

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 1998

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 year ended 31 March 1998.

Results

The results for the year are shown on Page 6.

It is proposed that the retained deficit of £121,723 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 year unless stated otherwise are as follows:-

Mr Alan J Shelley	(Chairman)
Mr Jim Scott	(Resigned 22 July 1997)
Mr Harold Fitzsimons	
Mr Angus Irvine	
Mr Douglas Stratford JP	
Mr Amir Bhatia	
Dr Jane Jackson	
Mrs Daphne Gibson JP	
Mr Simon Aldridge	
Mr Shaun Murphy	
Prof. David Marquand	
Mrs Lynn Steward	(Appointed 22 July 1997)

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

With an even greater demand upon our services by local people who need our support we have responded not only by introducing more projects but also by strengthening our infrastructure. More effective ways of engaging with young people who are at risk have been introduced by a new Youth Programme Manager; innovative schemes to support adults with special needs are being introduced by a new Community Development Manager. To ensure project workers who directly work with our service users are adequately supported, we have created a new post of Central Services Manager, responsible for plant, finance and other administrative matters.

These initiatives demonstrate the commitment of the Board of Trustees to strengthening and expanding our work programme, ensuring our resources of buildings and sites are fully utilized. The fundraising strategy introduced in 1997 is now beginning to bear fruits with support in kind, as well as donations, being given by a number of major companies.

For the financial year 1996/97, we accrued forward into 1997/98 some of the expenditure relating to building expansion. These items, the carefully planned expansion of activities throughout the Settlement, and the strengthening of our administrative and managerial structures account for the investment from reserves we have made during the year, some £120,000.

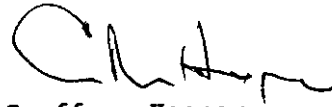
THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

REPORT OF THE TRUSTEES (Continued)

Review of the Business and Future Development (Continued)

This year a second successful lottery bid (£134,993) will enable us to expand farm buildings at our Lambourne End site and employ two tutors for three years to take forward the therapeutic work we undertake with young people by their involvement with animals. A number of focused applications have been made to national grant-making trusts to undertake other project work. It remains a considerable challenge to raise annual income to support our expanding work programme, but we are hopeful that the fundraising strategy we have invested in during the last eighteen months will help us achieve this goal.

BY ORDER OF THE BOARD



Geoffrey Hooper
Secretary

30 Avenons Road
Plaistow
London E13 8HT

Registered No: 48350

Charity No: 220085

Date: 22 September 1998

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

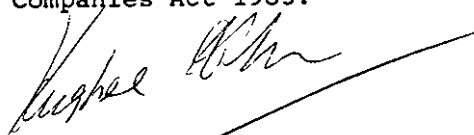
We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements 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 1998 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 September 1998

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

STATEMENT OF FINANCIAL ACTIVITIES
For the year ended 31 March 1998

	Un- Restricted Fund £	Year ended Restricted Fund £	31 March 1998 Endowment Fund £	Total Funds £	Year ended 31 March 1997 Total Funds £
<u>Incoming Resources</u>					
Donations and legacies	34,639	233,656	-	268,295	313,765
Grants receivable from government & other public bodies	-	148,954	-	148,954	160,791
Letting income	-	77,256	-	77,256	80,871
Investment income	2,530	-	41,451	43,981	42,817
Other income	-	46,598	-	46,598	38,281
	-----	-----	-----	-----	-----
<u>Total incoming resources</u>	37,169	506,464	41,451	585,084	636,525
	-----	-----	-----	-----	-----
<u>Resources Expended</u>					
Direct charitable expenditure (Note 5)	-	576,053	-	576,053	595,006
Fundraising and publicity costs	-	55,988	-	55,988	3,998
Management and administration of the charity (Note 6)	56,659	-	-	56,659	57,802
	-----	-----	-----	-----	-----
<u>Total resources expended</u> (Note 7)	56,659	632,041	-	688,700	656,806
	-----	-----	-----	-----	-----
Net incoming/ (outgoing) resources before transfers	(19,490)	(125,577)	41,451	(103,616)	(20,281)
Transfer between funds	(102,233)	143,684	(41,451)	-	-
	-----	-----	-----	-----	-----
Net incoming/ (outgoing) resources for the period	(121,723)	18,107	-	(103,616)	(20,281)
Gains on investment assets:					
Realised	-	-	26,591	26,591	79,663
Unrealised	-	-	143,694	143,694	3,914
	-----	-----	-----	-----	-----
<u>Net movement in funds</u>	(121,723)	18,107	170,285	66,669	63,296
	-----	-----	-----	-----	-----
Fund balances brought forward at 1.4.97	(50,982)	965,440	1,140,542	2,055,000	1,991,704
	-----	-----	-----	-----	-----
<u>Fund balances carried forward at 31.3.98</u>	£(172,705)	£983,547	£1,310,827	£2,121,669	£2,055,000
	=====	=====	=====	=====	=====

There are no gains or losses for either period except those included within the net movement in funds for the year.

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 year ended 31 March 1998

	<u>Notes</u>	<u>Continuing Operations</u>	
		<u>Year ended</u> <u>31 March 1998</u>	<u>Year ended</u> <u>31 March 1997</u>
		<u>£</u>	<u>£</u>
<u>Turnover</u>	3	541,103	593,708
<u>Administrative expenses</u> (including operating costs)	4	(688,339)	(656,806)
<u>Operating loss</u>		(147,236)	(63,098)
<u>Other income:</u>			
Interest receivable		2,530	1,693
Income from listed investments:			
Dividends and interest		41,451	41,124
Realised profit on disposal of investments at cost		26,591	79,663
		-----	-----
		68,042	120,787
		-----	-----
		(76,664)	59,382
Interest payable and similar charges	8	(361)	-
		-----	-----
		(77,025)	59,382
Designated Capital Grants transferred to Restricted Fund	9	(18,107)	(77,553)
Designated Endowment items transferred to Endowment Fund	9	(26,591)	(79,663)
		-----	-----
<u>Loss on ordinary activities for the 12 months ended 31 March 1997</u>		£(121,723)	£(97,834)
		=====	=====

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.

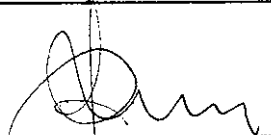
THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

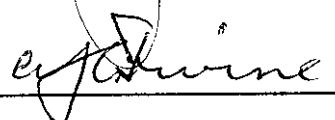
BALANCE SHEET

As at 31 March 1998

	<u>Notes</u>	<u>31 March 1998</u>		<u>31 March 1997</u>	
		£	£	£	£
<u>Fixed assets</u>					
Tangible fixed assets	11		1,218,409		1,212,923
Investments	12		901,914		801,396
			-----		-----
			2,120,323		2,014,319
<u>Current assets</u>					
Stock	13	2,124		2,919	
Other debtors		10,944		42,941	
Prepayments and accrued income		5,736		33,514	
Cash at bank and in hand		3,301		2,466	
		-----		-----	
		22,105		81,840	
		-----		-----	
<u>Creditors: (Falling due within one year)</u>					
Bank loans and overdrafts		9,807		3,732	
Social security and other taxes		-		292	
Accruals and deferred income		10,952		37,135	
		-----		-----	
		20,759		41,159	
		-----		-----	
<u>Net current assets</u>			1,346		40,681
			-----		-----
<u>Total assets less current liabilities</u>			£2,121,669		£2,055,000
			=====		=====
<u>Funds</u>					
Unrestricted Fund	14		(172,705)		(50,982)
Restricted Fund	14		983,547		965,440
Endowment Fund	14		1,310,827		1,140,542
			-----		-----
			£2,121,669		£2,055,000
			=====		=====

Approved by the Board of Management on 22 September 1998


 _____ 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 year ended 31 March 1998

1. Accounting policies

The accounts have been prepared under the historical cost convention and in accordance with 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 15)

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.

Gifts are accounted for on a received basis and are valued at cost to the donor.

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.

Costs are allocated to specific projects in line with the activities of those projects during the year.

d. Freehold and leasehold land and buildings

No depreciation is provided on freehold buildings as it is the company's policy to maintain these so as to extend their useful lives.

Whilst the systematic depreciation of such properties is required by Schedule 4 of the Companies Act 1985, the directors believe that the procedure adopted is necessary for the financial statements to give a true and fair view.

The financial effect on the financial statements of this departure is nil. The calculation of depreciation, in accordance with the Companies Act 1985, produces a nil charge as the directors estimate the residual values of the properties to be in excess of their current book value.

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.

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)
For the year ended 31 March 1998

1. Accounting policies (Continued)

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.

2. Directors' remuneration

No directors' remuneration has been paid in the year (1997: 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:

	Year ended 31 March 1998	Year ended 31 March 1997
Rental income from ground rents	£2,884 =====	£3,150 =====

Grants are received from statutory authorities (eg health authorities, local councils and central government).

4. Administrative expenses (including operating costs)

	Year ended 31 March 1998 £	Year ended 31 March 1997 £
Administrative expenses include the following:		
Auditors' remuneration	3,000	3,000
Depreciation	14,469	15,527
Hire of equipment and rooms	5,155	2,276
Operating lease on equipment	7,539 =====	7,506 =====

**5. Direct Charitable Expenditure
- all restricted fund**

	Year ended 31 March 1998 £	Year ended 31 March 1997 £
Mansfield Centre	91,822	96,923
Outdoor Centre	274,217	280,199
Route 15 Project	115,788	139,752
Youth Project	91,616	78,132
Stress Project	2,610	-
	----- £576,053 =====	----- £595,006 =====

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 1998

6. <u>Management and administration of the Charity - all unrestricted funds</u>					
		Year ended 31 March 1998		Year ended 31 March 1997	
		£		£	
Salaries and office costs		53,016		48,956	
Audit and accountancy		432		913	
Legal and professional		-		5,182	
Depreciation		2,850		2,751	
Interest payable		361		-	
		-----		-----	
		£56,659		£57,802	
		=====		=====	
7. <u>Total Resources Expended</u>					
	Staff Costs	Depreciation	Other	Year ended 31 March 1998	Year ended 31 March 1997
	£	£	£	£	£
Mansfield Centre	55,810	-	36,012	91,822	96,923
Outdoor Centre	134,246	11,374	128,597	274,217	280,199
Route 15 Project	90,313	-	25,475	115,788	139,752
Youth Project	60,775	-	30,841	91,616	78,132
Fundraising	42,729	245	13,014	55,988	3,998
Management and administration	27,709	2,850	26,100	56,659	57,802
Stress Project	-	-	2,610	2,610	-
	-----	-----	-----	-----	-----
	£411,582	£14,469	£262,649	£688,700	£656,806
	=====	=====	=====	=====	=====
<u>Staff Costs</u>					
			Year ended 31 March 1998		Year ended 31 March 1997
			£		£
Wages and salaries			369,547		348,451
Social security costs			31,392		31,500
Pension costs			10,643		4,508
			-----		-----
			£411,582		£384,459
			=====		=====
			<u>Number</u>		<u>Number</u>
The average number of employees in the period/year (full time) charitable activities			30		26
			=====		=====
No employee earned £40,000 p.a. or more.					

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 1998

7.	<u>Total Resources Expended (Continued)</u>	<u>Year ended 31 March 1998</u>	<u>Year ended 31 March 1997</u>
	<u>Other costs</u>	<u>£</u>	<u>£</u>
	Premises and insurance	73,223	61,051
	Project running costs	30,144	31,486
	Legal and professional	15,670	14,448
	Telephone, printing and stationery	33,115	32,707
	Other	110,136	160,553
		-----	-----
		£262,288	£340,245
		=====	=====

8.	<u>Interest payable and similar charges</u>	<u>Year ended 1998</u>	<u>Year ended 1997</u>
	On bank loans and overdrafts	£ 361	£ -
		=====	=====

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 year ended 31 March 1998

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 1997	1,176,048	98,539	36,194	1,310,781
Additions	16,927	2,828	200	19,955
Disposals	-	(1,900)	-	(1,900)
	-----	-----	-----	-----
At 31 March 1998	1,192,975	99,467	36,394	1,328,836
	-----	-----	-----	-----
 <u>Accumulated depreciation</u>				
At 1 April 1997	-	67,902	29,956	97,858
Charged in period	-	13,181	1,288	14,469
Eliminated on disposal	-	(1,900)	-	(1,900)
	-----	-----	-----	-----
At 31 March 1998	-	79,183	31,244	110,427
	-----	-----	-----	-----
 <u>Net book value</u>				
At 31 March 1998	£1,192,975	£ 20,284	£ 5,150	£1,218,409
	=====	=====	=====	=====
At 31 March 1997	£1,176,048	£ 30,637	£ 6,238	£1,212,923
	=====	=====	=====	=====

The cost of freehold land and buildings includes £339,577 properties acquired on the merger of charities (See Note 15).

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 year ended 31 March 1997

12.	<u>Investments</u>	<u>31 March</u> <u>1998</u>
		<u>£</u>
	<u>Listed investments</u>	
	Market value at 1 April 1997	775,100
	Additions at cost	49,477
	Disposals at opening value	(86,791)
	Net unrealised investment gain	143,694

	Market value at 31 March 1998	£881,480
		=====
	Historical cost at 31 March 1998	£558,636
		=====
	<u>Other investments</u>	
	Deposit Account (awaiting reinvestment in listed investments)	£ 20,434
		=====
	<u>Total investments</u>	£901,914
		=====

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.	<u>Stock</u>	<u>31 March</u> <u>1998</u>	<u>31 March</u> <u>1997</u>
		<u>£</u>	<u>£</u>
	Stock at shop		
	- Mansfield Outdoor Centre	£ 2,124	£ 2,919
		=====	=====

14. Analysis of net assets between funds

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Endowment</u> <u>Funds</u>	<u>Total</u> <u>Funds</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fund balances at 31 March 1998 are represented by:				
Tangible fixed assets	234,862	983,547	-	1,218,409
Investments	-	-	901,914	901,914
Net current assets	(407,567)	-	408,913	1,346
	-----	-----	-----	-----
	£(172,705)	£983,547	£1,310,827	£2,121,669
	=====	=====	=====	=====

THE INCORPORATED MANSFIELD HOUSE UNIVERSITY SETTLEMENT

NOTES TO THE ACCOUNTS (Continued)

For the year ended 31 March 1998

15. 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.

16. Capital Commitments

There were no material capital commitments at 31 March 1998 (1997: NIL).

17. Contingent liabilities

There were no material contingent liabilities at 31 March 1998 (1997: NIL).

18. 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 £10,643 (1997: £4,508).

19. Obligations under operating leases

At 31 March 1998 the Settlement had commitments for the ensuing year under non-cancellable operating leases as follows:

	<u>31 March</u> <u>1998</u> <u>£</u>	<u>31 March</u> <u>1997</u> <u>£</u>
<u>Plant and machinery</u>		
Expiry date: within two to five years	£ 7,550 =====	£ 7,506 =====

20. Mr Douglas Stratford is a partner of McDowalls which has rendered professional services to the Settlement for fees amounting to £10,901 (1997: £4,000) during the year.

Such payments were for professional services rendered and not in his capacity as a director of the company.