

Company Registration Number 1915604

COMMUNITY DESIGN FOR GWENT

**CONSOLIDATED REPORT
AND FINANCIAL STATEMENTS
Year Ended 31st March 2001**



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COMMUNITY DESIGN FOR GWENT

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The following pages do not form part of the statutory financial statements

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COMMUNITY DESIGN FOR GWENT

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OFFICERS AND PROFESSIONAL ADVISERS

Directors/Trustees

David Hedges (Chairperson)
William Stewart (Resigned 1 April 2000)
Jenny Render (Secretary)
Robert Mason (Resigned 1 April 2000)
Neil Wallace
David Palmer (Resigned 1 April 2001)
Adrian Poller
John Carter
John Palmer

Company Secretary

Jenny Render

Principle Address

Pill Box Hall
Church Street
Newport
South Wales
NP20 2BY

Auditors

BKR Haines Watts
Incorporating
Notley Pearson Shewring
Registered Auditors
Chartered Accountants
Pagefield House
24 Gold Tops
Newport
South Wales
NP20 4PG

Bankers

National Westminster Bank Plc
High Street
Newport
South Wales
NP20 1GG

TRUSTEES ANNUAL REPORT

Year ended 31st March 2001

The Trustees have pleasure in presenting their report and financial statements for the group for the year ended 31st March 2001.

Legal Status

The holding company is a registered charity, registration number : 518264, and is also a company registered under the Companies Act, registration number : 1915604. It is limited by guarantee and, therefore, does not have any share capital.

Objectives

The Group's main objective is to advance education to improve the physical environment in the area formerly known as Gwent and elsewhere, on behalf of the public, by the provision of advice and assistance to voluntary groups in the development of community amenities and recreation facilities.

Subsidiary Company

The subsidiary company is CDG Consultancy Services Limited. While the Charity has no share holding in the subsidiary company, the majority of the directors of the subsidiary are also Trustees of the Charity. The subsidiary has provision in its Articles of Association, that the directors of the subsidiary must obtain prior consent of the Trustees of the Charity before exercising their powers, rights and discretions allowed by the Articles. Its principal activity during the year was the provision of services in architectural and landscape design, graphic design, public consultation, education and related activities.

Review of Developments, Activities and Achievements

The results for the year, and the Group's financial position at the end of the year are shown in the attached financial statements.

The Charity continued to receive grant income from the National Lottery Charities Board which was used to employ a further member of staff and the day to day running of the projects.

COMMUNITY DESIGN FOR GWENT LIMITED

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TRUSTEES ANNUAL REPORT (Continued)

Year ended 31st March 2001

The Trustees

The Trustees who served the Group during the period were as follows :

| | |
|---|-------------|
| David Hedges (Chairperson) | John Carter |
| William Stewart (Resigned 1 April 2000) | John Palmer |
| Jenny Render (Secretary) | |
| Robert Mason (Resigned 1 April 2000) | |
| Neil Wallace | |
| David Palmer (Resigned 1 April 2001) | |
| Adrian Poller | |

Responsibilities of the Trustees

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group at the end of the year and of the surplus or deficit for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on page 9, and then apply them on a consistent basis, making judgements and estimates that are reasonable and prudent. The Trustees must also prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the group will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint BKR Haines Watts Incorporating Notley Pearson Shewring as auditors for the ensuing year will be proposed at the annual general meeting in accordance with Section 385 of the Companies Act 1985.

Signed by order of the Trustees



Jenny Render
Company Secretary

Approved by the Trustees on 23 January 2002

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

Year ended 31st March 2001

We have audited the financial statements on pages 5 to 14 which have been prepared in accordance under the historical cost convention and the accounting policies set out on page 9.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS

As described on page 3, the members of the committee (who act as Trustees for the charitable activities of the group), are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' report is not consistent with the financial statements, if the Group has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the group is not disclosed.

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

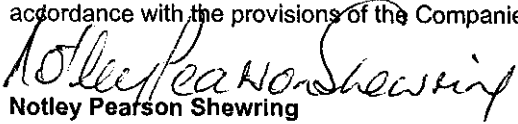
BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 the Company's and Group's affairs as at 31 March 2001 and of its incoming resources and application of resources including its income and expenditure for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.


Notley Pearson Shewring
Chartered Accountants
Registered Auditors

Pagefield House
24 Gold Tops
Newport
South Wales
NP20 4PG

23-1-02.

GROUP STATEMENT OF FINANCIAL ACTIVITIES

Year ended 31st March 2001

| | Notes | Unrestricted Funds | Restricted Funds | Total Funds 2001 | Total Funds 2000 |
|---|-------|--------------------|------------------|------------------|------------------|
| Incoming Resources | | | | | |
| Fees, reimbursements and donations | | 216,657 | - | 216,657 | 132,123 |
| Grants | 3 | - | 165,361 | 165,361 | 77,483 |
| Less: deferred to future period | | - | - | - | (4,670) |
| Interest receivable | | 1,152 | - | 1,152 | 102 |
| Other income | | 720 | - | 720 | 3,193 |
| Total Incoming Resources | | 218,529 | 165,361 | 383,890 | 208,231 |
| Resources Expended | | | | | |
| Direct Charitable Expenditure | 4 | 216,283 | 147,900 | 364,183 | 201,519 |
| Management and administration of the charity | 5 | 2,061 | - | 2,061 | 2,538 |
| Total Resources Expended | | 218,344 | 147,900 | 366,244 | 204,057 |
| Net Incoming/(Outgoing) Resources Before Taxation | | 185 | 17,461 | 17,646 | 4,174 |
| Taxation | 8 | (813) | - | (813) | (370) |
| Net Incoming/(Outgoing) Resources Before Transfers | | (628) | 17,461 | 16,833 | 3,804 |
| Transfers between funds | | - | - | - | - |
| Net Movement in Funds | | (628) | 17,461 | 16,833 | 3,804 |
| Balances brought forward | | 46,772 | 15,145 | 61,917 | 58,113 |
| Balances carried forward at 31st March 2001 | | £ 46,144 | £ 32,606 | £ 78,750 | £ 61,917 |

The Group has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the Group are classed as continuing.

The notes attached form part of these financial statements.

GROUP INCOME AND EXPENDITURE ACCOUNT

Year ended 31st March 2001

| | Notes | | 2000 |
|---|-------|-----------------|-----------------|
| Turnover | 2 | 387,966 | 208,128 |
| Direct expenditure | | <u>364,183</u> | <u>201,082</u> |
| | | 23,783 | 7,046 |
| Management administration | | <u>2,061</u> | <u>2,538</u> |
| Operating Surplus | 7 | 21,722 | 4,508 |
| Interest payable and similar charges | | - | (437) |
| Interest receivable and similar income | | <u>1,152</u> | <u>102</u> |
| Surplus on Ordinary Activities Before Taxation | | 22,874 | 4,173 |
| Tax on surplus on ordinary activities | 8 | (813) | (370) |
| Surplus on Ordinary Activities After Taxation | | <u>22,061</u> | <u>3,803</u> |
| Transferred (to)/from restricted funds | | (23,539) | 6,125 |
| Accumulated surplus brought forward | | <u>47,622</u> | <u>37,694</u> |
| Accumulated Surplus Carried Forward | | <u>£ 46,144</u> | <u>£ 47,622</u> |

Continuing Operations

None of the Group's activities were acquired or discontinued during the above two financial years.

Total Recognised Gains and Losses

The Group has no recognised gains or losses other than the surplus or deficit for the above two financial years.

The notes attached form part of these financial statements.

COMMUNITY DESIGN FOR GWENT

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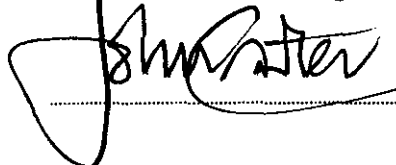
GROUP BALANCE SHEET

At 31st March 2001

| | Notes | | 2000 |
|--|-------|------------------|-----------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 4,865 | 7,483 |
| | | <u>4,865</u> | <u>7,483</u> |
| CURRENT ASSETS | | | |
| Debtors | 10 | 21,479 | 62,524 |
| Short term deposits | | 152,885 | |
| Cash at bank and in hand | | <u>104,274</u> | <u>18,756</u> |
| | | 278,638 | 81,280 |
| CREDITORS: AMMOUNTS FALLING DUE WITHIN ONE YEAR | | | |
| | 11 | <u>(204,753)</u> | <u>(26,846)</u> |
| Net Current Liabilities | | <u>73,885</u> | <u>54,434</u> |
| Total Assets Less Current Liabilities | | <u>£ 78,750</u> | <u>£ 61,917</u> |
| FUNDS | | | |
| Unrestricted funds | | 46,144 | 46,772 |
| Restricted funds | 12 | <u>32,606</u> | <u>15,145</u> |
| | | <u>£ 78,750</u> | <u>£ 61,917</u> |

These financial statements were approved by the Trustees on the 23 January 2002 and are signed on their behalf by :

 Trustee

 Trustee

The notes attached form part of these financial statements.

COMMUNITY DESIGN FOR GWENT

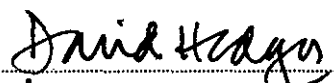
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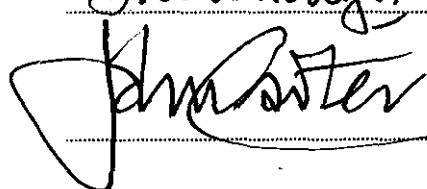
COMPANY BALANCE SHEET

At 31st March 2001

| | Notes | | 2000 |
|---|-------|------------------|-----------------|
| FIXED ASSETS | | | |
| Tangible assets | 9 | 4,816 | 6,946 |
| | | <u>4,816</u> | <u>6,946</u> |
| CURRENT ASSETS | | | |
| Debtors | 10 | 36,048 | 61,565 |
| Short term deposit | | 152,885 | - |
| Cash at bank and in hand | | <u>98,775</u> | <u>332</u> |
| | | 287,708 | 61,897 |
| CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR | | | |
| | 11 | <u>(213,863)</u> | <u>(21,365)</u> |
| Net Current Liabilities | | <u>73,845</u> | <u>40,532</u> |
| Total Assets Less Current Liabilities | | <u>£ 78,661</u> | <u>£ 47,478</u> |
| FUNDS | | | |
| Unrestricted funds | | 46,055 | 32,333 |
| Restricted funds | 12 | <u>32,606</u> | <u>-</u> |
| | | <u>£ 78,661</u> | <u>£ 32,333</u> |

These financial statements were approved by the members of the committee on the 23 January 2002 and are signed on their behalf by :

 Trustee

 Trustee

The notes attached form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

1. Accounting Policies**Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the Statement of Recommended Practice on accounting by charities.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows :

| | |
|----------------------------------|-------------------------|
| Fixtures, fittings and equipment | 10% / 33% straight line |
|----------------------------------|-------------------------|

Grants Received

Revenue grants are credited to the income and expenditure account in the year to which they relate. Capital grants are credited to a restricted fund and released to the income and expenditure account over the life of the related fixed asset in line with the depreciation charge.

Cash Flow Statement

The financial statements do not include a cash flow statement because the company as a small reporting entity, is exempt from the requirements to prepare such a statement under Financial Reporting Standard 1 Cash Flow Statements.

Expenditure

Expenditure is apportioned between direct charitable and management and administration of the Charity costs in accordance with the nature of each individual transaction.

2 Turnover

The income for the year is attributable to the company's principal activity, namely to advance education to improve the physical environment in the area formerly known as Gwent and elsewhere, on behalf of the public, by the provision of advice and assistance to voluntary groups in the development of community amenities and recreation facilities.

3 Grants Receivable

| | 2001 | 2000 |
|----------------------------------|-----------|----------|
| Entrust | - | 4,365 |
| Local Authority Grants | 35,288 | 33,800 |
| National Lottery Charities Board | 40,098 | 35,880 |
| Princes Trust | - | 2,069 |
| Welsh Language | - | 199 |
| National Assembly | - | 1,170 |
| Coalfields Regeneration Trust | 6,896 | - |
| European | 83,079 | - |
| | <hr/> | <hr/> |
| | £ 165,361 | £ 77,483 |
| | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

4 Direct Charitable Expenditure

| | Unrestricted Funds | Restricted Funds | Total 2001 | Total 2000 |
|-----------------------------------|-----------------------|---------------------|---------------|---------------|
| Salary costs | 74,417 | 67,671 | 142,088 | 138,048 |
| Travelling | 3,857 | 350 | 4,207 | 4,793 |
| Miscellaneous | 1,491 | 189 | 1,680 | 1,605 |
| Advertising and staff recruitment | - | 2,877 | 2,877 | 2,138 |
| Publications and subscriptions | 433 | - | 433 | 1,890 |
| Postage, stationery and telephone | 5,695 | 934 | 6,629 | 4,295 |
| Materials | 272 | - | 272 | 1,941 |
| Depreciation of equipment | 4,922 | 2,788 | 7,710 | 4,691 |
| Project costs | 110,651 | 68,841 | 179,492 | 20,039 |
| Pension costs | 2,288 | 729 | 3,017 | 3,344 |
| Rent, rates and insurance | 3,476 | - | 3,476 | 6,078 |
| Light and heat | 835 | - | 835 | 895 |
| Property repairs and maintenance | 1,172 | - | 1,172 | 688 |
| Equipment repairs | 2,973 | - | 2,973 | 670 |
| Equipment leasing | 1,702 | - | 1,702 | 1,716 |
| Bank charges | 424 | - | 424 | 437 |
| Course and workshop fees | 375 | 3,341 | 3,716 | 3,995 |
| Entrust expenditure | - | - | - | 4,256 |
| Professional fees | - | 180 | 180 | - |
| Bad debt | 1,300 | - | 1,300 | - |
| | <hr/> | <hr/> | <hr/> | <hr/> |
| | £ 216,283 | £ 147,900 | £ 364,183 | £ 201,519 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

5 Management and Administration of the Charity

| | Unrestricted | Restricted | Total 2001 | Total 2000 |
|------------------------|--------------|------------|---------------|---------------|
| Auditor's remuneration | £ 2,061 | £ - | £ 2,061 | £ 2,538 |
| | <hr/> | <hr/> | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

6 Payroll Costs

The aggregate payroll costs were:

| | 2001 | 2000 |
|-----------------------|-----------|-----------|
| Wages and salaries | 125,623 | 126,886 |
| Social security costs | 11,499 | 11,162 |
| Other pension costs | 3,017 | 3,344 |
| | <hr/> | <hr/> |
| | £ 140,139 | £ 141,392 |
| | <hr/> | <hr/> |

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to :

| | 2001 No. | 2000 No. |
|--------------------------------|-------------|-------------|
| Number of productive staff | 6 | 6 |
| Number of administrative staff | 2 | 2 |
| | <hr/> | <hr/> |
| | 8 | 8 |
| | <hr/> | <hr/> |

7 Operating Surplus/(Deficit)

Operating surplus/(deficit) is stated after charging :

| | 2001 | 2000 |
|-----------------------------|-------|-------|
| Staff pension contributions | 3,017 | 3,344 |
| Depreciation | 7,710 | 4,692 |
| Auditor's remuneration | | |
| - as auditors | 961 | 1,238 |
| - other services | 1,100 | 1,300 |
| | <hr/> | <hr/> |

8 Taxation

| | 2001 | 2000 |
|-----------------|-------|-------|
| Charge for year | £ 813 | £ 370 |
| | <hr/> | <hr/> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

9 Fixed Assets

(a) Tangible Fixed Assets - Group

| | Fixtures, Fittings & Equipment |
|------------------------|--------------------------------------|
| Cost | |
| At 1st April 2000 | 31,989 |
| Additions in year | 5,093 |
| Eliminated in year | (11,152) |
| At 31st March 2001 | <u>48,234</u> |
| Depreciation | |
| At 1st April 2000 | 24,506 |
| Charged | 7,711 |
| Eliminated on disposal | (11,152) |
| At 31st March 2001 | <u>43,369</u> |
| Net Book Value | |
| At 31st March 2001 | £ 4,865 |
| At 31st March 2000 | <u>£ 7,483</u> |

(b) Tangible Fixed Assets - Company

| | Fixtures, Fittings & Equipment |
|------------------------|--------------------------------------|
| Cost | |
| At 1st April 2000 | 30,175 |
| Additions in year | 5,093 |
| Eliminated in year | (11,152) |
| At 31st March 2001 | <u>24,116</u> |
| Depreciation | |
| At 1st April 2000 | 23,229 |
| Charged | 7,223 |
| Eliminated on disposal | (11,152) |
| At 31st March 2001 | <u>19,300</u> |
| Net Book Value | |
| At 31st March 2001 | £ 4,816 |
| At 31st March 2000 | <u>£ 6,946</u> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

| | | | | |
|--|--|-----------------------|-------------------------|---|
| 10 Debtors | Company 2001 | Group 2001 | Company 2000 | Group 2000 |
| Trade debtors | 27,463 | 20,894 | 60,487 | 61,446 |
| Amounts due to group undertakings | 8,000 | - | - | - |
| Other debtors | 585 | 585 | 1,078 | 1,078 |
| | <u>£ 36,048</u> | <u>£ 21,479</u> | <u>£ 61,565</u> | <u>£ 62,524</u> |
| | | | | |
| 11 Creditors : | | | | |
| Amounts falling due within one year | Company 2001 | Group 2001 | Company 2000 | Group 2000 |
| Loan in lieu of fees | - | - | - | 8,000 |
| Grants overpaid | 4,050 | - | - | - |
| Amounts owed to group undertakings | 6,825 | - | 6,825 | - |
| PAYE and social security | 2,826 | 2,826 | 3,761 | 3,761 |
| VAT | 5,836 | 2,012 | 4,609 | 5,892 |
| Trade creditors | - | 802 | - | 2,307 |
| Other creditors | 2,482 | 7,269 | 1,500 | 6,886 |
| Money held on behalf of Entrust | 191,844 | 191,844 | - | - |
| Corporation Tax | - | - | 4,670 | - |
| | <u>£213,863</u> | <u>£204,753</u> | <u>£ 21,365</u> | <u>£ 26,846</u> |
| | | | | |
| 12 Restricted Funds | Balance at 1st April 2000 | Incoming | Outgoing | Balance at 31st March 2001 |
| Local Authority | - | 35,288 | (35,288) | - |
| National Lottery | - | - | - | - |
| Charities Board | 14,946 | 40,098 | (32,508) | 22,536 |
| Welsh Language | 199 | - | (199) | - |
| European Social Fund | - | 83,079 | (75,170) | 7,909 |
| Coalfields Regeneration | - | 6,896 | (4,735) | 2,161 |
| | <u>£ 15,145</u> | <u>£165,361</u> | <u>(147,900)</u> | <u>£ 32,606</u> |

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31st March 2001

13 Analysis Of Net Assets Between Restricted And Unrestricted Funds

| a. Group | Tangible Fixed Assets | Other Net Assets | Total |
|----------------------------------|-----------------------------|---------------------|----------|
| National Lottery Charities Board | - | 22,536 | 22,536 |
| European Social Fund | - | 7,909 | 7,909 |
| Coalfield Regeneration | - | 2,161 | 2,161 |
| Unrestricted funds | 997 | 45,147 | 46,144 |
| | <hr/> | <hr/> | <hr/> |
| | £ 997 | £ 77,753 | £ 78,750 |
| | <hr/> | <hr/> | <hr/> |

| b. Company | Tangible Fixed Assets | Other Net Assets | Total |
|----------------------------------|-----------------------------|---------------------|----------|
| National Lottery Charities Board | - | 22,536 | 22,536 |
| European Social Fund | - | 7,909 | 7,909 |
| Coalfield Regeneration | - | 2,161 | 2,161 |
| Unrestricted funds | 997 | 45,058 | 46,055 |
| | <hr/> | <hr/> | <hr/> |
| | £ 997 | £ 77,664 | £ 78,661 |
| | <hr/> | <hr/> | <hr/> |

14 Company Limited By Guarantee

The company is limited by guarantee and therefore has no share capital.

15 Subsidiary Company

The board of Directors of CDG Consultancy Limited consists of members, who are also Trustees of the Charity. CDG Consultancy Limited has a provision in its Articles of Association which states that the Directors of the Company must obtain the prior consent of the Trustees of the Charity before exercising their powers, rights and discretions allowed by the Articles.

16 Resources held on behalf of Third Parties

During the year the Company received grant of £253,420 from Entrust. This money is received under the Landfill Tax Credit scheme, whereby landfill operators can redirect part of their tax to fund environmental projects. Community Design for Gwent registered as a Environmental Body. This enables them to collect and distribute the funds to recognised projects.

This money is held in a separate bank account and does not form part of the company's funds. The movement on this account is as follows:

| | |
|-------------|---------|
| Income | 253,420 |
| Expenditure | 61,576 |

The remaining balance is included in creditors for future distribution.

17 Transfers (to) from restricted funds

Transfers are made to equal the proportion of restricted grant utilised during the year or carried forward to next year.