	93,164	-	46,588	139,752	242,838
Youth Project	53,949	-	24,183	78,132	18,593
Fundraising	3,675	241	82	3,998	-
Management and administration	20,695	2,751	34,356	57,802	67,647
	-----	-----	-----	-----	-----
	£340,633	£ 15,928	£300,245	£656,806	£846,020
	=====	=====	=====	=====	=====

<u>Staff Costs</u>	<u>12 months to 31 March 1997</u>	<u>18 months to 31 March 1996</u>
	<u>£</u>	<u>£</u>
Wages and salaries	348,451	453,627
Social security costs	31,500	39,545
Pension costs	4,508	17,016
	-----	-----
	£384,459	£510,188
	=====	=====

	<u>Number</u>	<u>Number</u>
The average number of employees in the period/year (full time) charitable activities	26	23
	=====	=====

No employee earned £40,000 p.a. or more.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

7. Total Resources Expended (Continued)
- | | 12 months
to 31 March
1997 | |
|------------------------------------|----------------------------------|--|
| <u>Other costs</u> | £ | |
| Premises and insurance | 61,051 | |
| Project running costs | 31,486 | |
| Legal and professional | 14,448 | |
| Telephone, printing and stationery | 32,707 | |
| Other | 160,553 | |
| | ----- | |
| | £300,245 | |
| | ===== | |
8. Interest payable and similar charges
- | | 12 months
to 31 March
1997 | 18 months
to 31 March
1996 |
|------------------------------|----------------------------------|----------------------------------|
| On bank loans and overdrafts | £ - | £ 22 |
| | ===== | ===== |
9. Capital grants, endowment income and restricted income
- Grants received specifically designated for capital projects are transferred to a Restricted Fund, while profits on sale of investments are transferred to an Endowment Fund.
- Income received specifically for designated projects are transferred to a Restricted Fund.
10. Taxation
- The company is a registered charity and has exemption from corporation tax.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

11. Tangible Fixed Assets

<u>Cost/valuation</u>	<u>Freehold land and buildings</u> £	<u>Motor vehicles plant and machinery</u> £	<u>Furniture fixtures and fittings</u> £	<u>Total</u> £
At 1 April 1996	1,085,280	85,804	32,625	1,203,709
Additions	90,768	12,735	3,569	107,072
	-----	-----	-----	-----
At 31 March 1997	1,176,048	98,539	36,194	1,310,781
	-----	-----	-----	-----

Accumulated depreciation

At 1 April 1996	-	53,534	28,397	81,931
Charged in period	-	14,368	1,559	15,927
	-----	-----	-----	-----
At 31 March 1997	-	67,902	29,956	97,858
	-----	-----	-----	-----

Net book value

At 31 March 1997	£1,176,048	£ 30,637	£ 6,238	£1,212,923
	=====	=====	=====	=====
At 30 September 1994	£1,085,280	£ 32,270	£ 4,228	£1,121,778
	=====	=====	=====	=====

The cost of freehold land and buildings includes £339,577 properties acquired on the merger of charities (See Note 16).

Freehold land and buildings are not depreciated.

The freehold land and buildings were revalued by the directors in 1988 from £57,011 to £250,000 with the surplus of £192,989 credited directly to a capital fund.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

12. Investments

	31 March 1997
<u>Listed investments</u>	<u>£</u>
Market value at 1 April 1996	
Additions at cost	838,432
Disposals at opening value	174,218
Net unrealised investment gain	(241,464)
	3,914
Market value at 31 March 1997	£775,100
	=====
Historical cost at 31 March 1997	£595,950
	=====
<u>Other investments</u>	
Deposit Account (awaiting reinvestment in listed investments)	£ 26,296
	=====
<u>Total investments</u>	£801,396
	=====

The listed investments are valued at market cost in accordance with the Statement of Recommended Practice Accounting by Charities. Unrecognised profits and losses are dealt with in the Statement of Financial Activities (Page 5).

13. Stock

	31 March 1997	31 March 1996
	<u>£</u>	<u>£</u>
Stock at shop		
- Mansfield Outdoor Centre	£ 2,919	£ 3,642
	=====	=====

14. Debtors

Other debtors are amounts all repayable within one year.

15. Analysis of net assets between funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Endowment Funds</u>	<u>Total Funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fund balances at 31 March 1997 are represented by:				
Tangible fixed assets	247,481	965,440	-	1,212,921
Investments	-	-	801,396	801,396
Net current assets	(298,463)	-	339,146	40,683
	-----	-----	-----	-----
	£(50,982)	£965,440	£1,140,542	£2,055,000
	=====	=====	=====	=====

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the period ended 31 March 1997

16. Merger of sister charities

Under a scheme approved by the Charity Commissioners dated 12 April 1994, the Golden Jubilee Trust merged with the company and the company became corporate trustees of the Lady Trower Trust.

17. Capital Commitments

There were no material capital commitments at 31 March 1997 (1996: NIL).

18. Contingent liabilities

There were no material contingent liabilities at 31 March 1997 (1996: NIL).

19. Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in independently administered funds. The pension costs charge represents contributions payable by the company to the funds and amounted to £4,508 (1996: £17,016).

20. Obligations under operating leases

At 31 March 1997 the Settlement had commitments for the ensuring year under non-cancellable operating leases as follows:

	<u>31 March 1997</u>	<u>31 March 1996</u>
	<u>£</u>	<u>£</u>
<u>Plant and machinery</u>		
Expiry date: within two to five years	£ 7,506 =====	£ 7,464 =====

21. Accounting reference date

The company has changed its accounting reference date to 31 March.

22. Mr Douglas Stratford and Mr Shaun Murphy are partners in the firms of McDowalls and Duthie Hart and Duthie respectively, which have rendered professional services to the Settlement for fees amounting to £4,000 and £393 during the year.

Such payments were for professional services rendered and not in their capacity as directors of the company.