

**Company Registration No: 4914470**  
**Charity Registration No: 1102249**



**GRANTSCAPE**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2006**

# GRANTSCAPE

## Financial statements For the year ended 31 March 2006

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# **GRANTSCAPE**

## **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

### **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**

Andrew Ladds  
The Hon Richard Evans (resigned 30 January 2006)  
Jacqueline Rae  
Douglas L de Freitas

#### **Secretary**

Patricia A England

#### **Chief Executive**

Steven J Hargreaves

#### **Auditors**

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

#### **Bankers**

Lloyds TSB Bank plc  
25 Gresham Street  
London  
EC2V 7HN

#### **Solicitors**

Stone King  
28 Ely Place  
London  
EC1N 6TD

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

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 for the year ended 31 March 2006.

#### **Structure, Governance and Management**

##### Governing document

GrantScape is a company limited by guarantee governed by its Memorandum and Articles of Association which were amended in respect of its change of name from Shanks First Fund and to remove WRG Waste Services Limited (previously Shanks Waste Services Limited) as a member on 6 June 2005. The company is registered as a charity with the Charity Commission. The trustees of the charity are also its members.

##### Recruitment and appointment of trustees

As set out in the Articles of Association, a maximum of seven trustees can be appointed. This helps to ensure a balanced skill set, an enduring affinity with the charity's business and objectives and the ability to develop the organisation. During the year, a trustee skills audit was undertaken by an external consultant. The conclusions drawn from this review were that all key skill sets were covered, but that recruitment of additional trustees was essential to allow the board to function as intended.

As a consequence of this review, a recruitment exercise, performed in an open and advertised manner, commenced prior to the year end. It is planned that up to four additional trustees will be selected and that up to two non-executive directors will be appointed to the GrantScape Services Limited board by summer 2006.

A formal Recruitment Policy was adopted in November 2005.

##### Trustee induction and training

The need to have a formal induction process was also identified as part of the skills audit. Development of the induction process based on previous experience, charity best practice and the specific needs of GrantScape has subsequently been undertaken by the Chief Executive and current trustees. In addition, new trustees are given a trustee handbook, which includes copies of all key documents, together with relevant Charity Commission guidance. Handbooks are recalled and updated as required for all trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role and are expected to keep up to date with changes in regulation and good practice that impact GrantScape.

Formal Induction and Training Policies were adopted in November 2005.

##### Subsidiary Undertakings

The charity is the sole member of EB Nationwide Limited, a company limited by guarantee which was established in 1997 to receive donations and make grants under the auspices of the Landfill Tax Credit Scheme (LTCS). EB Nationwide Limited is no longer receiving donations, but still has remaining obligations in respect of grants made in earlier years.

The charity's wholly owned subsidiary, GrantScape Services Limited, was established in August 2004 to undertake trading activities including consultancy and administration of grant programmes for third parties. The company name was changed from First Support Services Limited in April 2005.

GrantScape staff also deal with the affairs of EB Nationwide Limited and GrantScape Services Limited within the delegated authority conferred by the boards of those companies.

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

#### Organisation

The group has administrative and financial control procedures in place to ensure that its affairs are correctly managed. A board of trustees, who meet quarterly, administer the charity. The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. He is currently supported by four grant staff, two finance staff and a receptionist/pa. Since the year end, a General Manager has been appointed to be responsible for GrantScape Services Limited. 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.

Trustees, equipped with appropriate skills, lead and participate in the organisational committees of the charity. These comprise the Finance & Legal Committee and the Grants Committee. Members of the management team and operational staff also sit on these committees. The charity's delegation of authority clearly defines the authority limits of these committees, both of which report to the board of trustees. The committees are guided by the charity's policies relating to investment, reserves, risk management, health and safety, HR and grant making. The charity performs its business within the Quality Framework laid down by the Association of Charitable Foundations and has almost achieved compliance with Level 2 of the Framework.

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

One of the trustees, Andrew Ladds, is remunerated for his services to the charity in provision of corporate governance advice, this being in line with the organisation's Memorandum and Articles of Association.

Travel and subsistence expenses are reimbursable for all trustees, though were only claimed by three trustees during the year.

No trustee had any beneficial interest in any contract with the charity during the year, save that described above.

#### ENTRUST

The charity and its subsidiary EB Nationwide are enrolled with ENTRUST (enrolment numbers 341010 and 760828 respectively), a regulatory organisation which oversees the operation of environmental bodies enrolled under the LTCS. ENTRUST charge a levy of 2% on all donations received from landfill site operators. During the year the charity submitted an application to become a Certified EB in accordance with ENTRUST guidelines.

#### Risk Management

The trustees have a risk management strategy which includes:

- regular review and update of the charity's Risk Register;
- 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 charity should those risks materialise.

During the year, the charity has also worked to improve the documentation of its internal controls procedures and to link these in to the key risks identified in the Risk Register. The two main risks identified from this process were:

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

- lack of incoming resources to fund future grant programmes and the administration of the charity;
- lack of public awareness of the charity and the grant programmes and services it offers.

In order to manage these risks, the following actions have been taken:

- the broadening of the charity's revenue streams to compensate for the loss of its former LTCS donations and to ensure that the charity can be sustained;
- a strengthening of general management skills by recruiting a General Manager to develop the trading subsidiary and strengthen the succession planning process;
- specific actions to raise the profile of the charity including the launch events in June 2005, distribution of the "Outlook" newsletter and development of the website.

### **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 and in particular:

- to promote reclamation, remediation, restoration or any other operation to facilitate the economic, social or environmental use of land where its use has been prevented or restricted by pollution damage because of its previous use
- to promote any operation intended to prevent or reduce any potential causes for pollution or to remedy or mitigate the effects of any pollution or land which has suffered or may suffer pollution as a result of a previous activity carried out on the land
- to promote research and development (including the dissemination of the useful results of that research) and to educate the public in the benefits of sustainable waste management practices
- to promote research and development (including the dissemination of the useful results of that research) and to educate the public in the benefits of recycling waste
- to promote the provision, maintenance or improvement of a public park, recreation ground, open space or other public amenity for the protection of the environment in the vicinity of a landfill site provided that they shall not be operated for profit
- to promote, where it is for the protection of the environment, the maintenance, repair or restoration of a building or other structure which is a place of religious worship or of historical architectural interest, which is open to the public and is in the vicinity of a landfill site
- to promote, where it is for the protection of the environment, biodiversity of the natural habitat of land or in water situated within the vicinity of a landfill site.

The charity's aim is to improve the life of communities and the environment by the channelling and management of charitable funding towards deserving and quality projects.

This year has been one of change. Historically the charity was solely a distributor of LTCS funding, but the loss of the major part of this source of donations has required a significant change in its focus. The main objective is now the development of complementary funding bases to sustain the charity and its future grant-making programmes. In addition, the trustees and management are making use of this time to improve awareness of the charity and the trading subsidiary, to work towards the development of strategies for all areas of the business and to ensure that the charity's grant-making procedures are fair, easy to use and accessible.

## GRANTSCAPE

### Report of the Trustees (including the Directors' report) for the year ended 31 March 2006

#### Grant Making Policy

A revised grant-making policy was adopted by the Grants Committee in January 2006:

- GrantScape will only make grants in line with its charitable objectives;
- 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 life of communities and the environment;
- 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.

The charity's main activity remains that of making grants from donations received from landfill operators under the LTCS. All projects supported must also be compliant with the objects of the scheme.

The charity currently has the following donors and grant programmes:

Donor	Programme Title	Applications closed	Awards announced	Value (approx)
WRG Waste Services	Biodiversity Challenge Fund 2005	March 05	June 05	£3.5m
WRG Waste Services	Biodiversity Challenge Fund 2006	March 06	June 06	£2.5m
Caird Bardon	Caird Bardon Fund	Ongoing	Ongoing	£235k pa
CWM Environmental	CWM Environmental Fund	Ongoing	Ongoing	£135k pa

In addition to these programmes, the charity has continued to administer LTCS grants from earlier sustainable waste management and community programmes. The final meeting at which these grants were approved was in May 2005.

#### **Achievements and Performance**

A major change at the beginning of the year was the launch of the new identity, with the charity changing its name to GrantScape, thereby reflecting its grant-making purpose, its environmental and community linkage and the alignment of its charity identity with independent funding.

On 24 May 2005, an agreement was signed with WRG Waste Services Limited and Waste Recycling Environmental Limited (WREN) formally acknowledging that all future LTCS donations from WRG Waste Services Limited will be paid to WREN. Arising from the agreement, WRG Waste Services Limited also resigned as a member of the charity and relinquished its right to nominate a trustee. On 6 June 2005, the trustees were able to formally adopt the name GrantScape.

The launch of GrantScape took place at the House of Lords on 17 June 2005. This event also featured the announcement of the awards from the charity's Biodiversity Challenge Fund 2005. This was followed on 18 June with a similar event staged at the National Botanic Garden of Wales and specifically featured a significant award for the Gower peninsular. Both events contributed to the charity's visibility, the re-enforcement of its environmental credentials and increased awareness of the services available through GrantScape Services Limited.

In September 2005, the charity was short listed for the "Best New Charity" category of the Charity Times Awards.

The charity has continued to manage grants from previous periods, as well as undertaking new grant programmes. The table below summarises activity, in both volume and value, in committing funds to grants and bringing them to contract. There are also cross-references to relevant accounts notes. There can be substantial time delays, outside the control of the charity, between the approval of grant

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### Report of the Trustees (including the Directors' report) for the year ended 31 March 2006

funding and the signing of the funding offer letter, which is why some commitments have been carried forward at the end of the financial year. However, every effort is made to ensure that the process is completed in as timely and efficient a way as possible. Inevitably some projects do not go ahead (shown as grants withdrawn in the year).

	Accounts		
	Note	No	£
Commitments to grants brought forward	16	72	1,643,316
New grants approved in year		47	4,534,908
Grants withdrawn in year		(4)	(49,650)
Grants contracted in year	5	(90)	(4,458,983)
Commitments to grants carried forward	16	25	1,669,591

Details of the new grants approved in the year can be seen on the charity's website ([www.grantscape.org.uk](http://www.grantscape.org.uk)).

The following table shows this activity split between the three main LTCS donors. The WRG Waste Services column includes activity for both the Biodiversity Challenge Fund 2005 and the remaining community grants made during the year. The final line of the table shows donations received but not yet committed. Note that £2.5 million of the WRG Waste Services balance has been committed since the year end through the Biodiversity Challenge Fund 2006.

Donor:	WRG Waste Services		Caird Bardon		CWM Environmental	
	No	£	No	£	No	£
Commitments b/forward	70	1,516,214	1	17,102	1	110,000
Approved in year	42	4,334,888	3	168,020	2	32,000
Withdrawn in year	(3)	(32,548)	(1)	(17,102)	-	-
Contracted in year	(87)	(4,271,758)	(1)	(55,225)	(2)	(132,000)
Commitments c/forward	22	1,546,796	2	112,795	1	10,000
Funds not yet committed (see note 16)		<u>£5,032,956</u>		<u>£100,702</u>		<u>£109,311</u>

During the year staff have also put into place a post-completion monitoring system to ensure that assets acquired with LTCS grants are properly maintained and retained in use.

#### Biodiversity grants

The charity's commitment to the environment was ably demonstrated by the allocation of funding towards a key area of LTCS focus, namely support for biodiversity. This used funds donated by WRG Waste Services Limited in previous years. The charity recognises the need to demonstrate a lead in environmental grant-making.

Applications for the Biodiversity Challenge Fund 2005 were assessed by a panel made up of both biodiversity experts and Grants Committee members, and final decisions on the grants to be awarded were made by trustees in June. The table on page 7 summarises the grants, their current status and their proposed impact.

In November 2005, the Biodiversity Challenge Fund 2006 was announced. 34 high quality applications were received by the closing date of March 2006, and were assessed by the biodiversity panel in May 2006. Decisions were taken by trustees and announced in June 2006, with five projects awarded grants totalling some £2.5m.

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#### Biodiversity Challenge Fund 2005 – Grants Awarded

Applicant name	Project name	Location	Grant awarded (£)t	Total project cost (£)	Proposed impact	Project duration
Butterfly Conservation	Purchase and Restoration of Prees Heath Common	Prees Heath, Shropshire	573,135	609,461	Acquisition of 60 hectares of land, representing the western half of Prees Heath Common, in order to restore the heathland habitats that support a unique population of the silver-studded blue butterfly.	4 years
Cumbria Wildlife Trust	Foulshaw Moss Nature Reserve, Biodiversity Improvements	Witherslack, Cumbria	476,012	521,012	Restoration of 350 hectares of lowland raised mire (peat bog), plus visitor amenity improvements and new interpretation facilities.	3 years
Kent Wildlife Trust	Development of Coastal Nature Reserve	Sandwich, Kent	270,572	316,572	Biodiversity gain for Sandwich & Pegwell Bay Nature Reserve in terms of wetland habitats and support for key species (such as the natterjack toad), plus significant new interpretation facilities for visitors.	4 years
The National Trust	'Life in Common'	Gower, South Wales	540,000	540,000	Improvement and restoration of several commons on the Gower Peninsular, linking together to form 1,728 hectares of heathland, acid grassland and purple moor grass pasture.	3 years
The National Trust	Foxbury Plantation, Land Purchase and Habitat Restoration	New Forest, Hampshire	337,000	337,000	Acquisition of Foxbury Plantation, a 150 hectare non-native coniferous forest that the National Trust intends to progressively restore to heathland.	1 year
The Wildlife Trust for Beds, Cambs, Northants & Peterborough	The Great Fen Project, Restore fenland	Ramsey, Cambridgeshire	350,750	1,395,000	Acquisition of 183 hectares of arable land within the Great Fen project boundary and restoration of the site to fenland. The project will also provide access to the area for visitors.	3 years
The Woodland Trust	Victory Wood, Habitat Creation and Restoration	Canterbury, Kent	416,640	614,782	Restoration of 141 hectares of agricultural land at the former Lamberhurst Farm to create a beneficial mosaic of biologically diverse habitats known as "Victory Wood".	3.5 years
The Woodland Trust	Havering Park, Land Purchase and Habitat Restoration	Essex	443,572	848,014	Acquisition of 53 hectares of land at Havering Park in order to recreate native woodland and pasture whilst buffering the ancient woodland of Hainault Forest.	3.5 years
Wiltshire Wildlife Trust	Lower Moor Farm, Land Purchase, Habitat Restoration & Maintenance	Oaksey, Wiltshire	250,622	1,220,482	Acquisition of the 39 hectare Lower Moor Farm, linking two existing Trust Nature Reserves in order to create a larger connected area of wildlife-rich grassland and lake habitats, plus visitor amenity and interpretation improvements.	1.5 years

**3,658,303**

**6,402,323**

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

#### Local grants

Donations are still being received from landfill operators in Carmarthenshire (CWM Environmental Limited) and Yorkshire (Caird Bardon Limited). A number of projects in these two areas have been supported during the year.

#### Grant programme administration and consultancy services

The trading subsidiary, GrantScape Services Limited has been involved in managing a grant programme in Bedfordshire and Hertfordshire on behalf of WREN. This has seen grants totalling approximately £350,000 being approved by the WREN board in the period under review.

#### Strategy and Business Plan

Following a major strategic planning event in 2004, a review and update was undertaken during the year which specifically addressed the changes to the charity's revenue streams. The trustees agreed refinements to the strategy plan and approved a new business plan for the period 2006-2009. A further strategic review will commence after the induction of new trustees during summer 2006.

New strategic and business plans are also being developed by GrantScape Services Limited. The regular planning reviews are reconciled closely with the charity's risk management policy and register.

#### People

The charity maintains a policy of equal opportunities and is committed to the personal development of its staff and trustees. Ongoing training programmes were fulfilled during the year and a transparent and inclusive approach was undertaken in all recruitment activities.

The trustees are most appreciative of the commitment and outstanding performance of the Chief Executive and his loyal team.

### **Financial Review**

#### Incoming Resources

As noted earlier, the charity is at a transitional point. It has substantial LTCS funds still to distribute, but only a relatively low level of new donations from landfill operators. Funds have been received this year from Caird Bardon (£234,423) and CWM Environmental (£136,295).

External consultancy work has generated income of £37,962, with costs of £28,340.

The single main source of income during the year has been interest receivable of £826,638 which has been allocated between designated funds on a pro-rata basis.

#### Resources expended:

All LTCS donations received are subject to a 2% levy by the LTCS regulator, ENTRUST, giving a cost of £7,414 in the year.

All charitable activity in the year related to LTCS grant-making, with a total of £4,458,983 new grants being contracted. A sum of £78,328 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 (mainly legal fees) amounted to £6,163.

Following the decision to cease provision of administrative services to EB Milton Keynes Limited and EB Scotland Limited, sums totalling £156,560 were transferred to enable those companies to fund ongoing administration costs.

In addition, charitable expenditure now includes the administrative and support costs associated with grant-making activity, totalling £464,381 in the financial year.

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### Report of the Trustees (including the Directors' report) for the year ended 31 March 2006

Governance costs of £65,041 relate to the running of the charity, rather than the operational activities. This sum includes £26,500 of attributable support costs, relating to the time incurred in governance matters by the senior management team, and principally the Chief Executive.

#### Subsidiary undertakings

GrantScape Services Limited has carried out a small number of consultancy and grant scheme administration assignments, the most significant of which is the administration of a £1m fund for WREN. During the year the company earned income of £84,308 and received bank interest of £12,056. Expenditure totalled £71,859 and £21,200 will be transferred as gift aid to the charity.

EB Nationwide Limited continues to be responsible for a portfolio of grants although all funds have now been transferred to the charity, which carries out the grant scheme administration on behalf of EB Nationwide. The company received bank interest of £145,291. The majority of this sum (£144,000) was transferred as gift aid to the charity. In addition, the company contracted LTCS projects with a value of £147,341 and accounted for sums totalling £51,590 being returned to available funds as underspends. The company incurred administration costs of £61,102.

#### Reserves

During the year the board decided that the charity's reserves position is more clearly understood if some reserves are designated as being held for a specific purpose rather than forming part of the charity's "free reserve". The two designations relating to funds available for project grants are also sub-analysed between the grant programmes currently being administered, for WRG Waste Services, Caird Bardon, and CWM Environmental.

The designations adopted are:

- a) LTCS funds not yet committed to projects – reflects the balance of LTCS funds available for distribution as grants. This fund includes amounts transferred by way of gift aid from EB Nationwide Limited. Funds are transferred from this to the "committed not yet contracted" reserve following decisions taken at Grant Committee or trustees' meetings. As noted above, the £5m in respect of WRG Waste Services will be allocated in two tranches of approximately £2.5m in 2006 and 2007;
- b) LTCS Funds committed not yet contracted – this designation represents funds allocated to grants, but awaiting signature of a formal funding offer. Outgoing resources represent grants for which a formal funding offer is now in place;
- c) LTCS Administration Reserve – historically, as LTCS funds have been received, 10% has been retained to cover future project administration costs. Incoming resources comprise interest earned during the year. These designated funds are enabling the charity to complete the administration of grants, despite the current low level of LTCS income. The balance on this reserve is kept under review and any excess amounts will be transferred to LTCS funds not yet committed to projects.

The residual "free reserves" represents Non-LTCS 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 activities outside the LTCS.

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

#### Reserves policy

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 administration of grants given under the LTCS and the ongoing monitoring and auditing the grants given, in order to

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

comply with the interpretation of the Landfill Tax Regulations, will be met from the designated LTCS Administration Reserve.

In this transitional period, the charity requires adequate reserves to cover both general overhead and development costs as it works to establish new income streams which will sustain future charitable activity. Until such time as new income streams are established, it is our policy to hold all 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 as soon as possible, and will be reviewing income and reserves forecasts regularly.

This policy was revised in March 2006.

#### Investment policy

The board recognises the need to maximise the returns on the money the charity holds. However, because the money is required either under a grant offer or for administering the grant-making, only low risk investments are appropriate. These will be short-term deposits:

- in EU banks or building societies; or
- on the money market.

No other form of investment will be permitted.

The investment policy was last reviewed in January 2006 and was still considered to be appropriate to meet the needs of the charity.

#### **Plans for Future Periods**

During the year the board has agreed a business plan covering the years 2006 – 2009, in which the following are identified as the main focus for the charity:

- To continue with Grant-making
- To secure Income Generation
- To demonstrate Quality/Best Practice
- To plan GrantScape's Resources
- To develop GrantScape's Marketing/Communication.

Within the plan period, the target is for GrantScape and GrantScape Services Ltd to generate sufficient surplus/profit to cover their core costs and be in a position for GrantScape to commence its own grant-making programme.

At a more detailed level, it is planned to announce a final major LTCS grant programme in Autumn 2006 which should distribute all remaining WRG Waste Services donated monies. It is also anticipated that there will be a smaller LTCS programme announced for the Milton Keynes area, utilising funds to be received from EB Milton Keynes Limited. The programmes for Caird Bardon and CWM Environmental are expected to continue, and the charity will continue to oversee grants already contracted from earlier periods.

Income generation outside the LTCS is much more uncertain. GrantScape Services Limited's contribution to the WREN programme will cease in September 2006. A number of other possible opportunities have been identified, but as yet none are certain.

The charity has also recognised the need to develop effective performance measurement and impact reporting procedures, and will be working towards this during the year ahead. There is a commitment to continuous improvement in all areas of the charity's activities.

## **GRANTSCAPE**

### **Report of the Trustees (including the Directors' report) for the year ended 31 March 2006**

#### **Trustees' responsibilities in relation to the financial statements**

Company law requires the trustees to prepare financial statements which give a true and fair view of the state of affairs of the charity and its subsidiaries at the end of its financial year and of the surplus or deficit of the group for the year then ended. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- 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 company will continue in business.

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

Each trustee, who was a director of the charity at the date that this report was approved, has taken all steps that they ought to have taken as Directors in order to:

- make themselves aware of any relevant audit information (as defined by the Companies Act 1985); and
- ensure that the auditors are aware of all relevant audit information (as defined).

As far as each director is aware, there is no relevant audit information of which the charity's auditors are unaware.

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 legislations in other jurisdictions.

#### **Auditors**

A resolution to reappoint Chantrey Vellacott DFK as auditors of the charity will be proposed at the Annual General Meeting.

#### **Signed on behalf of the board**

**A Ladds**  
**Chairman**

**P A England**  
**Company Secretary**

Approved by the board on 24 July 2006

## **GRANTSCAPE**

### **Independent Auditors' Report to the Members of GrantScape**

We have audited the financial statements of GrantScape for the year ended 31 March 2006 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Company Balance Sheet, Cash Flow Statement and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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.

#### **Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities in relation to the Financial Statements, the trustees (who are also the directors of GrantScape for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (United Kingdom and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

We report to you whether in our opinion, the information given in the Report of the Trustees is consistent with the financial statements.

We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions with the charitable company is not disclosed.

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

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## **GRANTSCAPE**

### **Independent Auditors' Report to the Members of GrantScape**

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and the group as at 31 March 2006 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

CHANTREY VELLACOTT DFK LLP

Chartered Accountants  
Registered Auditor

LONDON

24 July 2006

## GRANTSCAPE

### Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2006

	Notes	Unrestricted funds 2006 £	(Restated) Unrestricted funds 2005 £
<b>Incoming resources</b>			
Incoming resources from generated funds			
Voluntary income: – donations under LTCS	2	370,718	5,445,609
Activities for generating funds - consultancy	4	37,962	30,905
Interest receivable	3	826,638	972,441
<b>Total incoming resources</b>		<b>1,235,318</b>	<b>6,448,955</b>
<b>Resources expended</b>			
<b>Cost of generating funds</b>			
Costs of generating voluntary income – ENTRUST fee		7,414	53,248
Costs of consultancy services		28,340	28,197
		<b>35,754</b>	<b>81,445</b>
<b>Charitable activities:</b>			
LTCS grants and grant-making:	5	5,007,849	7,229,495
<b>Governance costs</b>	6	<b>65,041</b>	<b>60,901</b>
<b>Total resources expended</b>		<b>5,108,644</b>	<b>7,371,841</b>
Net outgoing resources being net expenditure for the year and net movement in funds		<b>(3,873,326)</b>	<b>(922,886)</b>
Fund balances brought forward at 1 April 2005		12,304,248	13,227,134
<b>Total funds carried forward at 31 March 2006</b>	16	<b>8,430,922</b>	<b>12,304,248</b>

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

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

All incoming resources and resources expended derive from continuing activities

**The notes on pages 17 to 29 form part of these financial statements.**

## GRANTSCAPE

### Balance sheets at 31 March 2006

	Notes	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
<b>Fixed assets</b>					
Tangible Fixed Assets	11	17,060	2,846	33,720	7,115
Investment in Subsidiary Undertaking	12	-	1	-	1
		<u>17,061</u>	<u>2,847</u>	<u>33,720</u>	<u>7,116</u>
<b>Current assets</b>					
Debtors	13	148,419	170,151	1,623,105	2,357,501
Cash at bank and in hand		15,120,916	15,093,458	18,764,848	10,837,572
		<u>15,269,335</u>	<u>15,263,609</u>	<u>20,387,953</u>	<u>13,195,073</u>
<b>Creditors:</b>					
Amounts falling due within one year	14	(5,938,014)	(6,262,605)	(6,804,650)	(1,035,908)
		<u>9,331,321</u>	<u>9,001,004</u>	<u>13,583,303</u>	<u>12,159,165</u>
<b>Net current assets</b>					
		<u>9,348,381</u>	<u>9,003,851</u>	<u>13,617,073</u>	<u>12,166,281</u>
<b>Total assets less current liabilities</b>					
<b>Creditors:</b>					
Amounts falling due after more than one year	15	(917,459)	(622,638)	(1,312,775)	(64,000)
		<u>8,430,922</u>	<u>8,381,213</u>	<u>12,304,248</u>	<u>12,102,281</u>
<b>Net assets</b>					
<b>Represented by:</b>					
Total funds - unrestricted	16	<u>8,430,922</u>	<u>8,381,213</u>	<u>12,304,248</u>	<u>12,102,281</u>

Approved by the trustees on 24 July 2006 and signed on their behalf by

**D L de FREITAS**  
Trustee

The notes on pages 17 to 29 form part of these financial statements.

## GRANTSCAPE

### Consolidated cash flow statement For the year ended 31 March 2006

	Notes	2006 £	2005 £
<b>Net cash outflow from operating activities</b>	<b>18a</b>	<b>(4,805,204)</b>	<b>(3,579,885)</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		<u>1,162,138</u>	<u>942,440</u>
<b>Net cash inflow from returns on investments and servicing of finance</b>		<b>1,162,138</b>	<b>942,440</b>
<b>Taxation</b>		<b>-</b>	<b>-</b>
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets		<u>(866)</u>	<u>(536)</u>
<b>Net cash outflow from capital expenditure</b>		<b>(866)</b>	<b>(536)</b>
<b>Decrease in cash</b>	<b>18b</b>	<b><u>(3,643,932)</u></b>	<b><u>(2,637,981)</u></b>

The notes on pages 17 to 29 form part of these financial statements.

# GRANTSCAPE

## Notes to the financial statements For the year ended 31 March 2006

### 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 1985, applicable UK 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 2006. The results of the charity's non-charitable subsidiaries, EB Nationwide Limited and 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 section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

#### c) Incoming resources

- i) LTCS 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.

#### d) 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) Cost 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 trustees' report 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 incurred on the specific objects of the charity;
  - Attributable support costs are allocated to the charitable activity.
- iii) Governance costs comprise costs incurred (including attributable support costs) which are directly attributable to the governance of the charity, (organisational and strategic procedures) and the necessary legal procedures for compliance with statutory requirements, as shown in note 6.

#### e) Fund accounting

The general fund comprises those monies which may be used towards meeting the 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.

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

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

#### f) 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 <sup>1</sup> / <sub>3</sub> % of cost
Computer software	- 50% of cost

#### g) 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.

#### h) 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 salary. Contributions to this scheme are charged to the Statement of Financial Activities/income and expenditure account as they become payable.

<b>2</b>	<b>Voluntary Income</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	LTCS Donations receivable from the following landfill operators:		
	WRG Waste Services Ltd	-	2,400,769
	CWM Environmental Ltd	<b>136,295</b>	149,071
	Caird Bardon Ltd	<b>234,423</b>	50,000
	Shanks Avondale Ltd	-	22,441
	Shanks Argyll & Bute Ltd	-	40,138
	Transferred from other enrolled bodies	-	2,783,190
		<hr/>	<hr/>
		<b>370,718</b>	5,445,609
		<hr/> <hr/>	<hr/> <hr/>
<b>3</b>	<b>Interest receivable and similar income</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Bank interest	<b>826,638</b>	972,441
		<hr/> <hr/>	<hr/> <hr/>
<b>4</b>	<b>Activities for generating funds</b>	<b>2006</b>	<b>2005</b>
		<b>£</b>	<b>£</b>
	Consultancy and project management	<b>9,586</b>	30,905
	Grant programme administration	<b>28,376</b>	-
		<hr/>	<hr/>
		<b>37,962</b>	30,905
		<hr/> <hr/>	<hr/> <hr/>

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

5 Charitable activities	2006 £	2005 £
Grants contracted	4,458,983	6,610,002
Grants no longer required	(78,328)	(491,548)
Funds transferred to other enrolled bodies	156,650	551,678
Other direct costs	6,163	7,919
Salary & related costs	293,744	437,878
Other attributable support costs	170,637	113,515
	<hr/>	<hr/>
	<b>5,007,849</b>	<b>7,229,444</b>
	<hr/> <hr/>	<hr/> <hr/>

All grants are made to organisations or properly constituted groups. At present all grant-making activity relates to funds received under the LTCS, so grants must also meet the requirements of that scheme. An analysis of the grants contracted split between the three main grant programmes currently operated can be found at note 16.

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

<i>Object</i>	<i>No</i>	<i>£</i>
a Contaminated land reclamation remediation and restoration	0	-
b Prevention or remedying effects of pollution	0	-
c R&D/Education re benefits of sustainable waste management	2	24,405
cc R&D/Education re benefits of recycling	0	-
d Provision, maintenance or improvement of public amenities	74	1,827,833
da Biodiversity of the natural habitat	8	2,536,409
e Maintenance, repair or restoration of historic/religious buildings	6	70,336
	<hr/>	<hr/>
	<b>90</b>	<b>4,458,983</b>
	<hr/> <hr/>	<hr/> <hr/>

The following 84 grants, with a value of £4,311,642 were contracted by the charity during the year:

Project Applicant and Name	LTCS Object	Approved Amount £
BUTTERFLY CONSERVATION <i>Butterfly Conservation, North Shropshire, Purchase and Restoration of Prees Heath Common</i>	da	573,135
THE NATIONAL TRUST <i>Gower Project, Gower Peninsular, 'Life in Common'</i>	da	540,000
THE WOODLAND TRUST <i>Victory Wood, Dargate, nr. Canterbury, Habitat Creation and Restoration</i>	da	416,640
CUMBRIA WILDLIFE TRUST <i>Foulshaw Moss Nature Reserve, nr Witherslack, Biodiversity Improvements</i>	da	402,012
THE NATIONAL TRUST <i>Foxbury Plantation, New Forest, Purchase and Habitat Restoration</i>	da	337,000
WILTSHIRE WILDLIFE TRUST <i>Lower Moor Farm, Oaksey, Wilts, Habitat Restoration and Maintenance</i>	da	148,647
THE NATIONAL BOTANIC GARDEN OF WALES ** <i>National Botanic Garden of Wales, Llanarthne, Horticultural Enhancements</i>	d	110,000

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

THE WILDLIFE TRUST FOR BEDS, CAMBS, NORTHANTS & PETERBOROUGH <i>Randalls Farm Environmental Education Centre, nr Bedford, Physical Works/Running Costs to mid-2007</i>	d	110,000
AMPTHILL TOWN COUNCIL <i>Amphill Park Development</i>	d	109,000
WILTSHIRE WILDLIFE TRUST <i>Lower Moor Farm Purchase, Oaksey, Wilts</i>	da	101,975
CUMBRIA WILDLIFE TRUST <i>Foulshaw Moss Nature Reserve, nr Witherslack, Public Amenity</i>	d	74,000
POPPLETON COMMUNITY TRUST * <i>Poppleton Community Centre, Access Improvements</i>	d	55,225
PAROCHIAL CHURCH COUNCIL OF LINSLADE <i>St Barnabas Church, Linslade, Refurbishment</i>	d	52,000
MARSTON MORETEYNE PARISH COUNCIL <i>Old Playing Field, Marston Moreteyne, Skate Park &amp; Safety Surfacing</i>	d	49,204
HARLINGTON METHODIST CHURCH <i>Harlington Methodist Church, Access and Renovations</i>	d	46,169
ADRENALIN ALLEY PROJECT <i>Adrenalin Alley Project, Corby, Skatepark Equipment</i>	d	45,500
GROUNDWORK ROSSENDALE <i>Whitworth Recreation Park, Whitworth, Multi-purpose ball area</i>	d	44,653
THE SALVATION ARMY <i>Salvation Army, Kimberworth, Building Extension and Refurbishment</i>	d	40,000
MARSH GIBBON VILLAGE HALL MANAGEMENT COMMITTEE <i>Marsh Gibbon Village Hall, Marsh Gibbon, Refurbishment</i>	d	40,000
WOOTTON PARISH COUNCIL <i>Wootton Recreation Ground, Surfaced Path</i>	d	36,300
GROUNDWORK WREXHAM & FLINTSHIRE <i>Ty Mawr Country Park, Bike Track and Trim Trail</i>	d	32,926
BEDFORDSHIRE COUNTY COUNCIL <i>Ridgmont, All Saints Church Community Heritage Project</i>	d	32,830
THE PARISH CHURCH OF THE TRANSFIGURATION <i>Kempston, Church of the Transfiguration, repairs to roof</i>	e	31,721
IRELETH TEMPERANCE HALL TRUSTEES <i>Ireleth Temperance Hall Upgrade of Facilities</i>	d	30,000
ARLESEY TOWN COUNCIL <i>Arlesey, BMX Track and Skateboard Facility</i>	d	30,000
BEDFORDSHIRE COUNTY COUNCIL <i>St Mary's Church, Clophill,, Community Heritage Project</i>	d	27,425
WHADDON JUBILEE HALL COMMITTEE <i>Whaddon Jubilee Hall, Whaddon, Disabled toilet and damp proof course</i>	d	27,402
ARNCOTT PARISH COUNCIL <i>Arcott Playground, Arcott, Restoration</i>	d	27,000

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### Notes to the financial statements For the year ended 31 March 2006

ARDLEY PLAYING FIELD MANAGEMENT COMMITTEE <i>Ardley with Fewcott, Equipment to refit village hall</i>	d	26,664
STIWT ARTS TRUST LTD <i>Stiwt Theatre &amp; Community Building, Wrexham, Renovation</i>	d	26,600
WREXHAM COUNTY BOROUGH COUNCIL <i>Ponciau Banks Park, Wrexham, Improvements to Children's Play Area</i>	d	25,405
LLAY YOUTH CENTRE <i>Llay Park Resource Centre, Llay, multi-use ball area</i>	d	25,400
HOCKLIFFE PARISH COUNCIL <i>Hockliffe Playing Fields, Nr Leighton Buzzard, Drainage improvement</i>	d	25,000
LLAY CHURCH OF THE NAZARENE <i>Llay Church of the Nazarene, Llay, Extension</i>	d	24,712
DALTON WITH NEWTON TOWN COUNCIL <i>Dalton with Newton Regeneration Project, Sensory Garden</i>	d	23,000
STEEPLE CLAYDON PARISH COUNCIL <i>Steeple Claydon Village Hall, Steeple Claydon, New toilets and access improvements</i>	d	22,000
RSPB <i>Sandy, RSPB Lodge Nature Reserve, Heathland Restoration</i>	d	21,700
WREXHAM SUSTAINABILITY FORUM <i>Combating the barriers that parents &amp; guardians face when deciding to use real nappies</i>	c	21,505
OAKLEY METHODIST CHURCH <i>Oakley Methodist Church, School Room Renovation</i>	d	20,000
NORTHAMPTONSHIRE COUNTY COUNCIL <i>Fermyn Woods Country Park, Northamptonshire, Recreational Zone Improvements</i>	d	20,000
WREXHAM COUNTY BOROUGH COUNCIL <i>Chirk Skate Park</i>	d	20,000
COTTINGHAM/MIDDLETON VILLAGE HALL MANGEMENT COMMITTEE <i>Cottingham/Middleton Village Hall, Alterations</i>	d	19,500
CHARNDON COMMUNITY ASSOCIATION <i>Charndon Community Centre, Bicester, Refurbishment</i>	d	19,269
BENEFIELD ST. MARY'S PAROCHIAL CHURCH COUNCIL <i>St. Mary's Church, Benefield, Disabled Toilet &amp; Kitchen Facility Installation</i>	d	19,000
GREEN BUSINESS NETWORK <i>The Heart Project, Transformation of Woodland at Sowerby</i>	d	18,642
ASPLEY GUISE VILLAGE HALL COMMITTEE <i>Aspley Guise, Village Hall Refurbishment</i>	d	18,541
CUMBRIA WILDLIFE TRUST <i>Foulney Island Nature Reserve</i>	da	17,000
CEIRIOG MEMORIAL INSTITUTE <i>Glyn Ceiriog Memorial Hall, Disabled Access</i>	d	16,575
AMPTHILL TOWN FOOTBALL AND SOCIAL CLUB <i>Ampthill Town FC, Improvements to Pitch &amp; Facilities</i>	d	16,000
FLITTON & GREENFIELD MUGA STEERING GROUP <i>Flitton &amp; Greenfield Playing Fields, Fencing &amp; Rebound Boards for MUGA</i>	d	15,000

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### Notes to the financial statements For the year ended 31 March 2006

CARING TODAY <i>Victoria Park, Nelson, Development of Sensory Garden</i>	d	15,000
LIDLINGTON VILLAGE HALL MANAGEMENT COMMITTEE <i>Liddlington Village Hall, Provision of Disabled Toilets, Improved Access &amp; Air Conditioning</i>	d	15,000
KEEP WALES TIDY <i>Keep Wales Tidy, Wrexham, Enhance the environment around river banks in Wales</i>	d	15,000
WOBURN HERITAGE CENTRE TRUST <i>Woburn Heritage Centre, Woburn Sands, Toilet Facilities for Volunteers and Visitors</i>	d	14,864
PONTARDAWE AND DISTRICT YOUTH FACILITY <i>The Stables, Pontardawe, Multi-Purpose Facility</i>	d	14,310
101ST BEDFORD (KEMPSTON SCOUT GROUP) <i>Scout Centre Building, Kempston, Refurbishment</i>	d	14,000
WOOTTON MEMORIAL HALL <i>Wootton Memorial Hall, Wootton, Patio Cover and Fencing</i>	d	12,268
RAILWORLD SUSTAINABLE TRANSPORT CENTRE <i>Peterborough Railworld Sustainable Transport Centre, Disabled Lift</i>	d	12,109
STEEPLE CLAYDON PARISH COUNCIL <i>Steeple Claydon, Skateboard Park Development</i>	d	10,000
FRIENDS OF ALL SAINTS CHURCH SHILLINGTON <i>Shillington, All Saints Church, Access &amp; Facility Improvements</i>	d	10,000
BRIGSTOCK UNITED REFORMED CHURCH <i>Brigstock United Reformed Church, Brigstock, Re-roofing</i>	e	10,000
WRESTLINGWORTH MEMORIAL HALL <i>Wrestlingworth Memorial Hall, Repairs &amp; Improvements</i>	d	9,400
THE WILDLIFE TRUST FOR BEDS, CAMBS, NORTHANTS & PETERBOROUGH <i>Arlesey Old Moat and Glebe Meadow, Nature Reserve Improvements</i>	d	9,300
EAST LEAKE PARISH COUNCIL <i>East Leake Multi-Sport Facility</i>	d	8,550
KEEP WALES TIDY <i>South Wales, Keep Wales Tidy, Enhance the environment around river banks in Wales</i>	d	8,522
ARLESEY SPORTS ASSOCIATION <i>Arlesey, Court Re-surfacing at MUGA</i>	d	8,000
WILSHAMSTEAD PARISH COUNCIL <i>Wilshamstead Village Hall, Provision of New Storage Facility</i>	d	7,909
LITTLE HORWOOD MEMORIAL HALL MANAGEMENT COMMITTEE <i>Little Horwood Memorial Hall, Accessibility, Building and Provisions Improvement</i>	d	7,500
HASLINGDEN ST MARY'S COMMUNITY CENTRE <i>St Mary's Community Centre, Haslingden, Pitch Improvements</i>	d	7,500
MARSTON BEDFORD ROAD METHODIST CHURCH <i>Marston Moretaine, Bedford Road Methodist Church Renovations</i>	d	7,392
SIR JOHN LOWTHER COUNTY SCOUT TRAINING & ACTIVITY CENTRE <i>Scout Activity Centre, Glendon, Replace gravel access road</i>	d	7,371

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

ST MARY & ST MICHAEL CHURCH <i>St. Mary and St. Michael's Church, Great Ulswick, Cumbria, Tower Exhibition Space</i>	d	7,273
NOTTINGHAMSHIRE WILDLIFE TRUST <i>Bunny Old Wood Nature Reserve, Nottingham, Improvements to Access</i>	d	5,450
ST GEORGE'S OF ENGLAND PARISH CHURCH <i>St George's Church, Toddington, Drainage Repairs</i>	e	5,000
PARISH OF OUR LADY OF LOURDES & ST OSWALDS <i>Peterborough, Parish of Our Lady of Lourdes and St Oswalds, Disabled Toilets</i>	e	5,000
ST JOHN THE BAPTIST PCC <i>St Johns Church Hall, Corby Village, Flooring and tarmac to path</i>	d	5,000
EASTWOOD RESIDENTS ASSOCIATION <i>Eastwood, New Children's Playground</i>	d	5,000
ACORN CENTRE TODMORDEN <i>Acorn Centre, Todmorden, Ccommunity garden adjacent to The Acorn Centre,</i>	d	4,500
BUCKINGHAM HERITAGE TRUST <i>Buckingham Old Gaol, Restoration Of Roofing</i>	e	4,015
RAMPSIDE VILLAGE HALL MANAGEMENT COMMITTEE <i>Rampside, Phase II Treework &amp; 'Netpave'</i>	d	4,000
JOAN STRONG CENTRE MANAGEMENT COMMITTEE <i>Oundle Scout and Guide Headquarters, Oundle, Building Work</i>	d	3,600
FLITTON & GREENFIELD VILLAGE HALL <i>Flitton &amp; Greenfield Village Hall, Kitchen upgrade</i>	d	2,500
CRIBDEN NEIGHBOURHOOD ASSOCIATION <i>Hobson Street, Cribden, Plateau</i>	d	2,032
MILTON BRYAN VILLAGE HALL ASSOCIATION <i>Milton Bryan Village Hall, Flat Roof &amp; Redecoration</i>	d	2,000

In addition, the following 6 grants, with a value of £147,341 were contracted by EB Nationwide Limited:

<b>Project Name</b>	<b>LTCS Object</b>	<b>Approved Amount £</b>
QUAINTON WINDMILL SOCIETY <i>Quainton Windmill, Restoration</i>	d	40,000
CLIVIGER VILLAGE HALL COMMITTEE <i>Cliviger Village Hall, Access Project</i>	d	36,500
BTCV <i>Burnley, East Lancashire Voluntary Sector (ELVSR), Safe Accessible Community Courtyard</i>	d	31,341
FRIENDS OF CAPEL NEWYDD ** <i>Garden of Rest, Capel Newydd, Llanddarog, Phase III</i>	d	22,000
MASBROUGH CEMETERY NEIGHBOURHOOD WATCH <i>Masbrough Cemetery Chapels Renovation</i>	e	14,600
WREXHAM SUSTAINABILITY FORUM <i>Wrexham, State of the Waste Report</i>	c	2,900

\* - Caird Bardon project

\*\* - CWM Environmental projects

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

<b>6</b>	<b>Governance costs</b>	<b>2006</b>	<b>2005</b>
		£	£
	Legal and professional fees	<b>16,980</b>	8,174
	Auditors' remuneration	<b>9,267</b>	10,612
	Strategy development	-	420
	Other costs	<b>308</b>	271
	Trustees fees	<b>5,232</b>	6,212
	Trustees expenses	<b>1,027</b>	1,199
	Trustees recruitment, development & training	<b>2,157</b>	-
	Trustee indemnity insurances	<b>3,570</b>	3,570
	Other insurances	-	6,042
	Attributable support costs	<b>26,500</b>	24,401
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		<b>65,041</b>	60,901
		<hr/> <hr/>	<hr/> <hr/>

<b>7</b>	<b>Net outgoing resources for the year</b>	<b>2006</b>	<b>2005</b>
	This is stated after charging:	£	£
	Trustees remuneration (see notes 6 & 9)	<b>5,232</b>	6,212
	Auditors' remuneration	<b>10,442</b>	11,712
	Other professional fees paid to auditor	<b>411</b>	2,027
	Depreciation	<b>17,526</b>	18,327
	Loss on disposal of fixed assets	-	385
	Operating leases (land and buildings)	<b>25,517</b>	33,567
		<hr/>	<hr/>

### **8** **Subsidiary undertakings**

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

	<b>E B Nationwide Limited</b>	<b>Grantscape Services Limited</b>	<b>Total 2006</b>
	£	£	£
<b>Income</b>	<b>145,291</b>	<b>96,364</b>	<b>241,655</b>
	<hr/>	<hr/>	<hr/>
<b>Expenditure</b>	<b>156,853</b>	<b>71,859</b>	<b>228,712</b>
<b>Gift aid</b>	<b>144,000</b>	<b>21,200</b>	<b>165,200</b>
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<b>(Deficit)/surplus for the year</b>	<b>(155,562)</b>	<b>3,305</b>	<b>(152,257)</b>
	<hr/>	<hr/>	<hr/>
<b>Net assets at 1 April 2005</b>	<b>200,721</b>	<b>1,246</b>	<b>201,967</b>
	<hr/>	<hr/>	<hr/>
<b>Net assets at 31 March 2006</b>	<b>45,159</b>	<b>4,551</b>	<b>49,710</b>
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# GRANTSCAPE

## Notes to the financial statements For the year ended 31 March 2006

### 9 Staff costs and trustees fees and expenses

The average number of trustees and staff analysed by function is:

	<b>2006</b>	2005
Trustees	<b>3</b>	4
Chief Executive	<b>1</b>	1
Grant-making	<b>7</b>	9
Administration	<b>2</b>	3
	<hr/>	<hr/>
	<b>13</b>	17
	<hr/> <hr/>	<hr/> <hr/>

	<b>2006</b>	2005
	£	£
Wages and salaries	<b>273,650</b>	321,692
Social security costs	<b>29,155</b>	33,888
Pension costs	<b>21,900</b>	29,020
	<hr/>	<hr/>
	<b>324,705</b>	384,600
	<hr/> <hr/>	<hr/> <hr/>

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

The number of employees whose emoluments including pension contribution were greater than £60,000 can be classified as follows:

	<b>2006</b>	2005
£70,000 - £79,999	<b>1</b>	1

The pension contributions in the year to a defined contribution scheme for higher paid employees amounted to £7,408 (2005 - £6,943)

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. The following fees and expenses have been paid during the year:

	<b>Fees</b>	<b>Expenses</b>	Fees	Expenses
	<b>2006</b>	<b>2006</b>	2005	2005
	£	£	£	£
A Ladds	<b>5,232</b>	<b>554</b>	6,212	681
R Evans	-	<b>420</b>	-	181
D de Freitas	-	<b>53</b>	-	337
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>5,232</b>	<b>1,027</b>	6,212	1,199
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

At the year end an amount of £225 (2005 - £857) is included in accruals.

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

#### 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 Office Equipment £	Company Office Equipment £
<b>Cost:</b>		
At 1 April 2005	73,838	11,258
Additions	866	866
	<hr/>	<hr/>
At 31 March 2006	<b>74,704</b>	<b>12,124</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Depreciation</b>		
At 1 April 2005	40,118	4,143
Charge for the year	17,526	5,135
	<hr/>	<hr/>
At 31 March 2006	<b>57,644</b>	<b>9,278</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Net book value</b>		
<b>At 31 March 2006</b>	<b>17,060</b>	<b>2,846</b>
	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2005	33,720	7,115
	<hr/> <hr/>	<hr/> <hr/>

#### 12 Investment in subsidiary undertaking

	Group 2006 £	Company 2006 £	Group 2005 £	Company 2005 £
Shares in subsidiary undertaking				
At cost	-	1	-	1
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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 project administration services.

In addition the charity controls EB Nationwide Limited, a company limited by guarantee and incorporated in England and Wales, by virtue of being the sole member. This company is engaged in the distribution of grants under the LTCS.

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

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

#### 13 Debtors

	Group 2006	Company 2006	Group 2005	Company 2005
	£	£	£	£
Trade debtors	21,905	5,533	3,010	-
Amounts owed by group undertakings	-	38,104	-	1,109,557
Prepayments and accrued income	126,514	126,514	1,620,095	1,247,944
	<u>148,419</u>	<u>170,151</u>	<u>1,623,105</u>	<u>2,357,501</u>

#### 14 Creditors: amounts falling due within one year

	Group 2006	Company 2006	Group 2005	Company 2005
	£	£	£	£
Trade creditors	12,959	12,959	15,121	11,663
Amounts owed to group undertakings	-	3,758,416	-	2,236
Other taxes and social security costs	10,526	10,526	10,250	9,802
Other creditors	750	750	389,454	374,422
Accruals and deferred income	17,967	14,392	42,964	34,324
Obligations in respect of grants contracted	5,895,812	2,465,562	6,346,861	603,461
	<u>5,938,014</u>	<u>6,262,605</u>	<u>6,804,650</u>	<u>1,035,908</u>

#### 15 Creditors: amounts falling due after more than one year

	Group 2006	Company 2006	Group 2005	Company 2005
	£	£	£	£
Obligations in respect of grants contracted	917,459	622,638	1,312,775	64,000
	<u>917,459</u>	<u>622,638</u>	<u>1,312,775</u>	<u>64,000</u>

#### 16 Funds

During the year the board has decided that the charity's reserves will be more clearly represented if some reserves are designated thus reflecting the fact that they are for a specific purpose and do not form part of the charity's "free reserves". The designations adopted are:

- i) LTCS funds not yet committed – reflects the balance of LTCS funds available for distribution to projects. This fund includes as an incoming resource amounts transferred by way of gift aid from EB Nationwide Limited. The reserve is sub-analysed between the three grant programmes currently operated. Funds are transferred from this to the "committed not yet contracted" reserve following decisions taken at Grant Committee or trustees' meetings;
- ii) LTCS Funds committed not yet contracted – this designation represents funds allocated to projects, but awaiting a formal funding agreement. Outgoing resources represent projects for which a formal funding offer is now in place. Again the reserve is sub-analysed between the three grant programmes;

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

- iii) LTCS Administration Reserve – historically, as LTCS funds have been received, 10% has been retained to cover future project administration costs. These designated funds are enabling the charity to complete the administration of projects, despite the current low level of LTCS income;

The residual “free reserves” represents Non-LTCS 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 LTCS.

The unrestricted reserves brought forward of £12,304,248 have been re-analysed to reflect the fund designations now adopted.

	Fund Balances b/forward £	Incoming Resources £	Outgoing Resources £	Transfers between designated funds £	Fund Balances c/forward £
<b>LTCS Funds not yet committed to projects:</b>					
WRG Waste Services	9,111,157	146,000	(78,139)	(4,302,340)	5,032,956
Caird Bardon	45,328	206,292	0	(150,918)	100,702
CWM Environmental	21,182	119,940	(189)	(32,000)	109,311
	<b>9,177,667</b>	<b>472,232</b>	<b>(78,328)</b>	<b>(4,485,258)</b>	<b>5,242,969</b>
<b>Committed not yet contracted</b>					
WRG Waste Services	1,516,214	0	4,271,758	4,302,340	1,546,796
Caird Bardon	17,102	0	55,225	150,918	112,795
CWM Environmental	110,000	0	132,000	32,000	10,000
	<b>1,643,316</b>	<b>0</b>	<b>4,458,983</b>	<b>4,485,258</b>	<b>1,669,591</b>
<b>LTCS Admin Reserve</b>	<b>1,367,204</b>	<b>704,685</b>	<b>694,874</b>	<b>0</b>	<b>1,377,015</b>
<b>Non-LTCS Reserve</b>	<b>116,061</b>	<b>58,401</b>	<b>33,115</b>	<b>0</b>	<b>141,347</b>
<b>Total Reserves</b>	<b>12,304,248</b>	<b>1,235,318</b>	<b>5,108,644</b>	<b>0</b>	<b>8,430,922</b>

#### 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 required to contribute an amount not exceeding £1. There were three members at 31 March 2006.

#### 18 Cashflow

##### (a) Adjustment of net incoming resources for the year to net cash outflow from operating activities

	2006 £	2005 £
Net outgoing resources for the year	<b>(3,873,326)</b>	(922,886)
Interest receivable	<b>(826,638)</b>	(972,441)
Depreciation	<b>17,526</b>	18,327
Loss on disposal of fixed assets	-	385
Decrease in debtors	<b>1,139,186</b>	1,039,902
Decrease in creditors	<b>(1,261,952)</b>	(2,743,172)
	<b>(4,805,204)</b>	(3,579,885)

## GRANTSCAPE

### Notes to the financial statements For the year ended 31 March 2006

#### 18 Cashflow (cont'd)

##### (b) Analysis of change in net funds

	At 1 April 2005 £	Cash Flows £	At 31 March 2006 £
Cash in hand and at bank	18,764,848	(3,643,932)	15,120,916

#### 19 Operating lease commitments

The group commitments for rental payments under operating leases payable during the year to 31 March 2007 are as follows:

	Land and Buildings £
Leases expiring: Over five years	23,152

#### 20 Parent charity results

Total incoming resources in the year for the parent charity were £1,276,451. Total resources expended in the year were £4,997,519, and net outgoing resources totalled £3,721,068.

#### 21 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 are shown in note 9.

The following transactions with directors of the subsidiary undertakings are disclosed:

	2006 £	2005 £
<i>GrantScape Services Limited</i>		
R Evans expenses paid in year	31	-
<i>EB Nationwide Limited</i>		
MJ Kirby Fees and expenses paid in year	-	8,687
Balances in other creditors at 31 March	-	1,165