

Company Registration No: 4914470
Charity Registration No: 1102249

Chantrey Vellacott DFK LLP



GRANTSCAPE
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2011

GRANTSCAPE

Financial statements For the year ended 31 March 2011

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Report of the Trustees (including the Directors' report) for the year ended 31 March 2011

Reference and Administrative Details

Registered office

Office E, Whitsundoles
Broughton Road
Salford
Milton Keynes
MK17 8BU

Registered number

4914470

Charity registration number

1102249

ENTRUST enrolment number

341010

Trustees

Douglas de Freitas
Jacqueline Rae (resigned 24 May 2010)
David Bramley
Alan Loynes
Alastair Singleton
Steven Henry (resigned 27 July 2011)
Shirley Baines (appointed 15 November 2010)

Secretary

Patricia A England

Chief Executive

Steven J Hargreaves

Auditor

Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Bankers

Lloyds TSB Bank plc
249 Silbury Boulevard
Secklow Gate West
Milton Keynes
MK9 1NA

Solicitors

Stone King Sewell LLP
16 St John's Lane
London
EC1M 4BS

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Report of the Trustees (including the Directors' report) for the year ended 31 March 2011

The trustees, who are also the directors for the purposes of the Companies Act, are pleased to present their report and the financial statements of the charity and the group for the year ended 31 March 2011.

Structure, Governance and Management

Governing document

GrantScape is a company limited by guarantee governed by its Memorandum and Articles of Association. The company is registered as a charity with the Charity Commission. The trustees of the charity are also its members. The Memorandum and Articles are regularly reviewed by the trustees and during the year the charity's objects were reviewed and considered appropriate for its activities.

Recruitment and appointment of trustees

As set out in the Articles of Association, a maximum of nine trustees can be appointed. Following the resignation of Jacqueline Rae, decided that it is important to recruit a new trustee with relevant charity and grant-making skills. Shirley Baines was appointed to the board on 15 November 2010. Shirley has a financial background and manages a number of grant-making trusts. Steven Henry resigned on 27 July 2011. The trustees have yet to decide on his replacement. The charity has a formal Trustee Recruitment, Induction and Training Policy (last reviewed in January 2009) which requires an open and transparent recruitment exercise.

Trustees are aware of the need to maintain a balanced skill set and to ensure that a succession plan is in place to ensure that the board has the skills that it needs to perform its duties.

Trustees are encouraged and supported to attend appropriate external training events and are expected to keep up to date with changes in regulation and good practice that affect GrantScape. In addition, an annual training session is arranged to enable trustees to have an in-depth briefing on the changes to regulations and rules that have a direct impact on the Landfill Communities Fund (LCF).

Governance

The mission and the strategic direction of the charity were reviewed during 2009-10. The strategic direction of the charity was reviewed in February 2011 to ensure that the direction was still appropriate. No changes were made. The delivery targets established in 2009-10 and the business plan 2010-13 approved 2009-10 continue to define the activities of the charity. A plan and budget specific to 2011-12 were approved at the February 2011 board meeting.

We have reviewed our compliance with the provisions detailed in "Good Governance: A Code for the Voluntary and Community Sector" and are able to confirm that we comply with the Code or can explain why in those circumstances where we do not comply.

Risk Management

The trustees have a risk management strategy which includes:

- regular review and update of risks facing the group;
- the establishment of systems and procedures to manage the risks identified, where possible;
- the implementation of procedures designed to minimise any potential impact on the group should those risks materialise; and
- reporting the major risks identified to the board at each of its meetings.

Increasingly, the identification of risk is being built into the main strategic planning process, rather than being treated as a separate activity. Reporting to the board now routinely includes any changes identified in either the impact or probability of major risks occurring.

Following a review of the delegation of authority, a new scheme of delegation has been approved which is based on assessment of risk.

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Subsidiary Undertakings

The charity's wholly owned subsidiary, GrantScape Services Limited, exists to undertake trading activities, including consultancy and administration of grant programmes for third parties. During the year, GrantScape staff have also dealt with the affairs of GrantScape Services Limited within the delegated authority conferred by the board of that company.

Organisation

The charity has administrative and financial control procedures in place to ensure that its affairs are managed effectively. A board of trustees, who meet regularly, administer the charity. The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. He is supported by two Senior Managers (Grants and Finance) each of whom has a small team of staff. To facilitate effective delivery of the charity's business and development, the Chief Executive directs and manages all operational matters within a carefully prescribed delegation of authority, which has been reviewed during the year. The charity maintains a policy of equal opportunities and is committed to the training and personal development of its staff and trustees. Ongoing training programmes were fulfilled during the year. Trustees are therefore confident that the charity is staffed by committed and competent people who are able to undertake their duties to a high standard.

The charity performs its business within the Quality Framework laid down by the Association of Charitable Foundations (ACF). It has maintained compliance with Levels 1 and 2 and now complies with a substantial element of the highest level of the Framework, Level 3. However, as reported last year, ACF has announced plans to replace its existing Quality Framework with modules which complement the PQASSO Quality Standard. In light of this, the charity has started working towards achieving compliance with PQASSO. Compliance with Level 1 and a substantial element of Level 2 has been achieved during the year. The charity aims to meet standards set out in the relevant ACF modules when they become available.

In addition, we have developed a framework for monitoring continuous improvement of the organisation. This demonstrates not only our fitness for purpose as a grant-maker, but also a commitment to developing and improving internal systems and controls to an advanced level of practice.

The charity pursues an overall policy of transparency and clear communication. The board of trustees is required to confirm a 'declaration of interest' before any formal meeting, thereby managing any risk of conflict of interest. This is in addition to an annual register of interest return completed by all trustees and staff.

No trustee had any beneficial interest in any contract with the charity during the year.

ENTRUST

ENTRUST is the regulatory organisation which oversees the operation of Environmental Bodies enrolled under the LCF. During the year under review, ENTRUST charged a levy of 2.4% on all donations received from landfill operators.

The charity is enrolled as an Environmental Body (EB) with ENTRUST (enrolment number 341010). In 2009, the charity achieved registration under the EB Accreditation Scheme. This process reviews the control and governance framework of the EB and, once approved, means that the accredited body will be subject to a lighter regulatory touch. Following an annual audit carried out by ENTRUST in March 2011, GrantScape has received confirmation that it has retained its accreditation.

Objectives and Activities

The objects of the charity are to promote the protection, preservation and improvement of the environment for the benefit of the public and to advance the education of the public in matters concerning the environment, its conservation and protection. In addition, the charity has a role in the

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promotion of efficient and effective operation of charities and efficient use of charitable resources by both charitable and non-charitable bodies.

The charity's mission is to manage grant programmes to enhance the environment and strengthen communities for public benefit and its main activity remains that of making grants from donations received from landfill operators under the LCF. All projects supported must be compliant with the objects of the Landfill Communities Fund, which requires that projects provide a public benefit. Supplementary activities, such as training and consultancy work, aim to raise the standard of grant applications and grant-making in the sector.

Where grant programmes are limited geographically, this is usually by reference to proximity to a landfill operation and we make the boundaries clear within the specific programme criteria. It is made clear to applicants that projects must be open to the general public, with the exception of biodiversity projects where public access can be restricted if it would be detrimental to the work proposed. In such cases the public benefit is specific, for example the reintroduction of a species or improvement to the habitat, and occurs over a number of years, as well as providing a general contribution to biodiversity in the locality and nationally.

Our grant team aim to structure grant programmes and their criteria in such a way that they attract sufficient high quality applications to be oversubscribed, but not so many that it is impossible to assess and compare the applications fairly. Grantscape operates an online application process and clearly publicises the opening and closing dates for all grant programmes on its website. Applications received are assessed internally, especially to ensure compliance with LCF regulations. Most grant programmes, are then reviewed by a local or specialist advisory group and lastly by the trustee board, who make the final decision on which grants will be approved. At this point, the funds are considered committed, but grants are not accounted for in the Statement of Financial Activities until a signed funding offer is in place. This will usually take place within three to nine months of the decision, depending on the nature of the grant. Grants will normally be withdrawn if the funding offer is not signed within 12 months.

The majority of grants approved are paid in full and to the schedule agreed at the start of the grant. However, for a variety of reasons, some grants are not fully claimed or have to be withdrawn. In these cases, the amounts underspent are returned to the relevant pot of uncommitted funding, and reallocated at the next opportunity.

The charity is indebted to the volunteers who make up the advisory groups, who numbered 20 in the year under review, without whom the quality of our grant decisions would undoubtedly be poorer.

Public Benefit

The trustees confirm that they have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, planning future activities and reviewing the grant-making policy.

Grant-making Policy

The charity's grant-making policy, adopted in January 2006, was last reviewed by the trustees in February 2010 and remains unchanged. It states that:

- Grantscape will only make grants in line with its charitable objects;
- grants will be made on a justifiable and fair basis to projects which provide best value;
- grants will be made to projects that improve the environment and the life of communities;
- Grantscape will make available specific criteria for each of the grant programmes that it manages;
- all grants are subject to meeting the generic grant-making criteria as well as the specific grant programme criteria.

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Grant-making activity in the year

The table on page 6 below summarises grant-making activity, by number and value of grants, for each grant programme or related group of grant programmes in the year. The commitments brought forward relate to grants approved in the previous financial year, but where a funding offer letter (contract) was not signed during that year. Grants approved in the year reflect the decisions taken by the board, based on applications received. Successful applicants are then required to ensure that they are ready to take up the grant (eg by obtaining planning permissions or securing funding to complete the project). Once these steps are completed, a funding offer letter is issued. Grants are recognised in the SOFA once this document is signed.

Community Grant Programmes

GrantScape manages LCF grant programmes on behalf of six landfill operators. Under the Landfill Tax regulations, landfill operators are able to donate a percentage of their landfill tax liability to EB's enrolled with the LCF Regulator, ENTRUST, to be distributed as grants to compliant projects located in the vicinity of a landfill site. The charity works with landfill operators to maximise the monies available for distribution and to determine the criteria for each grant programme. It then manages all aspects of the programme from initial publicity to asset monitoring on completed projects. All rolling community grant programmes have an independent local Advisory Group, which meets after each funding round to review the applications received and make recommendations to the trustees. Details of the funding criteria including for each grant programme can be found on our website (www.grantscape.org.uk).

Details of community grant programme activity in the year are as follows:

Caird Bardon Community Programme

GrantScape has managed this grant programme for Caird Bardon Limited since April 2007, supporting projects delivering community benefit and enjoyment in West Yorkshire around the company's Peckfield landfill site. It is presently open to eligible groups in Leeds Metropolitan District areas. During the year, donations totalling £482,655 were made by the landfill operator and grants of £438,019 were approved for 19 deserving projects.

CWM Community and Environmental Fund

GrantScape has managed this grant programme for CWM Environmental Limited since April 2007, supporting projects delivering community and environmental benefits across Carmarthenshire. During the year, donations of £257,233 were received and grants of £267,169 were approved for 12 worthwhile projects.

Woodford Community and Environmental Fund

In March 2009, GrantScape was awarded the contract to create and manage a new grant programme for Woodford Waste Management Limited in Cambridgeshire. Unfortunately, some donations were lost to the Fund when Woodford Waste Management Limited went into administration in May 2010. The operation was purchased by its management who signed a new contract with GrantScape in July 2010 to continue the grant programme.

The Fund provides support to groups for new and improved community facilities and environmental projects in the vicinity of Woodford's landfill site at Warboys. In the last financial year £83,909 was received from the landfill operator and £59,100 allocated to five deserving projects. An independent local Advisory Group has been set up during the year.

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Grant-Making Activity in the Year by Donor

Movements in grants approved and contracted

Donor	Waste Recycling Group		Caird Barton		GWM Environmental		Woodford Waste Mgmt		Mick George		Whitemoss		Total	
	No	£'000	No	£'000	No	£'000	No	£'000	No	£'000	No	£'000	No	£'000
Commitments b/fwd	5	1,049	9	273	7	142	4	45	0	0	0	0	25	1,509
Grants approved in year	0	0	19	438	12	267	6	59	3	95	0	0	40	859
Adjustments to prior years	0	0	0	0	0	(4)	0	0	0	0	0	0	0	(4)
Grants contracted in year (see note 5)	(5)	(1,049)	(15)	(368)	(16)	(290)	(4)	(45)	(1)	(17)	0	0	(41)	(1,769)
Commitments c/fwd	0	0	13	343	3	115	6	59	2	78	0	0	24	595

The figures in this table reflect the movements in the "Committed but not contracted" designated reserve (see note 16).

Monies noted as received from Waste Recycling Group include the residue of donations from Shanks Waste Services Limited (subsequently renamed WRG Waste Services Limited and then brought into Waste Recycling Group)

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Mick George Community Fund

GrantScape entered into a contract with Mick George Ltd in May 2010 to manage the distribution of all their LCF donations. The Fund has approximately £200,000 per year to allocate in grants. Initially, the Fund was open only to applications from within the Parish of Rushton in Northamptonshire. Three grants totalling £94,890 have been awarded during the year.

In February 2011, the Fund's criteria were modified to allow applications to be submitted from any location within 5 miles of the Mick George Ltd landfill site in Rushton. The first deadline for these applications is September 2011. The fund will operate on a two round per year basis. An independent local Advisory Group is being established.

Whitemoss Community Fund

GrantScape entered into a contract with Whitemoss Landfill Ltd in September 2010 to manage the distribution of all their LCF donations. The Fund will provide grants of between £5,000 and £20,000 to fund community and environmental projects located in the West Lancashire Borough Council area, and that are within 5 miles of the Whitemoss landfill site in Skelmersdale. There is approximately £50,000 to distribute through a single funding round each year. The first deadline for applications was in March 2011 and 12 applications were received. Decisions on awards will be made in May 2011.

GrantScape's Community Greenspace Challenge Fund

In November 2010, GrantScape launched a £500,000 fund enabling community groups to apply for individual grants in the range £25,000 to £75,000. It is specifically designed to benefit the environment both for people and for wildlife, supporting people's health, well-being and access to nature. The Fund will commit a substantial proportion of the remaining LCF monies originally donated by Waste Recycling Group and its predecessors. The deadline for applications was May 2011 and decisions on the projects to be supported by this fund will be announced in September 2011.

Achievements and Performance

GrantScape is an innovative and progressive organisation. We therefore consider it important both to seek feedback on our grant-making and to gain insights on how other funders operate, since this enables us to benchmark our processes and systems against best practice and to improve.

As a matter of course, we therefore undertake systematic annual reviews of our grant-making performance and service by seeking structured feedback from all grant recipients when they have completed their projects, on the application process, documentation, quality of service, and overall satisfaction. For the calendar year-ended 2010, based on an exceptional 97% response rate, we achieved overall satisfaction ratings of 91% excellent (up 22% since last year) and 9% good. (down 22% from last year) As in previous years, we received no 'average' or 'poor' overall satisfaction ratings from our grant recipients.

The feedback received from grant recipients and applicants is used to continuously improve our processes and procedures and to enhance the service we provide to all our applicants.

Some of the comments and feedback are detailed below

GrantScape staff have been and always are a pleasure to deal with.
Leeds City Council

The information provided at all stages was clear and help was available throughout the application process. The operation of the Grant Team was streamlined and professional. The support our group received at all stages of the grant process was outstanding.
Bancyfelin Education Community Trust

An excellent scheme with Officers who understand biodiversity and the challenges of running a landscape level project.
The National Trust (Wales)

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The whole procedure and level of assistance were superb throughout.
Warboys Sports Social Club

Excellent support and guidance was given by GrantScape throughout the grant process.
Successful Applicant

I have worked through a few grant applications and funding sources applicable to aid the preservation of our heritage and this was by far the easiest in delivery from application to completion of the project.
The National Trust

This was far and away the easiest grant application I made, very clear and concise.
Rothwell Baptist Church

In addition to process-related feedback, we seek information on measurable outputs (number of volunteers used, partnerships created, and other project specific outputs such as number of trees planted or metres of footpath or hedgerow laid). Because of the diversity of the projects supported, it is not practical to summarise all of the outputs achieved.

We continue to be an active member of the Association of Distributive and Environmental Bodies (ADEB) with one of our staff now appointed as a Director of this organisation. We maintain our knowledge of the wider charitable sector through our memberships of The Association of Charitable Foundations (ACF), Charity Finance Directors' Group (CFDG), Association of Chief Executives in Voluntary and Community Organisations (ACEVO) and the Environmental Funders Network. We are also members of a number of local funding organisations and other specialist groups.

Strengthening Local Communities

All of our community grant-making continues to be based on two main considerations: the level of community support for and involvement in the projects and the local community benefit and enjoyment which will result from the projects. Details of the projects we have supported can be found on our website, particularly through our e-newsletter Outlook and dedicated e-newsletters that we produce for each ongoing grant programme.

Our community grant-making also supports the Government's Big Society principles whereby the majority of the grants we award are applied for and delivered by community groups, for the benefit of their wider communities.

Contribution to Biodiversity Action Plan Priorities

GrantScape is no longer in a position to continue contributing to large biodiversity Challenges Funds as we have done since 2005. However, our ongoing grant commitments, (which can be up to four years) require our grant recipients to continue to report on their action plans and project impacts via the national Biodiversity Action Reporting System (BARS). Habitats can take several years to regenerate and species several years to recover and/or re-colonise, and therefore it is generally difficult to identify significant short-term outcomes.

Some of our projects can demonstrate more instant results. For example, it is pleasing this year to report the successes achieved by the Devon Wildlife Trust's three year project entitled "Working Wetlands – Rebuilding the Biodiversity of Devon's Culm Grasslands". Culm grassland is arguably Devon's most important habitat and supports some of Devon's most threatened species, including the nationally rare Marsh Fritillary Butterfly, according to Devon's Biodiversity Action Plan. GrantScape's £400,000 grant has helped the Trust secure new, and enhance existing Culm grassland sites right across the County. The impact of the intensive project work is already making a difference. In a count in October 2010, an astonishing 300 plus Marsh Fritillary Butterfly larvae webs were recorded at Volehouse Moor Nature reserve. This is a new record for the site near Bradworthy.

Trading Activity

In April 2010, GrantScape Services Ltd secured a two-year contract to provide grant administration and management services for a community fund on behalf of Oxfordshire County Council.

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Unfortunately, the value and scope of the fund was affected by funding cuts, and a renegotiated contract in July 2010 left a fund of £250,000 to be distributed through a single funding round. The 'Oxfordshire Stronger Communities Fund' is designed to provide grants to community organisations throughout Oxfordshire. GrantScape Services Ltd is providing all aspects of the grant administration process, from the initial design of an online application form and associated process, right through to overseeing the completion of the successful grantees' projects. To date the programme is running to schedule, with the application and decision process now completed. The contract is due to end in May 2012.

We have continued to seek other trading activities and collaborative opportunities, but so far have not secured any further contracts.

In addition, we have run a number of successful training courses in making grant applications, targeted specifically at LCF biodiversity fundraising. This training has related to our charitable objects and has therefore been undertaken by the charity.

Financial Review

Incoming resources

LCF donations have increased by 24% this year to £1,067,216 and have been received this year from Caird Bardon £482,655 (2010 - £440,084), CWM Environmental £257,233 (2010 - £263,371), Woodford Waste Management £83,909 (2010 - £158,877), Mick George £209,404 (2010 - nil) and Whitemoss £34,015 (2010 - nil).

Interest receivable of £53,078 (2010 - £102,241) is broadly in line with our expectations, and is consistent with the low interest rates achievable and the level of cash balances held by GrantScape during the year.

Resources expended

All LCF donations received are subject to a levy by the LCF regulator, ENTRUST. This was 2.4% throughout the year under review, a cost of £25,082 (2010 - £19,576).

Charitable activity in the year totalled £1,849,639 (2010 - £1,081,256) and related to LCF grant-making. The majority of this was direct grant-making, with a total of 41 new grants worth £1,769,277 (2010 - £865,980) being contracted. A sum of £181,503 (2010 - £54,821) was returned to available funds as a result of projects being withdrawn or completing for less than the contracted amount. Other direct costs relating to grant-making, including costs of advisory groups, legal fees and IT support costs amounted to £4,128 (2010 - £7,791). The administrative and support costs associated with grant-making activity totalled £257,737 (2010 - £262,306) in the financial year.

The timescale in which approved grants come to contract is something which is largely outside the control of the charity, being reliant on the applicant group to complete any pre-contract conditions. At 31 March 2011 there were 24 grants worth £594,781 committed but not yet contracted (2010 - 25 grants worth £1,509,152).

Governance costs of £28,557 (2010 - £32,237) relate to the running of the charity, rather than the operational activities.

We have continued to work to reduce overheads and overall have achieved an 8% reduction over the 2010 administrative and support cost levels.

Trading activity and subsidiary undertakings

In April 2010, GrantScape Services won a tender to provide grant-making services to Oxfordshire County Council's Stronger Communities Alliance. Although the value of the fund and thus the amount of work required of us has been substantially reduced as a consequence of government spending

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cuts, we have received income of £21,235 and incurred direct costs of £20,645. In addition, we have incurred overhead costs £501.

We have continued to provide training courses on LCF grant applications, with a specific emphasis on the factors required for those seeking biodiversity grants. The income from training totalled £4,198 in the year (2010 - £2,500) with direct expenditure of £3,720 (2010 - £1,901).

In addition, overhead and administrative costs of £7,056 (2010 - £10,840) have been incurred in respect of activities relating to generating funds.

Balance Sheet

The key figures in the balance sheet and other supporting notes relate to the cash balances and how these are to be expended. The charity's reserves policy recognises the categories noted below as separate designated reserve funds.

At 31 March 2011, cash balances totalled £4,032,409. Of this, £2,168,605 is in respect of grants already contracted. £1,657,097 is payable within 12 months. The remaining £511,508 is payable after more than one year. A further £594,781 is reserved for grants committed but not yet contracted and £1,137,844 is reserved for grant-making, but has yet to be committed. Of the balance, £18,732 is available for spending on development work outside the LCF and the remainder is reserved to cover the costs of grant administration and post-completion monitoring.

A table of the balances and movements on these designated funds can be found in note 16 of the accounts.

Reserves policy

The reserves policy is reviewed annually by the board to ensure that it is still appropriate for the needs of the charity. It was last reviewed in February 2011 and currently states:

The board recognises the need to hold charitable funds as free reserves in order to fund contingencies, and to develop the wider activities of the charity.

The existing activity of grant-making and administration of grants given under the LCF and the ongoing monitoring and auditing of grants given in order to comply with the interpretation of the Landfill Tax Regulations, will be met from the designated LCF Administration Reserve. The level of funds held in the LCF Administration Reserve will be reviewed at least annually and any excess amounts released for grant-making.

Until such time as new, non-LCF, income streams are established, it is our policy to hold all non-LCF surpluses generated as free reserves in order to meet reasonable overhead and development costs as they arise.

However, the trustees are keen for the charity to be in a position to establish new and sustainable grants programmes, and will be reviewing income and reserves forecasts regularly to identify when this point is reached.

The free reserves, which represent monies generated by the group outside the scope of the LCF, currently stand at £18,732.

Investment policy

The Investment Policy was reviewed in February 2011 and states:

The board recognises the need to maximise the returns on the money the group holds. However the board believes that security of funds should take precedence over return.

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The majority of money held by the group is intended to meet commitments made under a grant offer, or for administering grant-making. It should therefore be placed in cash or near-cash deposits, thus enabling the charity to meet its cash commitments.

The board also requires that the charity's deposits should be spread across a number of financial institutions in order to reduce the risk that failure of a financial institution will have a serious impact on the charity.

The spread of and return from investments is reviewed quarterly

Plans for Future Periods

Our Mission is to manage grant programmes to enhance the environment and strengthen communities for public benefit.

To do this, GrantScape will continue to grow its funded programmes by:-

1. Establishing GrantScape as a centre of best practice in grant-making
2. Focusing upon our LCF grant-making experience and knowledge to maintain existing and build new income streams
3. Deploying our grant-making capabilities across other sectors as good opportunities arise
4. Seeking collaborative relationships to strengthen the achievement of our mission
5. Using GrantScape's surpluses for our own grant programme in the longer term

A business plan covering the period 2010 – 2013 was approved during the year ended 31 March 2010. This business plan has been reviewed and no significant changes were made.

Charitable activity will continue with the allocation of grants from the on-going grant programmes:

- Caird Bardon Community Programme
- CWM Community and Environmental Programme
- Mick George Community Fund
- Woodford Community and Environmental Fund
- Whitemoss Community Fund

In addition, as envisaged last year, the GrantScape Community Greenspace Challenge Fund was launched in November 2010 and grants are scheduled to be awarded in Autumn 2011.

New criteria agreed for the Mick George Community Fund at the end of the year under review will enable applications to be accepted from a five mile radius from the Rushton landfill site during the forthcoming year. This will enable a wider community to be eligible for these grants. However, grants awarded will be weighted in favour of applications from Rushton.

Discussions are ongoing with a number of other landfill operators regarding GrantScape delivering grant programmes for them under the auspices of the LCF. It is hoped that further medium term agreements will be signed during the forthcoming year with at least one of these landfill operators.

GrantScape Services Ltd will continue to administer the "Oxfordshire Stronger Communities Fund" grant programme on behalf of Oxfordshire Stronger Communities Alliance. Grants were awarded in March 2011 and GrantScape Services Ltd is responsible to monitor and evaluate the outcomes under the contract

The group will continue to seek opportunities to manage funds for grant-making, both within the LCF and outside it, and will seek opportunities to undertake consultancy and support work, including provision of training courses, for other not-for-profit organisations.

During the year, the opportunity to manage Community Benefit Funds associated with wind farms was identified and work commenced on positioning GrantScape to be able to pursue these opportunities as and when they occur. It is envisaged that significant progress will be made in the coming year with GrantScape managing/administering a number of these Community Benefit Funds.

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GrantScape will seek to maintain compliance with the "Good Governance" code and will review policies and procedures in the light of version 2 of the code, released in October 2010. GrantScape will also continue to be an accredited Environmental Body in the EB Accreditation Scheme overseen by ENTRUST. Consideration will be given to obtaining the ISO 9001 standard. Work will continue to ensure compliance with PQASSO Level 2 and the relevant ACF modules when they become available. The charity will continue its commitment to review and refresh existing policies and procedures as they fall due.

Statement of Trustees' Responsibilities

The trustees (who are also directors of GrantScape for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the group and of the income and expenditure of the charity and the group for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity and the group will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charity 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 charity and the group and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the trustees are aware:

- there is no relevant audit information of which the charity's and the group's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The maintenance and integrity of the charity's website is the responsibility of the trustees. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

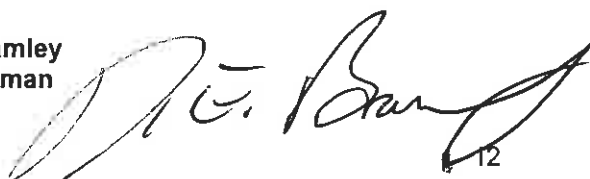
Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Approved by the Board on 15/08/2011

and signed on its behalf by:

D Bramley
Chairman



12

GRANTSCAPE

Independent Auditor's Report to the Members of GrantScape

We have audited the financial statements of Grantscape for the year ended 31 March 2011 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charity 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.

We have been appointed auditor under the Companies Act 2006 and section 43 of the Charities Act 1993 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Trustees to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charity's affairs as at 31 March 2011 and of the group's 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 requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

GRANTSCAPE

Independent Auditor's Report to the Members of GrantScape

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 1993 requires us to report to you if, in our opinion:

- the charity has not kept adequate and sufficient accounting records; or
- the charity's 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.

Chantrey Vellacott DFK LLP

Sally Jayne Bonner (Senior statutory auditor)
for and on behalf of CHANTREY VELLACOTT DFK LLP
Chartered Accountants and Statutory Auditor

CHANTREY VELLACOTT DFK LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Date: 15th AUGUST 2011

GRANTSCAPE

Consolidated Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2011

	Notes	Unrestricted funds 2011 £	Unrestricted funds 2010 £
Incoming resources			
Incoming resources from generated funds			
Voluntary income - donations under LCF	2	1,067,216	862,332
Voluntary income - other donations		-	6,079
Activities for generating funds	4	25,433	35,817
Interest receivable	3	53,078	102,241
		<hr/>	<hr/>
Total incoming resources		1,145,727	1,006,469
<hr/>			
Resources expended			
Costs of generating funds			
Costs of generating voluntary income - ENTRUST fee		25,082	19,576
Costs of consultancy & training services		31,421	46,230
		<hr/>	<hr/>
		56,503	65,806
Charitable activities			
LCF grants and grant-making	5	1,849,639	1,081,256
Governance costs			
	6	28,557	32,237
		<hr/>	<hr/>
Total resources expended		1,934,699	1,179,299
<hr/>			
Net outgoing resources, being net expenditure for the year and net movement in funds		(788,972)	(172,830)
Fund balances brought forward at 1 April 2010		2,823,884	2,996,714
		<hr/>	<hr/>
Total funds carried forward at 31 March 2011	16	2,034,912	2,823,884
		<hr/>	<hr/>

There is no difference between the net outgoing resources for the year stated above and the historical cost equivalent.

The statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 17 to 26 form part of these financial statements

GRANTSCAPE

Balance sheets at 31 March 2011

	Notes	Group 2011 £	Charity 2011 £	Group 2010 £	Charity 2010 £
Fixed assets					
Tangible fixed assets	11	2,703	2,703	5,875	5,875
Investment in subsidiary undertaking	12	-	1	-	1
		<u>2,703</u>	<u>2,704</u>	<u>5,875</u>	<u>5,876</u>
Current assets					
Debtors	13	196,397	200,295	124,730	126,250
Cash at bank and in hand		4,032,409	4,026,109	5,384,879	5,382,118
		<u>4,228,806</u>	<u>4,226,404</u>	<u>5,509,609</u>	<u>5,508,368</u>
Creditors:					
Amounts falling due within one year	14	1,685,089	1,685,089	(2,171,840)	(2,172,912)
		<u>2,543,717</u>	<u>2,541,315</u>	<u>3,337,769</u>	<u>3,335,456</u>
Net current assets					
		<u>2,546,420</u>	<u>2,544,019</u>	<u>3,343,644</u>	<u>3,341,332</u>
Total assets less current liabilities					
Creditors:					
Amounts falling due after more than one year	15	511,508	511,508	(519,760)	(519,760)
		<u>2,034,912</u>	<u>2,032,511</u>	<u>2,823,884</u>	<u>2,821,572</u>
Net assets					
		<u>2,034,912</u>	<u>2,032,511</u>	<u>2,823,884</u>	<u>2,821,572</u>
Represented by:					
Total funds - unrestricted	16	2,034,912	2,032,511	2,823,884	2,821,572

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Approved by the trustees and authorised for issue on *15th August 2011* and signed on their behalf by:



A SINGLETON
Trustee

Company Registration Number: 4914470

The notes on pages 17 to 26 form part of these financial statements

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006, applicable United Kingdom accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005.

b) Basis of consolidation

The group financial statements consolidate those of the charity and its subsidiary undertakings drawn up to 31 March 2011. The results of the charity's non-charitable subsidiary, GrantScape Services Limited, have been consolidated on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by the Companies Act 2006 and paragraph 397 of the SORP.

c) Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the group is small.

d) Incoming resources

- i) LCF donations are recognised on a receivable basis;
- ii) Other donations, including gift aid donations, are recognised on a receivable basis;
- iii) Income from commercial trading activities (consultancy; project management; grant scheme administration) is recognised as earned;
- iv) Interest receivable is recognised on a receivable basis.

e) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive, where applicable, of any VAT which cannot be recovered and comprise the following:

- i) Costs of generating funds includes those costs and attributable support costs directly related to the consultancy and project management activities undertaken;
- ii) Charitable activities comprise expenditure on the charity's primary charitable purposes as described in the Report of the Trustees, and include:
 - grant expenditure – grants for projects are recognised in full in the accounts once a signed funding offer is in place, since control for meeting the conditions of the grant (the "milestones") passes to the grant recipient regardless of the expected duration of the grant;
 - other direct expenses and attributable support costs incurred on the specific objects of the charity.
- iii) Governance costs comprise costs incurred (including attributable support costs) on the governance of the charity, (organisational and strategic procedures) and the necessary legal procedures for compliance with statutory requirements, as shown in note 6.

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

f) Fund accounting

The general fund (free non-LCF reserve) comprises those monies which may be used towards meeting the general charitable objects of the charity at the discretion of the trustees.

Designated funds are monies set aside out of general funds and designated for specific purposes by the trustees. The charity has designated funds as shown in note 16.

Restricted funds are monies donated for a specific purpose. The charity has no restricted funds.

g) Tangible fixed assets

All assets costing more than £500 and with an expected useful life of more than one year are capitalised. Depreciation is not charged on expenditure on assets not yet in use. Depreciation on other tangible fixed assets is charged so as to write off their full costs, less estimated residual value, over their expected useful lives at the following rates:

Office equipment:	
Office furniture	- 20% of cost
Other office equipment	- 33 ¹ / ₃ % of cost
Computer software	- 50% of cost

h) Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities/Income and Expenditure account on a straight line basis over the period of the lease.

i) Pensions

The charity provides a defined contribution pension scheme, the assets of which are held separately from those of the charity in an independently administered fund. This is a group personal pension scheme, to which the charity contributes 11% of gross salary. Contributions to this scheme are charged to the Statement of Financial Activities/Income and Expenditure account as they become payable.

2	Voluntary income	2011 £	2010 £
	LCF donations receivable from the following landfill operators:		
	CWM Environmental Ltd	257,233	263,371
	Caird Bardon Ltd	482,655	440,084
	Woodford Waste Management Ltd	83,909	158,877
	Mick George Ltd	209,404	-
	Whitemoss Landfill Ltd	34,015	-
		1,067,216	862,332
		1,067,216	862,332
3	Interest receivable	2011 £	2010 £
	Bank interest	53,078	102,241
		53,078	102,241
		53,078	102,241

GRANTSCAPE

Notes to the financial statements
For the year ended 31 March 2011

4	Activities for generating funds	2011	2010
		£	£
	Consultancy and project management	-	33,291
	Grant programme	21,235	-
	Training	4,198	2,500
	Fundraising activities	-	26
		25,433	35,817
5	Charitable activities	2011	2010
		£	£
	Grants contracted	1,769,277	865,980
	Grants no longer required	(181,503)	(54,821)
	Other direct costs	4,128	7,791
	Salary and related costs	206,851	198,129
	Other attributable support costs	50,886	64,177
		1,849,639	1,081,256

All grants are made to organisations or properly constituted groups. At present, all grant-making activity relates to donations received under the LCF, so grants must also meet the requirements of that Fund. An analysis of the grants contracted split between the six main donors can be found at note 16.

The following table summarises grants contracted, analysed by LCF object, which closely relates to the objects of the charity:

LCF Object:	No	£
d Provision, maintenance or improvement of public amenities	34	690,084
da Biodiversity of the natural habitat	6	1,059,193
e Maintenance, repair or restoration of historic/religious buildings	1	20,000
	41	1,769,277

The following 41 grants, with a value of £1,769,277 were contracted by the charity during the year:

Project applicant and name	LCF object	Contracted amount £
PLANTLIFE INTERNATIONAL		
<i>Ensuring a Sustainable Future for Threatened Breckland Plants</i>	da	193,472
LONDON BOROUGH OF ISLINGTON		
<i>Greening Grimthorpe – Creating an Urban Wildlife Estate in Islington</i>	da	49,800
THE GRASSLANDS TRUST		
<i>Making A Beeline To Carmel's Meadows</i>	da	204,484
KENT WILDLIFE TRUST		
<i>The Great Wilderness Down Conservation Complex</i>	da	301,437
RSPB		
<i>Getting bogged down at Dove Stone</i>	da	300,000
TOTAL - WASTE RECYCLING GROUP FUNDS		1,049,193
EAST LEEDS COMMUNITY SPORTS CLUB		
<i>East Leeds Community Sports Club - Providing new kitchen and dining area</i>	d	50,000
MICKLEFIELD PARISH COUNCIL		
<i>Micklefield Garden Village Bankings (Great North Road Regeneration)</i>	d	10,000

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

HILLAM AND MONK FRYSTON CRICKET CLUB <i>Hillam and Monk Fryston Community Sports Pavilion</i>	d	33,000
YORKSHIRE DALES RIVERS TRUST <i>Returning Salmon to the River Wharfe</i>	da	10,000
GIRLGUIDING GARFORTH <i>Scouts and Guides Headquarters, Barley Hill Road, Garforth - Improvements</i>	d	40,000
OSSIE WOODEN TOPS <i>Ossie Community Sensory Garden</i>	d	7,600
METHLEY PAROCHIAL CHURCH COUNCIL <i>St. Margaret's Hall, Mickletown, Methley – Replacement</i>	d	50,000
SEACROFT VILLAGE HALL <i>Refurbishment of function room and kitchens</i>	d	18,000
ARTLINK WEST YORKSHIRE <i>The Phoenix Project</i>	d	37,925
LEEDS CITY COUNCIL <i>To provide a MUGA for the greenspace between Magpie Lane and Wide Lane Morley</i>	d	7,000
THE LEEDS GROUNDWORK TRUST <i>Victoria Gardens</i>	d	25,000
KIPPAX METHODIST CHURCH <i>Providing new facilities for Kippax Methodist Church</i>	d	18,000
SHADWELL CRICKET CLUB <i>Shadwell CC Pavilion Construction</i>	d	20,000
LEEDS CITY COUNCIL <i>Phys-Cap Park</i>	d	35,000
HAWKSWORTH WOOD COMMUNITY ASSOCIATION (LEEDS) <i>Hawksworth Wood - Community IT suite</i>	d	6,600
TOTAL – CAIRD BARDON FUNDS		<u>368,125</u>
PWYLLGOR LLESIANT PORTHYRHYD WELFARE COMMITTEE <i>Cae'r Efail, Porthyrhyd - Providing a Sensory Garden and Play area</i>	d	20,000
FRIENDS OF BLAENAU CHILDREN'S CENTRE <i>Blaenau Children's Centre Specialist Outdoor Play Area and Sensory Garden</i>	d	18,904
WHITLAND MEMORIAL HALL <i>Whitland Memorial Hall - Renovation and Modernisation</i>	d	14,816
RAMOTH BAPTIST CHAPEL <i>Ramoth Baptist Chapel Replace and Replacement Scheme.</i>	e	20,000
LLANDYFAELOG COMMUNITY COUNCIL <i>Idole Field Project</i>	d	5,000
LLANELLI RURAL COUNCIL <i>Felinfoel Recreation Ground – Redevelopment</i>	d	50,000
DREFACH CRICKET AND FOOTBALL CLUB <i>Drefach Cricket and Football Club, Llanelli - Drainage of Playing Field</i>	d	20,000
CROSS HANDS PUBLIC HALL <i>Cross Hands Public Hall - Improvement Scheme</i>	d	11,000
SEASIDE COMMUNITY ASSOCIATION LIMITED <i>Carmarthenshire Dock Phase 2 – Interpretation</i>	d	9,000
LLANSTEFFAN SPORTS CLUB <i>Llansteffan Multi- Use Games Area</i>	d	27,497
POBL Y FFOREST <i>Brechfa Forest, Carmarthen - Keepers Entrance Improvement Works</i>	d	5,200
THE FERRYSIDE VILLAGE FORUM <i>Providing a new Playground for Ferryside Play Park</i>	d	25,150

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

CARMARTHEN AND DISTRICT HARRIERS ATHLETICS CLUB <i>Provision of additional floodlights at the Carmarthen Athletics Track</i>	d	23,000
THE WILDLIFE TRUST OF SOUTH AND WEST WALES (WTSWW) <i>Castle Woods Restoration Project</i>	d	8,724
LLANFYNYDD SCHOOL PARENTS, TEACHERS AND FRIENDS ASSOCIATION <i>Llanfynydd Community Sensory Garden</i>	d	6,798
CARMARTHEN WANDERERS CRICKET CLUB <i>Club & Community Pavilion Project, Carmarthen</i>	d	25,000
TOTAL – CWM ENVIRONMENTAL FUNDS		290,089
WARBOYS SPORTS & SOCIAL CLUB <i>New Heating Boiler, Water Cylinder and Oil Tank - Warboys Sports and Social Club</i>	d	7,200
SOMERSHAM PARISH COUNCIL <i>Play Space Improvements on the Norwood Playing Field, Somersham</i>	d	8,480
CENTRAL MANCHESTER UNIVERSITY HOSPITALS NHS FOUNDATION TRUST CHARITY <i>Boulevard for the New Hospitals Development</i>	d	20,000
BENWICK PARISH COUNCIL <i>Benwick Mooring Site</i>	d	9,500
TOTAL – WOODFORD WASTE MANAGEMENT FUNDS		45,180
THE WILDLIFE TRUST FOR BEDFORDSHIRE CAMBRIDGESHIRE NORTHAMPTONSHIRE AND PETERBOROUGH <i>Action for Access at Barford Wood and Meadows</i>	d	16,690
TOTAL – MICK GEORGE FUNDS		16,690
GRAND TOTAL		1,769,277

6 Governance costs	2011	2010
	£	£
Auditor's remuneration	10,195	9,497
Trustees'/directors' expenses	1,550	2,193
Trustees' recruitment, development and training	-	320
Trustee indemnity insurances	2,315	2,573
Other costs, including attributable support costs	14,497	17,654
	28,557	32,237

GRANTSCAPE

**Notes to the financial statements
For the year ended 31 March 2011**

7 Net outgoing resources for the year
This is stated after charging:

	2011	2010
	£	£
Auditor's remuneration	10,195	9,497
Depreciation	4,389	4,195
	<u><u> </u></u>	<u><u> </u></u>

8 Subsidiary undertakings

A summary of the activities of the subsidiary is set out below:

	GrantScape Services Limited	
	2011	2010
	£	£
Income	21,235	-
Expenditure	(21,146)	(35)
	<u><u> </u></u>	<u><u> </u></u>
Surplus/(deficit) for the year	89	(35)
	<u><u> </u></u>	<u><u> </u></u>
Net assets	2,402	2,313
	<u><u> </u></u>	<u><u> </u></u>

9 Staff costs and trustees' fees and expenses

The average number of staff analysed by function is:

	2011	2010
	No	No
Chief Executive	1	1
Grant-making	4	4
Management & Administration	2	2
	<u><u> 7</u></u>	<u><u> 7</u></u>
	<u><u> </u></u>	<u><u> </u></u>
	2011	2010
	£	£
Wages and salaries	200,141	202,781
Social security costs	20,127	20,390
Pension costs	19,803	19,803
	<u><u>240,071</u></u>	<u><u>242,974</u></u>
	<u><u> </u></u>	<u><u> </u></u>

Where relevant, time costs have been recharged between group companies based on time expended, at rates calculated to absorb support costs.

There were no employees whose emoluments, including pension contributions, were greater than £60,000.

The trustees are not remunerated. However, the Memorandum and Articles of Association permit reimbursement of expenses, plus payment to no more than 50% of trustees for professional services. No trustees have been paid for their professional services during the year (2010 - £nil).

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

9 Staff costs and trustees' fees and expenses (cont'd)

The following expenses have been paid during the year:

	2011 £	2010 £
D Bramley	545	741
D de Freitas	284	287
S M Henry	54	120
A Loynes	52	142
A Singleton	580	1,415
S Baines	35	-
	<u>1,550</u>	<u>2,705</u>

At the year end an amount of £257 in respect of trustee expenses (2010 - nil) is included in other creditors.

10 Taxation

The company is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as they fall within the exemptions available to registered charities.

11 Tangible fixed assets

Group and charity	Office equipment £
Cost	
At 1 April 2010	39,430
Additions	1,217
Disposals	(1,034)
	<u>39,613</u>
At 31 March 2011	<u>39,613</u>
Depreciation	
At 1 April 2010	33,555
Charge for the year	4,389
Disposals	(1,034)
	<u>36,910</u>
At 31 March 2011	<u>36,910</u>
Net book value	
At 31 March 2011	<u>2,703</u>
At 31 March 2010	<u>5,875</u>

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

12 Investment in subsidiary undertaking

	Group 2011 £	Charity 2011 £	Group 2010 £	Charity 2010 £
Shares in subsidiary undertaking				
At cost	-	1	-	1

The investment represents the entire share capital of GrantScape Services Limited, a company incorporated in England and Wales. The company is engaged in the provision of consultancy services, project management and grant administration services.

The results and financial position of the subsidiary undertaking are shown in note 8.

13 Debtors

	Group 2011 £	Charity 2011 £	Group 2010 £	Charity 2010 £
Trade debtors	-	-	2,572	2,572
Amounts owed by group undertakings	-	8,812	-	1,520
Other debtors	-	-	160	160
Prepayments and accrued income	196,397	191,483	121,998	121,998
	<u>196,397</u>	<u>200,295</u>	<u>124,730</u>	<u>126,250</u>

14 Creditors: amounts falling due within one year

	Group 2011 £	Charity 2011 £	Group 2010 £	Charity 2010 £
Trade creditors	6,414	6,414	3,200	3,200
Amounts owed to group undertakings	-	-	-	1,072
Other taxes and social security costs	5,839	5,839	5,626	5,626
Other creditors	730	730	473	473
Accruals and deferred income	15,009	15,009	15,817	15,817
Obligations in respect of grants contracted	1,657,097	1,657,097	2,146,724	2,146,724
	<u>1,685,089</u>	<u>1,685,089</u>	<u>2,171,840</u>	<u>2,172,912</u>

15 Creditors: amounts falling due after more than one year

	Group 2011 £	Charity 2011 £	Group 2010 £	Charity 2010 £
Obligations in respect of grants contracted	511,508	511,508	519,760	519,760

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

16 Funds

In order to aid understanding, certain of the group's reserves are designated, thus reflecting the fact that they are for a specific purpose and do not form part of the group's "free reserves". The designations adopted are:

- i) LCF funds not yet committed – reflects the balance of LCF funds available for distribution as grants. The reserve is sub-analysed by donor. Funds are transferred from this to the "committed not yet contracted" reserve following funding decisions taken at trustees' meetings. Where grant recipients do not draw down all funds granted, or where grants are withdrawn after being contracted, funds not utilised are returned to this reserve.
- ii) LCF funds committed not yet contracted – this designation represents funds allocated to grants, but awaiting a formal funding agreement. Outgoing resources represent grants for which a formal funding offer is now in place. Again, the reserve is sub-analysed by donor. Where grants are withdrawn before being contracted, surplus funds are transferred back to "funds not yet committed".
- iii) LCF Administration Reserve – historically, as LCF funds have been received, 10% has been retained to cover future grant administration costs. These designated funds are to enable the charity to complete the administration of grants, despite the current low level of LCF income. The level of funds held within this reserve is kept under review;

The residual "free reserves" represent monies which do not relate to the LCF reserves. These funds, built up from consultancy activity and including profits gift-aided by GrantScape Services Limited, are important as they provide the charity with funds to invest in developing new projects outside the LCF.

	Fund balances b/forward £	Incoming resources £	Outgoing resources £	Transfers between designated funds £	Fund balances c/forward £
LCF Funds not yet committed					
Waste Recycling Group	555,495	-	181,463	-	736,958
Caird Bardon	168,335	434,389	(11,043)	(438,019)	153,662
CWM Environmental	152,002	231,510	(6,174)	(262,897)	114,441
Woodford Waste Mgmt	3	75,518	(1,983)	(59,100)	14,438
Mick George	-	188,463	(5,026)	(94,890)	88,547
Whitemoss	-	30,614	(816)	-	29,798
	875,835	960,494	156,421	(854,906)	1,137,844
LCF Funds committed not yet contracted					
Waste Recycling Group	1,049,193	-	(1,049,193)	-	-
Caird Bardon	272,587	-	(368,125)	438,019	342,481
CWM Environmental	142,192	-	(290,089)	262,897	115,000
Woodford Waste Mgmt	45,180	-	(45,180)	59,100	59,100
Mick George	-	-	(16,690)	94,890	78,200
Whitemoss	-	-	-	-	-
	1,509,152	-	(1,769,277)	854,906	594,781
LCF Admin Reserve	414,232	159,572	(290,249)	-	283,555
Free (Non-LCF) Reserve	24,665	25,661	(31,594)	-	18,732
Total Reserves	2,823,884	1,145,727	(1,934,699)	-	2,034,912

GRANTSCAPE

Notes to the financial statements For the year ended 31 March 2011

17 Liability of members

The charity is constituted as a company limited by guarantee. In the event of the charity being wound-up, members are each required to contribute an amount not exceeding £1. There were six members at 31 March 2011 (six members at 31 March 2010).

18 Parent charity results

Total incoming resources in the year for the parent charity were £1,124,492. Total resources expended in the year were £1,913,553, and net outgoing resources totalled £789,061.

19 Related party transactions

The charity prepares consolidated financial statements and is therefore exempt from the requirement to disclose transactions with group companies under FRS8.

Fees and expenses paid to trustees and details of transactions with trustees are shown in note 9.

There were no other related party transactions in the year.