

Registered Company Number: 1982077
Registered Charity Number: 293705

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

(A Company Limited by Guarantee)

CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1999

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E. A. Kench & Co.
10 Station Road,
Henley on Thames,
Oxfordshire.
RG9 1AY



THE THAMES VALLEY GROUNDWORK TRUST LIMITED

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YEAR ENDED 31ST MARCH 1999

Directors and Officers

Chairman

B. W. Learmount

Other Directors as Listed on Page 2

Executive Officer

Mrs. E. John succeeded by Mrs. K. Jones with effect from 1st April 1999.

Secretary

Rear Admiral J. Carine FCIS

Registered Office

Colne Valley Park Centre,
Denham Court Drive,
Denham,
Uxbridge,
Middlesex.
UB9 5PG

Auditors

E. A. Kench & Co.,
10 Station Road,
Henley on Thames,
Oxfordshire.
RG9 1AY

Bankers

Midland Bank Plc.,
31 St. Peters Court,
Chalfont St. Peter,
Buckinghamshire.
SL9 9QQ

Yorkshire Building Society,
38 High Street,
Chalfont St. Peter,
Buckinghamshire.
SL9 9RA

Charities Aid Foundation,
Kings Hill,
West Malling,
Kent.
ME19 4TA

Solicitors

Lovegrove and Eliot,
4 Park Street,
Windsor,
Berkshire.
SL4 1JS

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 1999

The Directors submit their Annual Report and the audited Group Financial Statements for the year ended 31st March 1999. The Directors who served during the year were:-

Mr. B. W. Learmount (Chairman)	
Mr. G. Aitken (appointed 28th January 1999)	RMC - Halls Aggregates
Mrs. J. Bradley	Heathrow Airport Limited
Mr. M. Craxton	London Borough of Hillingdon
Mr. D. Clancy	M. J. Clancy and Sons Limited
Mrs. G. Duffield (resigned 14th July 1998)	William Boyer & Sons Limited
Mr. T. F. Egleton (resigned 14th July 1998)	South Buckinghamshire District Council
Mr. H. S. Ghatora	Slough Borough Council
Mr. N. S. Grundon	S. W. Grundon & Sons Limited
Mr. C. Hawkins	The National Grid Company Plc
Mr. H. P. G. Hinde	Bucks Berkshire and Oxon Naturalists Trust
Mrs. J. Masih (appointed 12th March 1999)	Owen White
Mr. D. M. Millis FCA	Finance Director
Mr. R. Morley	Groundwork Foundation Nominee
Mr. D. J. Penfold (resigned 14th July 1998)	Citigate Communications
Mr. P. Prior (appointed 28th January 1999)	Summerleaze Limited
Dr. H. Somerville (appointed 12th March 1999)	British Airways PLC
Mrs. R. E. Temple (appointed 5th June 1998)	South Buckinghamshire District Council
Mr. G. W. Wainwright (Vice-Chairman)	Chiltern District Council
Mr. R. J. Worrall	Buckinghamshire County Council
Mr. C. J. Wright	Groundwork Foundation Nominee

The Directors had no interest in the shares of the Company's subsidiary.

Directors' Responsibilities

Company law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group and of the surplus or deficit of the Group for that period. In preparing those Financial Statements, the Directors are required to:

- ♦ select suitable accounting policies and then apply them consistently;
- ♦ make judgements and estimates that are reasonable and prudent;
- ♦ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements, and
- ♦ prepare the Financial Statements on the going concern basis.

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

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 1999

Principal Activities

The Trust is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles of Association.

The principal activity of the Trust in the year was continuing the regeneration, protection and improvement of the physical and social environment in the Colne Valley Park, Hillingdon, Hounslow and East Berkshire areas of the Thames Valley. A new innovation was the setting up of the Slough Business Environment Club in partnership with the Environment Agency funded through landfill tax rebates which enabled the Trust to offer Green Health checks to all its members and to provide Environmental advice through seminars on Waste Minimisation and Energy Saving. The principal activity of the Company's subsidiary was the equestrian project landscaping the Animal Heath Trust phase 4 of their redevelopment at Lanwades Park, Newmarket, Suffolk.

Business Review and Future Developments

Results for the year are set out on page 6 of the Financial Statements.

The Trust was very successful in accessing Landfill Tax rebates from both local and national landfill operators and this money was used to carry out the Trust's activities to a much greater degree and also to help local communities with their village halls and schools.

In 1999/2000 the principal project will be the construction of a cycleway through the Colne Valley Regional Park. The route will connect Hillingdon with Slough. The Trust will also be responsible for the management of the Colne Valley Park Visitors Centre from November onwards.

The Trust has also continued its broad-based programme, focusing on Priority Areas but carrying out a wide range of appropriate projects in line with its objectives in the following 3 areas: -

Physical Environmental Improvements To be a leading land improvement agency increasing the amounts of unproductive land and buildings being brought back into beneficial use.

Education and Community Involvement To create opportunities for more people to learn about, be actively involved and committed to take action for the environment.

Integrating the Economy and the Environment To help business improve its environmental performance and competitiveness and create opportunities for business involvement in community regeneration.

Results for the Year

The operating surplus for the year amounted to £66181 (1998 £74820) as set out in the Financial Statements. Of this amount £47986 was a surplus on restricted funds which has been transferred to unrestricted funds because the restrictions of the funders had been met.

REPORT OF THE DIRECTORS

YEAR ENDED 31ST MARCH 1999

Year 2000

The year 2000 issue is so complex that no business can categorically state that it has achieved complete compliance. However, from the initial outcome of the compliance review being performed by the Directors on the Company's own systems and those of their customers, suppliers and other relevant organisations, in the Directors' opinion the impact of the year 2000 issue is unlikely to be significant. The costs of carrying out the compliance review exercise are not expected to be material.

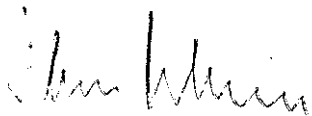
Changes in Fixed Assets

The movements in fixed assets during the year are set out in note 5 to the Financial Statements.

Auditors

A resolution proposing that E. A. Kench & Co. be re-appointed as auditors of the Company will be put to the Annual General Meeting.

Approved by the Board on 9 AUG 1999
and signed on its behalf by



J. Carine
Company Secretary

REPORT OF THE AUDITORS

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TO THE MEMBERS OF

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

We have audited the Consolidated Financial Statements on pages 6 to 19.

Respective Responsibilities of Directors and Auditors

As described on page 2, the Company's Directors are responsible for the preparation of the Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

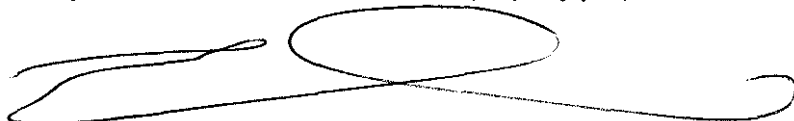
Basis of Opinion

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 circumstances of the Company and of the Group, 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 the Company and the Group as at 31st March 1999 and of its net income and net movement in funds of the Group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



E. A. Kench & Co.,
Registered Auditor,
10 Station Road,
Henley on Thames,
Oxfordshire.

31 AUG 1999

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

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(LIMITED BY GUARANTEE)**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES****YEAR ENDED 31ST MARCH 1999**

	<u>Notes</u>	<u>Un- Restricted Funds</u>	<u>Restricted Funds</u>	<u>Totals</u>	<u>1998</u>
<u>INCOMING RESOURCES</u>					
Core Funding		-	100885	100885	104368
Project Funding		-	2262548	2262548	1537625
Less Deferred Income		-	(950620)	(950620)	(508968)
Interest Receivable		18677	-	18677	13132
Other Income		-	11383	11383	7750
Net Income of Trading Subsidiary	6	-	-	-	3594
Total Income	2	<u>18677</u>	<u>1424196</u>	<u>1442873</u>	<u>1157501</u>
<u>RESOURCES EXPENDED</u>					
<u>Direct Charitable Expenditure:-</u>	3	-	1190550	1190550	909801
<u>Other Expenditure:-</u>					
Fund-raising and Publicity		-	52637	52637	57980
Management and Administration of the Charity		-	133023	133023	114900
Net Expenditure of Trading Subsidiary	6	482	-	482	-
<u>Total Resources Expended</u>		<u>482</u>	<u>1376210</u>	<u>1376692</u>	<u>1082681</u>
<u>Net Incoming Resources before Transfers</u>	4	18195	47986	66181	74820
Transfers between funds		47986	(47986)	-	-
<u>Net Movement in Funds</u>		<u>66181</u>	<u>-</u>	<u>66181</u>	<u>74820</u>
Fund balances brought forward at 1st April 1998		245904	-	245904	171084
Fund Balances carried forward at 31st March 1999		<u>£312085</u>	<u>£ -</u>	<u>£312085</u>	<u>£245904</u>

All of the above results are derived from continuing activities.

The Trust has no other recognised gains and losses other than those stated above.

The attached notes form an integral part of these Financial Statements.

(LIMITED BY GUARANTEE)**CONSOLIDATED SUMMARY INCOME AND EXPENDITURE ACCOUNT****YEAR ENDED 31ST MARCH 1999**

	<u>Notes</u>	<u>1998</u>
<u>TURNOVER FROM CONTINUING OPERATIONS</u>	1412813	1133025
Sundry Income	11383	7750
Non-charitable trading activities net (expenditure)/income	6 (482)	3594
	<u>1423714</u>	<u>1144369</u>
Staff Costs	(450507)	(375560)
Depreciation and other amounts written off Tangible Fixed Assets	(21034)	(15281)
Project Costs	(804126)	(597538)
Overheads	(100543)	(94302)
<u>OPERATING RESULT</u>	<u>47504</u>	<u>61688</u>
Interest Receivable	18677	13132
Interest Payable and Similar Charges	-	-
<u>EXCESS OF INCOME OVER EXPENDITURE</u>	<u>£ 66181</u>	<u>£ 74820</u>

The Trust has not recognised any other gains during the year.

A statement of movements on general reserve is given in Note 12.

Total income comprises £1424196 for restricted funds and £18677 for unrestricted funds. A detailed analysis of income by source is provided in the Statement of Financial Activities.

Turnover of non-charitable trading activities amounted to £8170. A detailed analysis of the trading results is shown in Note 6. Detailed analyses of the expenditure are provided in the Statement of Financial Activities and Note 3.

Net income for the year of £66181 comprises £18195 net income of unrestricted funds and £47986 net income of restricted funds as shown in the Statement of Financial Activities.

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 6 which together with the attached notes provides full information on the movements during the year on all the funds of the group.

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

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(LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

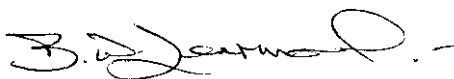
31ST MARCH 1999

<u>FIXED ASSETS</u>	<u>Note</u>		<u>1998</u>
Tangible Assets	5	57821	<u>41725</u>
<u>CURRENT ASSETS</u>			
Debtors	7	749407	395390
Cash at Bank and in Hand	8	1246137	942839
		<u>1995544</u>	<u>1338229</u>
<u>Creditors:</u> Amounts falling due within one year	9	1674389	(1092954)
<u>NET CURRENT ASSETS</u>		<u>321155</u>	<u>245275</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>378976</u>	<u>287000</u>
Provisions for Liabilities and Charges	10	(66891)	(41096)
<u>NET ASSETS</u>		<u>£312085</u>	<u>£245904</u>
<u>INCOME FUNDS</u>			
Unrestricted Funds:			
General Funds	12	312085	245904
Total Funds	12	<u>£312085</u>	<u>£245904</u>

The attached notes form an integral part of these Financial Statements.

Approved by the Board of Directors on
and signed on its behalf by

4th August 1999



B. Learmount
Chairman



D. M. Millis FCA
Finance Director

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

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(LIMITED BY GUARANTEE)

COMPANY BALANCE SHEET

31ST MARCH 1999

<u>FIXED ASSETS</u>	<u>Note</u>		<u>1998</u>
Tangible Assets	5	48686	29980
Investments	6	100	100
		<u>48786</u>	<u>30080</u>
<u>CURRENT ASSETS</u>			
Debtors	7	764325	382153
Cash at Bank and in Hand	8	1233206	913131
		<u>1997531</u>	<u>1295284</u>
<u>Creditors:</u> Amounts falling due within one year	9	(1671414)	(1043124)
<u>NET CURRENT ASSETS</u>		<u>326117</u>	<u>252160</u>
<u>TOTAL ASSETS LESS CURRENT LIABILITIES</u>		<u>374903</u>	<u>282240</u>
Provisions for Liabilities and Charges	10	(66000)	(40000)
<u>NET ASSETS</u>		<u>£308903</u>	<u>£242240</u>
<u>INCOME FUNDS</u>			
Unrestricted Funds:			
General Funds	12	308903	242240
Total Funds	12	<u>£308903</u>	<u>£242240</u>

The attached notes form an integral part of these Financial Statements.

Approved by the Board of Directors on
and signed on its behalf by:



B. Learmount
Chairman

9th August 1999



D. M. Millis FCA
Finance Director

(LIMITED BY GUARANTEE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES

Basis of Preparation

The Financial Statements have been prepared under the historical cost convention. The accounts, incorporating a Statement of Financial Activities, have been prepared in accordance with the Statement of Recommended Practice (SORP) Accounting by Charities and applicable accounting standards.

The Group Financial Statements consolidate the Financial Statements of the Company and its subsidiary undertakings made up to 31st March 1999. The profits and losses of subsidiary undertakings are consolidated from the date of acquisition to the date of disposal. The Company is exempt from publishing its income and expenditure account.

Company Status

The Trust is a Company limited by guarantee. The members are guarantors who have a liability limited to £10 each to contribute in the event of a winding up. The Trust has availed itself of Paragraph 3 (3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Company's activities.

Deferred Taxation

Deferred Tax is provided in respect of the tax effect of all timing differences to the extent that it is probable that a liability will crystallise in the foreseeable future.

Fund Accounting

General funds are available for use at the discretion of the Directors in furtherance of the general objectives of the Trust.

Restricted funds are funds subject to specific restrictive conditions imposed by funders or by the purpose of the grant. The purpose and use of the restricted funds is set out in the notes to the Financial Statements.

All income and expenditure is shown in the Statement of Financial Activities.

Resources arising

Income

Income or grants received in advance are held in deferred income, as part of restricted funds, and carried forward to future accounting periods to be released when the measurable stages of work have been completed, approved or certified. Any grants restricted to future accounting periods are deferred and recognised in those accounting periods.

During the year the Trust received gifts in kind valued at £236015 (1998 £320480). This is valued at the cost of the labour provided. In addition contracts to the value of £186445 (1998 : £245240) were managed.

(LIMITED BY GUARANTEE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST MARCH 1999

1. ACCOUNTING POLICIES (cont'd)

Resources Expended

The cost headings comprise expenditure, including staff costs, directly attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with use of the resources.

Support costs comprise all services supplied centrally identifiable as wholly or mainly in support of charitable expenditure and include an appropriate proportion of general overheads.

Central overheads are allocated on the basis of their use with the aim of ensuring that those costs remaining within administration relate to the management of the Trust's assets, organisational administration and compliance with constitutional and statutory requirements.

Tangible Fixed Assets and Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows:

Project Equipment	-	over 4 years
Office Equipment	-	over 5 years
Motor Vehicles	-	over 5 years

Capital Grants

Grants that relate to specific capital expenditure are treated as deferred income which is released to the credit of the income and expenditure account over the related assets useful life.

Pension Costs

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered fund. The amount charged against profits represents the contributions payable to the scheme in respect of the accounting period. In addition, the Directors may make supplementary pension provisions from time to time as detailed in Note 14.

Cash Flow

The Trust qualifies as a small Company under the terms of section 247 of the Companies Act 1985. As a consequence it is exempt from the requirement to publish a cash flow statement.

(LIMITED BY GUARANTEE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST MARCH 1999

2. TOTAL INCOMING RESOURCES

		<u>1998</u>
Central Government	102615	134045
Government Regional Offices	103267	99300
Local Government	627924	332500
Private Sector	580390	572930
	<u>1414196</u>	<u>1138775</u>
Interest Receivable	18677	13132
Net Income of Trading Subsidiary (Note 6)	-	3594
Management Charge Receivable from Subsidiary	10000	2000
	<u>£1442873</u>	<u>£1157501</u>

3. TOTAL RESOURCES EXPENDED

	<u>Staff Costs</u>	<u>Other Direct Costs</u>	<u>Other Allocated Costs</u>	<u>Total 1999</u>	<u>Total 1998</u>
Physical environment improvements	176130	424681	48637	649448	560404
Education and community involvement	98740	238396	27265	364401	168315
Integration of environment and economy	48036	115401	13264	176701	181082
	<u>322906</u>	<u>778478</u>	<u>89166</u>	<u>1190550</u>	<u>909801</u>
Fund-raising and publicity	29576	7000	16061	52637	57980
Management and administration of the Charity	98025	18648	16350	133023	114900
Net Expenditure of Trading Subsidiary (Note 6)	-	-	482	482	-
	<u>450507</u>	<u>804126</u>	<u>122059</u>	<u>1376692</u>	<u>£1082681</u>

STAFF COSTS

	<u>1998</u>
Wages and Salaries	326855
Social Security Costs	26479
Pension Costs	22226
	<u>£375560</u>

No employee earned £40,000 pa or more

TRUSTEES' REMUNERATION AND EXPENSES

The Trustees received no remuneration.

Expenses of £380 relating to travel, telephone and postage expenses were reimbursed to one Trustee.

(LIMITED BY GUARANTEE)NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)YEAR ENDED 31ST MARCH 1999**4. NET INCOMING RESOURCES BEFORE TRANSFERS IS STATED AFTER CHARGING**

		<u>1998</u>
Auditors' Remuneration	£ 6165	£ 4190
Depreciation of Owned Assets	£ 23644	£13539
Depreciation of Assets Held under Hire Purchase Contracts	£ -	£ 3047
The average number of employees, analysed by function was:		
		<u>1998</u>
Direct Charitable Expenditure	17	14
Management and Administration of the Charity	4	4
	<u>21</u>	<u>18</u>
Allocated Costs		
Premises	8208	13839
Centralised Services	102006	91008
Travel	7440	1182
Other Operating Costs	3923	3554
	<u>£121577</u>	<u>£109583</u>

Of the Group's Net Incoming Resources of £66181, the Company's surplus amounted to £66663.

5. TANGIBLE FIXED ASSETS

<u>(i) Group Cost</u>	<u>Project Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
At 1st April 1998	9592	94792	36927	141311
Additions	-	11302	36056	47358
Disposals	-	-	(15236)	(15236)
At 31st March 1999	<u>£ 9592</u>	<u>£106094</u>	<u>£57747</u>	<u>£173433</u>
<u>Depreciation</u>				
At 1st April 1998	9592	71271	18723	99586
Charge for the Year	-	10735	12909	23644
Disposals	-	-	(7618)	(7618)
At 31st March 1999	<u>£ 9592</u>	<u>£82006</u>	<u>£24014</u>	<u>£115612</u>
<u>Net Book Value</u>				
At 1st April 1998	£ -	£23521	£18204	£41725
At 31st March 1999	£ -	<u>£24088</u>	<u>£33733</u>	<u>£57821</u>

(LIMITED BY GUARANTEE)NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)YEAR ENDED 31ST MARCH 1999**5. TANGIBLE FIXED ASSETS Cont ...**

(ii) The net book value at 31st March 1999 represents assets for:

	<u>Project Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
Direct Charitable Purposes:	-	11215	33733	44948
Management and Administration of Trust	-	12873	-	12873
Total	<u>£ -</u>	<u>£24088</u>	<u>£33733</u>	<u>£57821</u>

Motor vehicles includes assets with a net book value of £Nil (1998 : £10665) held under hire purchase contracts.

(iii) <u>Company Cost</u>	<u>Project Equipment</u>	<u>Office Equipment</u>	<u>Motor Vehicles</u>	<u>Total</u>
At 1st April 1998	9592	81742	36927	128261
Additions	-	11302	36056	47358
Disposals	-	-	(15236)	(15236)
At 31st March 1999	<u>£ 9592</u>	<u>£ 93044</u>	<u>£57747</u>	<u>£160383</u>
<u>Depreciation</u>				
At 1st April 1998	9592	69966	18723	98281
Charge for the Year	-	8125	12909	21034
Disposals	-	-	(7618)	(7618)
At 31st March 1999	<u>£ 9592</u>	<u>£78091</u>	<u>£24014</u>	<u>£111697</u>
<u>Net Book Value</u>				
At 1st April 1998	<u>£ -</u>	<u>£11776</u>	<u>£18204</u>	<u>£29980</u>
At 31st March 1999	<u>£ -</u>	<u>£14953</u>	<u>£33733</u>	<u>£48686</u>

(LIMITED BY GUARANTEE)**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****YEAR ENDED 31ST MARCH 1999****6. FIXED ASSETS INVESTMENTS**

The Trust owns the whole of the issued ordinary share capital of Colne Valley Environments Limited, a Company registered in England. The Company's principal activities are the provision of environmental services.

A summary of the results of the subsidiary is shown below:

Trading Subsidiary

		<u>1998</u>
Turnover	8170	73173
Cost of Sales	4971	(64506)
Gross Profit	13141	8667
Administrative Expenses (including management charge)	(13757)	(3977)
Net (Loss)/Profit on Ordinary Activities Before Taxation	(616)	4690
Tax	134	(1096)
Net (Loss)/Profit on Ordinary Activities After Taxation	<u>£ (482)</u>	<u>£ 3594</u>

Audited Accounts are filed with the Registrar of Companies.

		<u>Group</u>		<u>Company</u>
		<u>1998</u>		<u>1998</u>
7. <u>DEBTORS</u>				
Trade Debtors	235483	113001	228057	86455
Amounts owed by subsidiary undertakings	-	-	12344	13309
Other Debtors	18666	35634	18666	35634
Prepayments and Accrued Income	495258	246755	505258	246755
	<u>£749407</u>	<u>£395390</u>	<u>£764325</u>	<u>£382153</u>

8. **CASH AT BANK AND IN HAND** includes £922738 (1998 : £506355) in respect of Landfill Tax Rebates.

(LIMITED BY GUARANTEE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST MARCH 1999

9. CREDITORS: amounts falling due within one year:

		<u>Group</u>	<u>1998</u>	<u>Company</u>	<u>1998</u>
Trade Creditors	123695		110388	123695	110388
VAT, PAYE and Social Security costs	1974		14297	-	7673
Accruals and Deferred Income	1548720		966210	1547719	923004
Obligations under Hire Purchase Contracts	-		2059	-	2059
			<u>£1674389</u>	<u>£1671414</u>	<u>£1043124</u>
			<u>£1092954</u>		

The Company's bankers, Midland Bank plc, holds a fixed and floating charge over the assets of the Company in respect of any borrowings which may arise.

10. PROVISIONS FOR LIABILITIES AND CHARGES

		<u>Group</u>	<u>1998</u>	<u>Company</u>	<u>1998</u>
Pension and Similar Obligations					
At 1st April 1998	10000		10000	10000	10000
Charge for the Year	-		-	-	-
At 31st March 1999	<u>£ 10000</u>		<u>£ 10000</u>	<u>£ 10000</u>	<u>£ 10000</u>

This provision is in respect of pensions prospectively payable to present employees.

Deferred Taxation

		<u>Group</u>	<u>1998</u>	<u>Company</u>	<u>1998</u>
At 1st April 1998	1096		-	-	-
Charge for the Year	(205)		1096	-	-
At 31st March 1999	<u>£ 891</u>		<u>£ 1096</u>	<u>£ -</u>	<u>£ -</u>

Other Provisions

		<u>Group</u>	<u>1998</u>	<u>Company</u>	<u>1998</u>
At 1st April 1998	30000		-	30000	-
Charge for the Year	26000		30000	26000	30000
At 31st March 1999	<u>£56000</u>		<u>£30000</u>	<u>£56000</u>	<u>£30000</u>

These are in relation to possible relocation expenses and VAT.

(LIMITED BY GUARANTEE)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST MARCH 1999

11. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

Group and Company

The amounts fall due as follows:

Within one year

<u>1998</u>
2059
<u>£ 2059</u>

12. STATEMENT OF FUNDS

Group

Unrestricted Funds: General Funds
Restricted Funds

<u>Balance</u> <u>1 April</u> <u>1998</u>	<u>Movement</u> <u>In Year</u>	<u>Balance</u> <u>31 March</u> <u>1999</u>
245904	66181	312085
-	-	-
<u>£245904</u>	<u>£ 66181</u>	<u>£312085</u>

Company

Unrestricted funds: General Funds
Restricted Funds

<u>Balance</u> <u>1 April</u> <u>1998</u>	<u>Movement</u> <u>In Year</u>	<u>Balance</u> <u>31 March</u> <u>1999</u>
242240	66663	308903
-	-	-
<u>£ 242240</u>	<u>£ 66663</u>	<u>£308903</u>

All funds are raised and given for specific purposes and projects and are output related. These outputs incorporate fees, consultancies, project expenditure and implementation work. The conditions governing the income or grants restrict these funds and when these conditions have been met the earned income becomes unrestricted and used as a contribution to the Trust's unrestricted funds. The Trust's unrestricted funds can be used, with the approval of the Trust's Board, to fund any expenditure relating to projects or general running costs which fall within the Trust's general aims and objectives.

(LIMITED BY GUARANTEE)**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)****YEAR ENDED 31ST MARCH 1999****13. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds</u>
Fund balances at 31st March 1999 are represented by:			
Tangible Fixed Assets	57821	-	57821
Current Assets	520998	1484546	2005544
Current Liabilities	(199843)	(1484546)	(1684389)
Provisions for Liabilities and Charges	(66891)	-	(66891)
Total Net Assets	<u>£312085</u>	<u>£ -</u>	<u>£312085</u>

14. PENSION COSTS

The Company operates a defined contribution pension scheme. The amount charged against profits represents the contributions payable to the scheme in respect of the account and amount to £41553 (1998 : £22226). There were no outstanding contributions at either the beginning or end of the financial year.

15. GRANTS RECEIVABLE

The following local authorities have provided financial assistance in excess of £2000 to the Groundwork Trust, during the year.

<u>Name of Authority</u>	<u>Amount Awarded</u>	<u>Purpose of Grant</u>
Buckinghamshire County Council	10000	Core funding
Chiltern District Council	4350	Core funding
London Borough of Hillingdon	20000	Core funding
Slough Borough Council	20020	Core funding
South Bucks District Council	10000	Core funding
Three Rivers District Council	4500	Core funding

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31ST MARCH 1999

16. RELATED PARTY TRANSACTIONS

- (i) During the year the Company undertook transactions with Companies and organisations represented on the Board of Directors as follows:
- a) Landfill Tax Grants of £43333 (1998 : £61100) were received from S. W. Grondon & Sons Limited in respect of which £2724 (1998 : £1788) interest accrued.
 - b) Contributions to funding of £31324 (1998 : £19281) were received from the National Grid Company Plc.
 - c) Contributions to funding of £74202 (1998 : £69154) were received from Heathrow Airport Limited and other group companies.
 - d) Contributions to funding of £240598 (1998 : £390318) were received from organisations within the Groundwork umbrella.
 - e) Landfill Tax Grants of £335000 (1998 : £198125) were received from Summerlease Limited in respect of which £14187 (1998 : £6500) interest accrued.
 - f) Goods of £47330 were purchased from Summerlease Limited.
 - g) Landfill Tax Grants of £270000 (1998 : £Nil) were received from RMC - Halls Aggregates in respect of which £4900 (1998 : £Nil) interest accrued.
- (ii) At 31st March 1999, the Company's debtors included £47443 (1998 : £4296) due from Groundwork Foundation Limited and £19907 (1998 : £10050) due from other companies within the Groundwork umbrella.
- (iii) At 31st March 1999 the Company held balances in bank accounts for expenditure on Landfill Tax projects, such balances being included in bank creditors on the Company's Balance Sheet. These balances represented the balance of money received from Companies represented on the Board of Directors as follows:
- a) £68366 (1998 : £61833) relating to S. W. Grondon & Sons Limited.
 - b) £390779 (1998 : £200644) relating to Summerlease Limited.
 - c) £210675 (1998 : £Nil) relating to RMC - Halls Aggregates.

THE THAMES VALLEY GROUNDWORK TRUST LIMITED

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(LIMITED BY GUARANTEE)

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST MARCH 1999

1998

<u>TURNOVER FROM CONTINUING OPERATIONS</u>	1412813	1133025
Sundry Income	11383	7750
	<u>1424196</u>	<u>1140775</u>
Staff Costs	(450507)	(375560)
Depreciation and other amounts written off Tangible Fixed Assets	(21034)	(15281)
Project Costs	(804126)	(597538)
Overheads	(100543)	(94402)
<u>OPERATING RESULT</u>	<u>47986</u>	<u>57994</u>
Interest Receivable	18677	13132
Interest Payable and Similar Charges	-	-
<u>EXCESS OF INCOME OVER EXPENDITURE</u>	<u>£ 66663</u>	<u>£ 71126</u>