

Registered Company No 9689992
Registered Charity No 1166655

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2018

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OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED
(A company limited by guarantee)
YEAR ENDED 31 MARCH 2018

CHAIRMAN'S REPORT

Osprey Quay Management Services Limited is a charity that is committed to managing the green space at Osprey Quay for the benefit of communities.

Investments

Over the period 1st April 2017 to 31st March 2018 the value of the investments held by the company grew by 1.8% (2016/17: 2.8%) to £1.36m (2016/17: £1.34m).

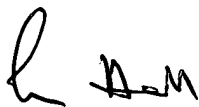
A favourable income yield on our investments of 3.6% (2016/17: 3.5%) enables us to manage our sites sustainably to achieve our charitable outcomes and to fund future improvements.

Benefits

Osprey Quay is nine hectares of open space in Portland, Dorset, which includes flood defences, open space areas of the business park and the promenade between Portland Castle and the marina. The site is nestled between the waterfront and the sailing area used in the 2012 summer Olympics and the popular Chesil Beach.

The surrounding attractions ensure that the open space at Osprey Quay and the 1.3km of footpaths and interpretation signs around are well used and provide additional opportunities for walking and informal health opportunities. However public access to this flat area of open space between Weymouth and Portland also provides an ideal location for inclusion in a number of mass participation events. The gruelling Portland Marathon passed through Osprey Quay for the second year in succession in 2017/18, with hundreds of runners taking part in the marathon, half marathon and 10k races. The Osprey Sprint Triathlon once again took place in April 2017. The events are supported by hundreds of spectators and locals.

The biodiversity of this small coastal site continues to thrive with a wide variety of wildlife spotted in this protected habitat.



Euan Hall
Chairman

11th September 2018

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED
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TRUSTEES' REPORT:

LEGAL AND ADMINISTRATIVE

STRUCTURE

Osprey Quay Management Services Company Limited is a charity registered with the Charity Commission in England and Wales No. 1166655, it obtained its charitable status on 21st April 2016.

The Trust's governing documents are its Articles of Association.

The sole Member of the company is The Land Restoration Trust Limited (The Land Trust).

The Company operates within the same Policies and Procedures of The Land Trust. The Land Trust operates an Audit, Investment, Remuneration & HR and Nominations Committee that reports to the Trustees of that Company.

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED DIRECTORS

The Directors of the company are its Trustees for the purpose of Company Law and throughout this report are collectively referred to as the Trustees. The Trustees who served throughout the year, were Euan Hall, Helen Norris (resigned 6th October 2017), and Paul Oberg (appointed 15th August 2017). Alan Carter was appointed as Director on the 17th July 2018.

PRINCIPAL AND REGISTERED OFFICE

7 Birchwood One
Dewhurst Road
Birchwood
Warrington WA3 7GB

PROFESSIONAL ADVISORS

The charities main advisors are:

EXTERNAL AUDITORS

Saffery Champness LLP
71 Queen Victoria Street
London
EC4V 4BE

SOLICITORS

The Charity with The Land Trust operates a framework agreement with various solicitors. Firms are tasked from time to time according to their expertise.

INTERNAL AUDITORS

Mazars LLP
Tower Building
Water Street
Liverpool L3 1PQ

INVESTMENT MANAGERS

CCLA Investment Management Ltd
Senator House
85 Queen Victoria Street
London EC4V 4ET

BANKERS

Barclays Plc
1st Floor
3 Hardman Street
Spinningfields
Manchester, M3 3HF

GOVERNANCE AND MANAGEMENT

Trustees – recruitment and emoluments

Our Trustees have been recruited to provide the skills and experience required to govern the Charity. The Trustees, who comprise the Board of the Company, did not receive any remuneration from the Charity during the period. When recruited, Trustees are inducted by attending workshops and other training arranged by the Executive. Travelling and subsistence expenses incurred by the Trustees on Board business amounted to nil.

The Trustees have benefited from Trustee indemnity insurance throughout the year.

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The Board

The Board usually meets four times a year, additional ad hoc meetings of the Board or Trustees take place during the year.

Key Personnel

The charity has no directly employed staff. The Trustees act as key management personnel and are not remunerated, any additional services provided are the parent charity and so all employee policies are set at Group level.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Health and Safety

The Board considers the health, safety and well-being of volunteers, suppliers and visitors to our sites as a governance priority.

The Board is ultimately responsible for compliance with Health and Safety legislation. The day-to-day responsibility is delegated to the Chief Executive and the Director of Portfolio Management of The Land Trust, who are together responsible for compliance, relevant policy development and performance.

During the course of the year there were no significant accidents or incidents involving volunteers, contractors, or visitors to the site. All staff have completed training sessions outlining health and safety responsibilities of the organisation and the individual employees as expressed in the Health and Safety at Work Act 1974. The Trust has the systems in place to ensure these responsibilities are met. We continue to work closely with our managing agent to develop robust and complementary best practice.

Financial Reporting

The Trustees (who are also Directors of Osprey Quay Management Services Company Limited for the purposes of Company Law) are responsible for preparing the Trustees' Annual Report, including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK 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 unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for ensuring proper accounting records are kept that disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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OBJECTIVES AND ACTIVITIES

The Charity's objects ("the Objects") are specifically restricted to the following:

- To promote the conservation, protection and improvement of the physical and natural environment anywhere in Osprey Quay and insofar as may be charitable according to the laws of England and Wales in other parts of the United Kingdom.

PUBLIC BENEFIT

A Charity is required to meet one or more of the prescribed charitable purposes as set out in the Charities Act 2011. In planning the Trust's activities, the Trustees have had regard to the Charity Commission's guidance (RR2 - Promotion of Urban and Rural Regeneration) on public benefit.

The public benefit lies in the provision of land for a charitable purpose either as a public amenity or in its preservation or conservation.

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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

A summary of the activities undertaken by the Trust during the year and its achievements and performance are set out in the Chairman's Report.

FINANCIAL REVIEW

Overview and Income

The principal source of income for the Company in 2017/18 was investment income. Capital receipts are invested to generate investment income which is used to cover the cost of managing Osprey Quay for public benefit. The Trust received £nil of site funding in year ended 31 March 2018 (2016/17: £1.29m which represents funding transferred to the Charity).

The Charities Investment Income provides the ongoing revenue to fund the Charitable Activities. During the year investment income was £0.048m (2016/17: £0.025m).

Other Trading Activities income for the year ending 31st March 2018 is £321 (2016/17: £24,918), this is due to the change in accounting for the Service Charge Income & Expenditure.

Expenditure

Total expenditure in 2017/18 was £0.009m (2016/17: £0.038m), this represents the expenditure in relation to the Flood Barrier at Osprey Quay. This fall in expenditure is due to the change in the Accounting Policy for Service Charges.

The Charity generated a net incoming resource surplus (before Gains & Losses on Investments) of £0.039m (2016/17: £1.30m). The surplus is taken to the Trust's reserves and those funds with restrictions are held to be applied in accordance with the restrictions.

Change in Accounting Policy

On the 1st April 2017, Osprey Quay Management Services Company Limited commenced accounting for the Service Charge Income & Expenditure at Osprey Quay separately.

Therefore all income and expenditure in relation to this is not reflected in the 2017/18 Statutory Accounts of Osprey Quay Management Services Company Limited.

Financial Investment Policy and Performance

The Charity's Investment Policy is in line with the Investment Policy of its Member (the Land Trust), this is reviewed by The Land Trust's Investment Committee which sets out the long-term investment objectives. These are essentially to generate a level of income to meet its related site expenditure whilst maintaining the long term purchasing power of capital and income against inflation. The value of the portfolio was £1.4m as at 31 March 2018 (31 March 2017: £1.3m).

Financial Reserves

The Trustees ensure that an adequate level of reserves is maintained to enable the Charity to manage financial risk and ensure there is sufficient funding for the long term financing of site maintenance.

When the Charity took on Osprey Quay, it committed to keeping the site open to the public in perpetuity and it must therefore plan over the long term. However, as incoming resources are mainly generated from investment returns, the Charity is subject to the effects of short term volatility in these returns. The Charity ensures that, in the face of potentially volatile investment returns, adequate liquid resources are held to meet short term maintenance cost commitments.

Expenditure on Osprey Quay is funded through a combination of Service Charges and investment income generated from the investment of site funding received on acquisition. Expenditure is carefully planned not to exceed available funds; for example, if investment income were to decrease, the level of expenditure to which the Charity commits would also decrease. The Charity monitors its reserves, enabling it to maintain an adequate level of reserves to cover any short term short fall in investment income.

The Charity also reviews its central overhead commitments both to ensure they are commensurate with the needs of the organisation and the level of free reserves held is adequate to meet these obligations.

The Charities minimum level of Free Reserves has been determined to be 4 months of estimated annual expenditure (£5,000), as at 31st March 2018 the level of Free Reserves is £53,466.

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The Charity holds reserves to be applied to future activities in a number of categories;

Unrestricted General	– these funds can be used for any of the Charity's charitable purposes
Restricted	– these funds are applied to the various specific purposes intended by the donors

Unrestricted Funds

The General funds at 31 March 2018 amounted to £0.053m (2016/17: £0.015m).

Restricted Funds

At 31 March 2018 the Restricted Funds amounted to £1.404m (2016/17: £1.326m). These funds are invested in the Charity's long term discretionary investment portfolio.

Related Parties

These are the Trustees and Member organisations and details of these transactions are set out in Note 17 under Related Party transactions.

PLANS FOR FUTURE PERIODS

The Charity's plans for future periods are set out in the Chairman's Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The Charities risk management processes are designed to enable the Board, on the advice of the Audit Committee which considers reports from the Land Trust's Director of Finance, to conclude whether the major risks to which the Charity is exposed have been identified and reviewed, and systems and procedures have been established to mitigate these risks.

The Charity has currently identified the main risk as the 'Delivery of the Business Plan', incorporating specific sub-risks with the implementation of the Service Charge Strategy.

Other principal risks include the ability to recruit and retain key staff with the correct skills/knowledge and reliance on these key individuals within a small organisation.

Major risks are those which have a combined high impact and probability of occurring and would, if they occurred, have a severe impact on either operational performance or achievement of purpose and objectives, or could damage the Company's reputation. The Trustees concentrate their efforts on ensuring that the most serious risks are being managed effectively. These are reported regularly to the Board and are also considered in detail periodically by the Audit Committee.

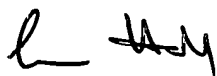
The Charities approach addresses risk in a wide context, with emphasis on strategic, environmental and operational risks in addition to the more familiar areas of financial risks, compliance with statutory requirements and internal control procedures. The Charity assesses risk in terms of its financial and reputational impact and its impact on the delivery of its key objectives. We are confident that our methodology enables us to identify and manage the major risks facing the Charity.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the Trustees has confirmed that they have taken all the steps that they ought to have taken as Trustees, in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

A resolution to re-appoint Saffery Champness will be proposed at the forthcoming Annual General Meeting.



Euan Hall
Chairman

11th September 2018

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES AND MEMBERS OF OSPREY QUAY MANAGEMENT SERVICES LIMITED

Opinion

We have audited the financial statements of Osprey Quay Management Services Company Limited for the year ended 31 March 2018 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

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Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report and the Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

.....
Cara Turlington (Senior Statutory Auditor)

For and on behalf of

Saffery Champness LLP
Saffery Champness LLP
Chartered Accountants
71 Queen Victoria Street
London
EC4V 4BE

Statutory Auditors

Date: *21 September 2018*

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 MARCH 2018

	Note	Unrestricted Funds £	Restricted Funds £	Year Ended 31/03/2018 £	Year Ended 31/03/2017 £
Income from:					
Other Trading Activities	2	321	-	321	24,918
Site Funding	3	-	-	-	1,294,625
Investments	4	48,437	-	48,437	22,584
Total Income		48,758	-	48,758	1,342,127
Expenditure on:					
Raising funds	6	-	-	-	-
Charitable Activities	6	9,965	-	9,965	37,923
Total expenditure		9,965	-	9,965	37,923
Net gains/(losses) on investments		-	23,936	23,936	36,936
Corporation Tax	7	-	-	0	(261)
Net income/(expenditure)		38,793	23,936	62,729	1,340,879
Net Movement in funds		38,793	23,936	62,729	1,340,879
Reconciliation of Funds					
Total Funds brought forward		14,673	1,326,206	1,340,879	-
Total Funds carried forward	13	53,466	1,350,142	1,403,608	1,340,879

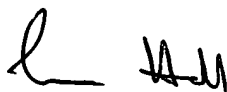
The Statement of Financial Activities reflect both the Service Charge and Investment income and expenditure for the period 1st October 2016 to 31st March 2017, from 1st April 2018 due to a change in Accounting Policy the Service Charge Income and Expenditure is no longer included within the Statement of Financial Activities. The Charity has no recognised gains or losses other than as stated in the Statement of Financial Activities.

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BALANCE SHEET AS AT 31 MARCH 2018

	Note	31/03/2018 £	31/03/2017 £
Fixed Assets			
Tangible assets		1	1
Investments	9	1,365,290	1,341,354
Total Fixed Assets		1,365,291	1,341,355
Current Assets			
Debtors	10	12,960	14,810
Cash in bank and in hand		29,121	48,071
Total Current Assets		42,081	62,881
Liabilities			
Creditors: falling due within one year	11	(3,764)	(63,357)
Net Current Assets		38,317	(476)
Total Net Assets		1,403,608	1,340,879
The funds of the charity:			
Restricted Funds	13	1,350,142	1,326,206
Unrestricted Funds	13	53,466	14,673
Total Charity funds	13	1,403,608	1,340,879

The financial statements were approved by the Trustees and authorised for issue on 11th September 2018 and signed on its behalf by:



Euan Hall
Trustee

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED
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STATEMENT OF CASH FLOWS

	Note	Year Ended 31/03/2018 £	Year Ended 31/03/2017 £
Net cash provided by (used in) operating activities	14	(67,387)	35,281
Cash flows from investing activities:			
Dividends, interest and rents from investments		48,437	22,584
Purchase of investments		-	(1,304,418)
Purchase of Tangible Assets		-	(1)
Proceeds from sale of investments		-	-
Net cash used in investing activities		48,437	(1,281,835)
Cash flows from financing activities:			
Additions to Site funding		-	1,294,625
Net cash provided by financing activities		-	1,294,625
Change in cash and cash equivalents in the reporting period		(18,950)	48,071
Cash and cash equivalents at the beginning of the reporting period		48,071	-
Cash and cash equivalents at the end of the reporting period		29,121	48,071
Change in cash and cash equivalents in the reporting period		(18,950)	48,071

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 ACCOUNTING POLICIES:

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

BASIS OF PREPARATION AND ASSESSMENT OF GOING CONCERN

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The trust constitutes a public benefit entity as defined by FRS 102.

The Trust has a clear focus on managing its costs and, working within its appetite for risk, seeks to generate maximum income from its investment portfolio.

We continue to review and prepare long term forecasts and projections to show that:

- The projected income from each endowment and site fund is sufficient to meet its expected operating costs and
- The contribution margin earned from the management of these sites, plus the Disengagement Grant, is sufficient to meet central costs such that the Trust generate will equate Working Capital to remain financially sustainable in the long term.

The Trustees have therefore continued to adopt the Going Concern basis in preparing the annual Financial Statements.

REDUCED DISCLOSURES

The Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 11 'Basic Financial Instruments'; &
- Section 12 'Other Financial Instrument Issues.'

INCOME

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Interest on funds held on deposit is accrued and the amount can be measured reliably by the charity; this is normally upon notification of the interest payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

From 1st April 2017, Osprey Quay Management Services Company Limited will be accounting for the Service Charge at Osprey Quay separately and therefore any income and expenditure in relation to this will not be reflected in the future Statutory Accounts of Osprey Quay Management Services Company Limited.

DONATED SERVICES AND FACILITIES

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

INVESTMENT INCOME

Investment income is recognised on a receivable basis.

EXPENDITURE

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to that expenditure. Expenditure is recognised when, and to the extent that, a liability is incurred or increases without a commensurate increase in recognised assets or decrease in liabilities. All expenditure is accounted for on an accruals basis and is classified under appropriate headings that aggregate all costs relating to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

CHARITABLE EXPENDITURE

Charitable expenditure includes all expenditure associated with the Trust's charitable activities, including support costs. Support costs include central office functions such as general management, finance and accounting, IT and human resources.

OTHER EXPENDITURE

Other expenditure represents those items not falling into any other heading.

TANGIBLE FIXED ASSETS

Tangible fixed assets are stated at historical cost.

Freehold land is not depreciated.

FIXED ASSET INVESTMENTS

Investments are stated at market value at the balance sheet date.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

CREDITORS AND PROVISIONS

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

FINANCIAL INSTRUMENTS

The trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

LEASING COMMITMENTS

Rentals paid under operating leases are charged to the statement of financial activities over the life of the lease.

GAINS AND LOSSES ON INVESTMENTS

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

FUNDS STRUCTURE

Funds held by the group are:

Unrestricted general funds

These are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

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Designated funds

These funds have been earmarked out of unrestricted funds by the Trustees for specific purposes.

Restricted funds

These are funds that can only be used for particular restricted purposes within the objects of the Trust. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

CORPORATION TAX

Osprey Quay Management Services Company Limited, as a registered charity is exempt from Corporation Tax under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent that surpluses are applied to its charitable purposes.

On the 1st October 2016, the assets and liabilities of Osprey Quay Management Company Limited were transferred to the Charity, these included a liability for Corporation Tax as Osprey Quay Management Company Limited incurred a Corporation Tax liability in the period to 30th September 2016.

2 OTHER TRADING ACTIVITIES:

	Unrestricted Funds £	Restricted Funds £	Year Ended 31/03/2018 £
Site Maintenance	-	-	-
Miscellaneous Income	321	-	321
Total	321	-	321
Year Ended 31/03/17	-	24,918	24,918

In 2016/17 these activities related to the operation of Service Charge at Osprey Quay. From 1st April 2018, the Income & Expenditure in relation to the Service Charges are no longer accounted for within these Statutory Accounts.

3 SITE FUNDING

	Unrestricted Funds £	Restricted Funds £	Year Ended 31/03/2018 £
Site Funding	-	-	-
	-	-	-
Year Ended 31/03/17	-	1,294,625	1,294,625

This funding relates to the funding of the site, transferred from Osprey Quay Management Services Limited in 2016/17.

OSPREY QUAY MANAGEMENT SERVICES COMPANY LIMITED
(A company limited by guarantee)
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4 INCOME FROM INVESTMENTS:

	Unrestricted Funds £	Restricted Funds £	Year Ended 31/03/2018 £
Bank Interest	18	-	18
Interest & Dividends from Investments	48,419	-	48,419
	48,437	-	48,437
Year Ended 31/03/17	22,584	-	22,584

5 TRUSTEES' REMUNERATION:

Expenses claimed by the Trustees in 2017/18 totalled nil (2016/17: nil). The Trustees received no remuneration in 2017/18 (2016/17: nil).

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6 ANALYSIS OF EXPENDITURE:

	Basis of Allocation	Raising Funds £	Charitable Activities £	Other £	Year Ended 31/03/2018 £
<u>Costs directly charged to activities</u>					
Site Maintenance	Direct	-	-	-	-
Insurance	Direct	-	-	-	-
Legal & Professional	Direct	-	1,549	-	1,549
Audit & Accountancy fees	Direct	-	1,700	-	1,700
Irrecoverable VAT	Direct	-	-	-	-
Management Fees	Direct	-	6,218	-	6,218
<u>Support costs allocated to activities</u>					
General running costs	Allocation	-	498	-	498
		-	9,965	-	9,965

	Unrestricted Funds £'s	Restricted Funds £'s	Year Ended £'s
Year Ended 31/03/18			
Raising Funds	-	-	-
Charitable Activities	-	9,965	9,965
Total Expenditure	-	9,965	9,965
Year Ended 31/03/17			
Raising Funds	-	-	-
Charitable Activities	7,650	30,273	37,923
Total Expenditure	7,650	30,273	37,923

Basis of Allocation

Cost allocation includes an element of judgement and the Trust has had to consider the cost: benefit of detailed calculations and record keeping. Bases for calculation include:

- Specific costs have been attributed where possible
- Overheads have been allocated to sites on the basis set out in the individual funding agreements
- Staff and other costs have been allocated based on management estimates of usage

7 CORPORATION TAX

The main activity of the Charity is to provide charitable activities, therefore no corporation tax is payable on any surplus from these activities.

A small Corporation Tax liability (£261) had been transferred from Osprey Quay Management Services Company to the Charity in 2017/17.

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8 NET INCOME/EXPENDITURE:

	Year Ended 31/03/2018 £	Year Ended 31/03/2017 £
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This is stated after charging:

Auditors' Remuneration

External Auditors

- Current Year Audit Fees

1,700

1,650

9 FIXED ASSET INVESTMENTS:

	Year Ended 31/03/2018 £	Year Ended 31/03/2017 £
Market Value as at 1st April	1,341,354	-
Additions	-	1,304,418
Disposals	-	-
Net investment Realised & Unrealised Gains/(Losses)	23,936	36,936
Market Value as at 31st March 2016	<u>1,365,290</u>	<u>1,341,354</u>

	Year Ended 31/03/2018 £ UK	Year Ended 31/03/2018 £ Overseas	Year Ended 31/03/2017 £ UK	Year Ended 31/03/2017 £ Overseas
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Investments represented by:

Listed Investments

Balanced Funds	1,365,290	-	1,341,354	-
	<u>1,365,290</u>	<u>-</u>	<u>1,341,354</u>	<u>-</u>

Investments are held primarily to provide investment income to manage and maintain the charity's sites.

The fixed asset investments are held in managed funds and managed by CCLA, however within this Balanced Fund the shareholding are diversified to minimise any risks. The historic cost of the investments as at 31st March 2018 was £1.3m (2016/17: £1.3m), based on a weighted average calculation.

10 DEBTORS:

	31/03/2018 £	31/03/2017 £
Amounts falling due within one year:		
Amounts owed from Group Undertakings	297	-
Prepayments & Accrued Income	12,663	14,810
	<u>12,960</u>	<u>14,810</u>

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11 CREDITORS:

	31/03/2018 £	31/03/2017 £
Amounts falling due within one year:		
Trade Creditors	-	327
Amounts owed to Group Undertakings	-	5,650
Corporation Tax	-	6,253
Accruals & Deferred Income	3,764	51,127
	<u>3,764</u>	<u>63,357</u>

12 ANALYSIS OF NET ASSETS BETWEEN FUNDS:

	Unrestricted Funds £	Restricted Funds £	Total Funds 31/03/2018 £
Tangible Fixed Assets	1	-	1
Investments (fixed and current)	-	1,365,290	1,365,290
Current Assets	57,229	(15,148)	42,081
Current Liabilities	(3,764)	-	(3,764)
	<u>53,466</u>	<u>1,350,142</u>	<u>1,403,608</u>

13 ANALYSIS OF CHARITABLE FUNDS:

	Balance at 31/03/17 £'s	Income £'s	Expenditure £'s	Transfers £'s	Gains / (Losses) £'s	Balance at 31/03/18 £'s
Restricted Funds	1,326,206	-	-	-	23,936	1,350,142
Unrestricted Funds	14,673	48,758	(9,965)	-	-	53,466
	<u>1,340,879</u>	<u>48,758</u>	<u>(9,965)</u>	<u>-</u>	<u>23,936</u>	<u>1,403,608</u>

Restricted Funds

Certain land agreements have restrictions on the expenditure of any income which is gained from the invested capital. The income can be used only to maintain the sites noted in the agreements.

General Funds

The general funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

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14 NOTES TO THE STATEMENT OF CASH FLOWS:

	Year Ended 31/03/2018 £	Year Ended 31/03/2017 £
Reconciliation of net income to net cash flow from operating activities		
Net income for the reporting period (as per the Statement of Financial Activities)	62,729	1,340,879
Adjustments for:		
Site Funding	-	(1,294,625)
Dividends, interest and rents from investments	(48,437)	(22,584)
(Gains) / losses on investments	(23,936)	(36,936)
Decrease / (increase) in debtors	1,850	(14,810)
Increase / (decrease) in creditors	(59,593)	63,357
Net cash provided by (used in) operating activities	(67,387)	35,281

15 GUARANTEE COMPANY AND LIABILITY OF MEMBERS:

Osprey Quay Management Services Company Limited is a company limited by guarantee and therefore does not have any share capital.

The liability of Members is limited. In the event of the company being wound up during a Member's period of membership or within one year afterwards, an amount not exceeding the sum of £10 may be required from that Member towards the payment of the debts and liabilities of the company incurred before membership ceased.

As at 31 March 2018, the company had one Member (31 March 2017: one).

16 CAPITAL COMMITMENTS:

There were no capital commitments at 31st March 2018 (2016/17: £nil).

17 RELATED PARTY TRANSACTIONS:

The Charity has considered the disclosure requirements of the Statement of Recommended Practice for Charities and believes that the following related party transactions, all of which were made on an arm's length basis, require disclosure.

The Charity also recognised nil of funding receivable from (2016/17: £5,000) from the Homes England. At the year-end, the creditor balance for Homes England was £nil (2016/17: £581).

During the year Groundworks Trust recharged expenses of nil (2016/17: £15,971).

18 POST BALANCE SHEET EVENT

There have been no significant post balance sheet events.