

Westway Development Trust

Trustees' Report and Accounts

for the year ended 31 March 2012



Enhancing the lives of those who live and work in the vicinity of the Westway flyover, through an imaginative, self-financing and long-term investment in urban regeneration, innovation and services that benefit our community.



Enhancing local lives

- **enterprise & opportunity**
- **health & wellbeing**
- **sports & fitness**
- **education & arts**

Westway Development Trust was formed in 1971 to develop for community benefit the 23 acres of derelict land, between Westbourne Park and White City, created by the construction of the A40 Westway flyover. The Trust has created the Portobello Green area of creative businesses, shops and public space, the Portobello Market Tent, Westway Sports Centre, Portobello Green Fitness Club, and an extensive portfolio of commercial property and workspace for local charities.

We are involved in urban regeneration, education, arts and sports development - with a focus on access for those most in need. As a community based organisation we work in partnership with the local voluntary sector.

WESTWAY
DEVELOPMENT TRUST



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Chairman's introduction

As the new Chairman of the Westway Development Trust, it is my pleasure to introduce the Trustees' Report for the year 2011/12.

First of all, on behalf of all the Trustees, I should like to take this opportunity to thank Jon Rayman for his leadership and tireless dedication over the past seven years, which has helped shape the many successes of the Trust in recent times.

Having celebrated its 40th Anniversary last year, it is pleasing to report that the Trust has, over the last twelve months, continued to deliver its prime mission of 'enhancing local lives' by providing support to ensure a variety of affordable services and opportunities for residents of all ages and from virtually all communities in Kensington and Chelsea.

Significantly, 'enhancing local lives' resonates with me and is something I encourage in my corporate life. I intend to wholeheartedly invest my time and energy in support of the various initiatives that the Trust is planning for the future, particularly in the areas of:

- * Enterprise and Opportunity
- * Health and Wellbeing
- * Sports and Fitness
- * Education and Arts

We live in challenging economic times, both for our communities and for very many in the population. These times are unique for the generations alive today, and how we step up to the challenges they present will determine not just the immediate future but also that of our children and our children's children. For me, it is about focusing on the possibilities and not being satisfied with average. I have recently gained a huge amount of inspiration from the incredible Olympic performances, particularly from our own Team GB athletes achieving incredible success through tremendous commitment and sheer determination to win. Westway Development Trust is, in my mind, so well positioned to have a positive transformational effect in the communities it serves.

During the coming year, the Trust is committed to developing its current service portfolio and providing new and improved opportunities, in addition to establishing projects and events, which will benefit all sectors and communities within the Royal Borough.

With best wishes for a successful year ahead.

Ken Scott, Chairman
10 September 2012



History and objectives of the Trust

The Trustees, who are also directors of the Company for the purposes of the Companies Act, submit their report and audited financial statements for the year ended 31 March 2012.

Our history and the context in which we work

The Trust was founded in 1971 to develop the land left derelict by the construction of the A40 Westway in a way that would benefit the local community. We were the first modern community regeneration organisation.

Kensington & Chelsea, with a population of about 170,000, is the most densely populated borough in the UK where extremes of wealth and poverty co-exist. There is a 10 year gap in life expectancy between the residents of the north and south of the borough. It is a cosmopolitan, multi-ethnic and multi-faith borough where more than 100 different first languages are spoken. In the borough's schools, 70% of pupils are from ethnic minorities.

Land use

We hold in trust the nine hectares (23 acres) of land under the Westway. The land is sub-leased from the Royal Borough of Kensington & Chelsea which in turn has a lease from the freeholders, Transport for London. Of this land, 80% has been developed for community facilities; 15% is developed commercially, providing a long-term income stream; and 5% is yet to be developed.

Charitable objectives

Our charitable aims are:

To promote the benefit of the inhabitants of the Royal Borough of Kensington and Chelsea by charitable means as the trustees think fit, including:

- The advancement of education in the Royal Borough, including:
 - training or retraining
 - the provision of financial assistance to people who live in the borough and are in need of support to pursue their education
 - support of the performing and visual arts.
- The provision of facilities for recreational, sporting and other leisure activities in the interests of social welfare, with the object of improving the conditions of life of inhabitants and the inhabitants of adjoining London boroughs (including the protection and preservation of their health).
- The development of the capacity and skills of members of socially disadvantaged communities within the Royal Borough enabling them, in the long-term, to identify and address their own needs, and to participate more fully in society.
- The maintenance, improvement or provision of amenities such as our parks and gardens and the promotion of community art projects.

To achieve these aims, we may assist other charitable institutions established for the benefit of residents.

Public benefit

Our activities continue to give identifiable benefits to the public we serve. The Trustees confirm that they have complied with the duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit and seek to meet our charitable purposes in following our core goals.

We aim to deliver our programmes effectively, manage the assets and resources that make them possible, and operate as efficiently as a commercial organisation.



The new social enterprise café above our gym



Training in the free weights room



Local young people at Westway Sports Centre

What we are doing to enhance local lives

Our vision for the future

We want to make more use of our assets and provide high quality services and facilities for the people who live and work in our community.

We have looked long and hard at what we currently do and how we do it. To a great extent, our history is the art of the possible. We built what we could with the funds and finances that were available at the time and we devised services that met the perceived needs of the time and took advantage of the opportunities that arose along the way. What we can and could do is constrained in some way by our charitable status. But we recognise the focus demanded by that status and the considerable reputational, financial and tax advantages that are available to charities and we would not change that position.

We are immensely proud of what has been achieved across Trust land, yet we recognise that our outlook now must be better focused and our planning must be more robust. Over the coming years all our existing activities and services will be systematically reviewed. We will engage with our community to assess what is of greatest need within the constraints of our charitable objects.

We have to create a balance in the range of activities we undertake between meeting the needs of the greatest number of people and having the greatest impact for the people most in need. In designing our programmes we will have due regard to that balance and to the limits of our resources. We will maximise our resources within charitable and ethical constraints. We will further develop our strategic plans and business plans to drive that vision.

Who will deliver that vision?

Trustees, staff and the community all have their part to play.

During the year we reviewed our governance arrangements: that review highlighted the fact that we already operate successful social enterprises and our approach to running those enterprises should look at strategic goals and improve the efficiency of the



Zumba at the Westway Summer Festival on Portobello Green

businesses. We dismantled the old sub-committee structure of the Trust and created new boards focused on the community enterprises we have already created. So far as is possible within the requirements of charity law, we have empowered boards and the executive team to run their own businesses in line with agreed strategic and business plans.

Changes you can expect

There will be physical changes to the built estate that we talk about below.

We will actively review our current programmes and assess the impact they make. If we have to make changes, we know some people will be disappointed, but we will seek to support those programmes that have the greatest potential to benefit the community as a whole. Throughout the review we will consult widely and take the views of residents and other stakeholders into account.

This year we will hold a series of roadshows where our trustees and directors will listen to the views, aspirations and expectations of local residents and communities. And we will distribute more leaflets and brochures throughout the area: by post, through letterboxes, by email and on public display.

The big change

Five years ago we started to look at our buildings and, in particular, at those buildings let to commercial tenants that provide us with the income to subsidise our charitable programmes. We recognise that it is time we developed those small parts of our land that are as yet undeveloped. We have committed time and resource to create a plan for our estate and have been working for some years with planning consultants to develop a clearer vision for our land.

In the last year much of that work has come together and we are close to having a finished blueprint. The Royal Borough of Kensington & Chelsea has a high level Local Development Framework in place and now, with much encouragement from the

Trust, they have drafted a Supplementary Planning Document (an SPD); this is a more detailed outline plan for the way they see the Trust's land being used. We have had a major input into the drafting of the SPD and we are broadly content with its proposals.

The SPD has been out for consultation with local residents and businesses and we hope it will be agreed and finalised during the Autumn of 2012. When the SPD is issued we will have a clear idea of what will be acceptable to the Planners on each parcel of our land. With the certainty of a planning framework we can start to talk to potential developers about working with us.

We want to increase our net annual rental surplus from new buildings by £500,000 – that will be a 27% increase in the subsidy we can put into our charitable programmes.

The local community's role

Please engage with us.

We cannot do everything the local community would want us to do, but we do want to ensure that our strategic plans for the next five to ten years are focused on the interests of that community, with an emphasis on the areas of greatest need and benefit.

We want as many people as possible to come to our roadshows; respond to our leaflets; and use our facilities. See what we can do for you by looking at our website.

And above all tell us what you want us to do next.



Health trainer consultation



Arts workshop at Westway Summer Festival

Our current services and activities

"The sun shone for us and the children and families have talked about the day constantly. The children drew pictures of what they'd seen."

"Our families would not be able to access this type of trip without your continued support. Thank you."

Manager, New Studio Pre-School

Westway Sports Centre

Eight state-of-the-art football pitches, basketball and netball courts, eight indoor tennis courts, two outdoor clay tennis courts, a large indoor climbing and bouldering centre, cricket nets, a small gym and handball five courts. Customers can also swim in the 'endless pools' (that are run by our external partner Frutina) and play Street Hockey, Street 20 Cricket and unicycle polo.

Portobello Green Fitness Club

A cardiovascular and resistance gym, separate free-weights gym, two squash courts, saunas and steam rooms, and three treatment rooms, as well as a range of classes.

Health trainers

A programme funded by the NHS. The team of mentors refer local people to services and support them in making behavioural changes which will improve their lives, from giving up smoking to more general fitness and activity.

Community sports outreach

The outreach team run sessions in schools, community centres and other venues. They make use of our facilities when this makes sense, but also run programmes in other venues when this works best. Sessions are often run in partnership with organisations including NHS Kensington & Chelsea, the School Sports Partnership, Parent Pupil Partnership and the Greenhouse Schools Project. The sports management and outreach team also manage a small grants programme, aimed at providing local people with opportunities to participate in sport and to acquire employment skills within the sports sector.

Grants for local groups

Each year we support around 20 to 30 small community and voluntary groups with grants for events, trips and local projects. These grants are usually of up to £1,000. We also offer grants through a programme to support community groups in sports and health initiatives. We have the capacity to make a small number of core grants to community organisations. We have continuing provision of subsidised workspaces for local charities. Grants to



Junior football at Westway Sports Centre

Supplementary Schools are provided through funds that we raise from the Royal Borough as part of our education programmes.

Arts and artists, community places and unique spaces

We use undeveloped space for additional projects driven by artists and community groups who come up with proposals for development sites, public spaces and buildings. The Trust also works more directly with the arts, bringing artists into primary schools through the Everyday Magic programme in up to ten local primary schools, or working with community organisations active in supporting or showcasing local artists' work.

Adult and community learning

Working with RBKC we run a variety of programmes focused on enhancing children's speaking, listening and reading skills, to aid preparation for mainstream school, and helping adults develop skills to help them in the workplace. This includes classes in English, ICT and ESOL for Work; qualifications through the Open College Network; "Strengthening Families, Strengthening Communities", "Power of Parents", an under-8s club for Travellers' children; and managing and contributing to the Partnership for Supplementary Schools in Kensington & Chelsea.

Education grants

We offer grants to local adults who are unemployed and undertaking courses leading to employment. Grants are based on an assessment of need. Grants up to a maximum of £1,000 are given to help with fees, books, travel, and childcare.

Grounds and gardens

We maintain a number of green spaces and hard landscaped areas. We have a small team of permanent staff and invite local volunteers to join us to gain experience of work in a supported environment.

"I would just like to thank Westway Development Trust for the grant that they've given me. I am partaking in a photography course at Crisis and this grant, alongside part funding from the Journalism Charity, has enabled me to buy the equipment that I need for my photography training.

It has helped me buy good equipment that I can use to develop a portfolio to a professional standard that I can present to potential clients and employers.

I am working with an employment coach at Crisis to strategise and plan for my return to work and my career development.

This is also helping me therapeutically. I lost my mum in January of this year; my Dad has been in hospital making slow, but steady progress following on a heart attack in November last year; and we have had other health issues in the family.

I have previously suffered from depression and I find that engaging in a creative pursuit helps me. So this work has been positive for me in a number of ways."

Grant recipient

Property rentals and management

We own, maintain and let a portfolio of 120 commercial properties, ranging from clubs, bars and restaurants, to fashionable boutiques in Portobello Green Arcade, light industrial units and commercial offices. Our commercial estate provides flexible work-space for small to medium-sized local businesses. Many of our tenants are young or start-up creative businesses.

Forty years ago this area was a wasteland; today it is a thriving place of work, with more than 800 people in jobs. In developing just 15% of our land commercially we have secured a long-term income stream, to subsidise our extensive programme of community projects. Key to our continued success in income generation is the maintenance and development of our estate.



Artist Charlie Pi with 'Arthur and the Vandellas' his entry to the Shape Open Exhibition held in our temporary gallery space

Some of our achievements in 2011/12



Tennis on the new synthetic clay courts at Westway Sports Centre

Grants for local groups

We provided office space for local charities and subsidised the rent by over £187,000. Project support amounted to £21,000 and small grants to local organisations amounted to £23,000.

Westway Sports Centre

Each year our Sports Centre receives some 450,000 user visits, of which 150,000 come from development and targeted programmes. In 2011/12 two outdoor multi-sport games areas were converted to football-specific 3G surfaces, to meet unsatisfied demand. Work started on converting the outdoor clay tennis courts to synthetic clay. This surface will be easier and cheaper to maintain and research indicates that it is more popular with tennis players. Two large sections of the climbing walls were refurbished during the year and refurbishment of a large "horseshoe" area of the wall was commissioned (and work completed during May 2012).

Portobello Green Fitness Club

We had some 99,500 user visits (up from 84,000 the previous year). Within those visits we had an average of 276 active community (subsidised) users each month. Over one thousand people have now benefited from accessing the Health Trainer Service based in the building.

Sports Outreach

The Women's programme was expanded, including swimming sessions at the Westway Sports Centre. Attendances averaged 70 - 80 participants per week. At WSC we ran: a families project involving climbing, gym and table tennis; a busy schools programme and after-school sessions. We ran multi-sports holiday programmes at Sion Manning School attracting 60 children per day. And we worked with the Youth Offending Team to deliver fitness opportunities to young people who have offended.



Adult learning with Westway

Arts

We facilitated and supported arts and culture projects which attracted over 5,000 visitors, involved 150 performers, 60 visual artists and were supported by 75 local volunteers. A further 2,200 children ranging from the under-fives to 16 year olds participated in a wide range of activities including visual art competitions, music workshops, storytelling sessions and the Nursery Carnival.

Education

98 learners achieved accredited qualifications awarded by Open College Network, between them collecting a total of 208 individual qualifications in July 2011, an increase of 89% on the previous year. 66 learners visited Kensington Palace in July 2011 and 104 learners visited the Hajj exhibition at the British Museum in February and March 2012. A parenting course taught in Arabic was run at St Cuthberts and St Mathias Primary School in the summer of 2011. Two programmes were held in the Autumn and Spring at The Venture Centre, one taught in English and one in Arabic. The Partnership of Supplementary Schools in North Kensington met every two months with 18 schools regularly attending the meetings. We awarded education grants amounting to £19,000.

Grounds and gardens

The Westway Green Community outreach project celebrated its first anniversary, with over 40 volunteers taking part throughout the year.



Westway Green Community volunteer



Stable Way and its boundaries present a regeneration challenge

Sustainability



Our gardening team works in local nursery schools

As an organisation that works with and for our local community, the Trust is particularly aware of the importance that sustainability has for the work we do; whilst focusing current projects on the economic, social and environmental needs of our beneficiaries, we also have an eye to the needs of future generations. As a development trust we are committed to improve the environment in which we work; and our charitable remit is to improve the well-being of both current and future generations of residents.

Our business planning procedures involve assessing the long-term viability of projects. When we seek external capital funding for major projects, we only proceed when we are satisfied there

will be sufficient income to maintain activities into the future. Where funding for any project is limited, we seek to be clear on the life cycle of the project from the outset.

During the year we adopted a new evaluation matrix against which we will assess new property development proposals; that matrix includes an assessment of the sustainability credentials of those proposals. Our ambitious plans for redevelopment will see more advanced and environmentally-friendly buildings being put in the place of some of the least efficient property. Yet we acknowledge that the particular location of our land – under the elevated roadway - means that certain sophisticated techniques to harness energy from above and below the buildings will not be available to us.

We encourage local initiatives within our operations. Put together these are intended to have a positive environmental impact.

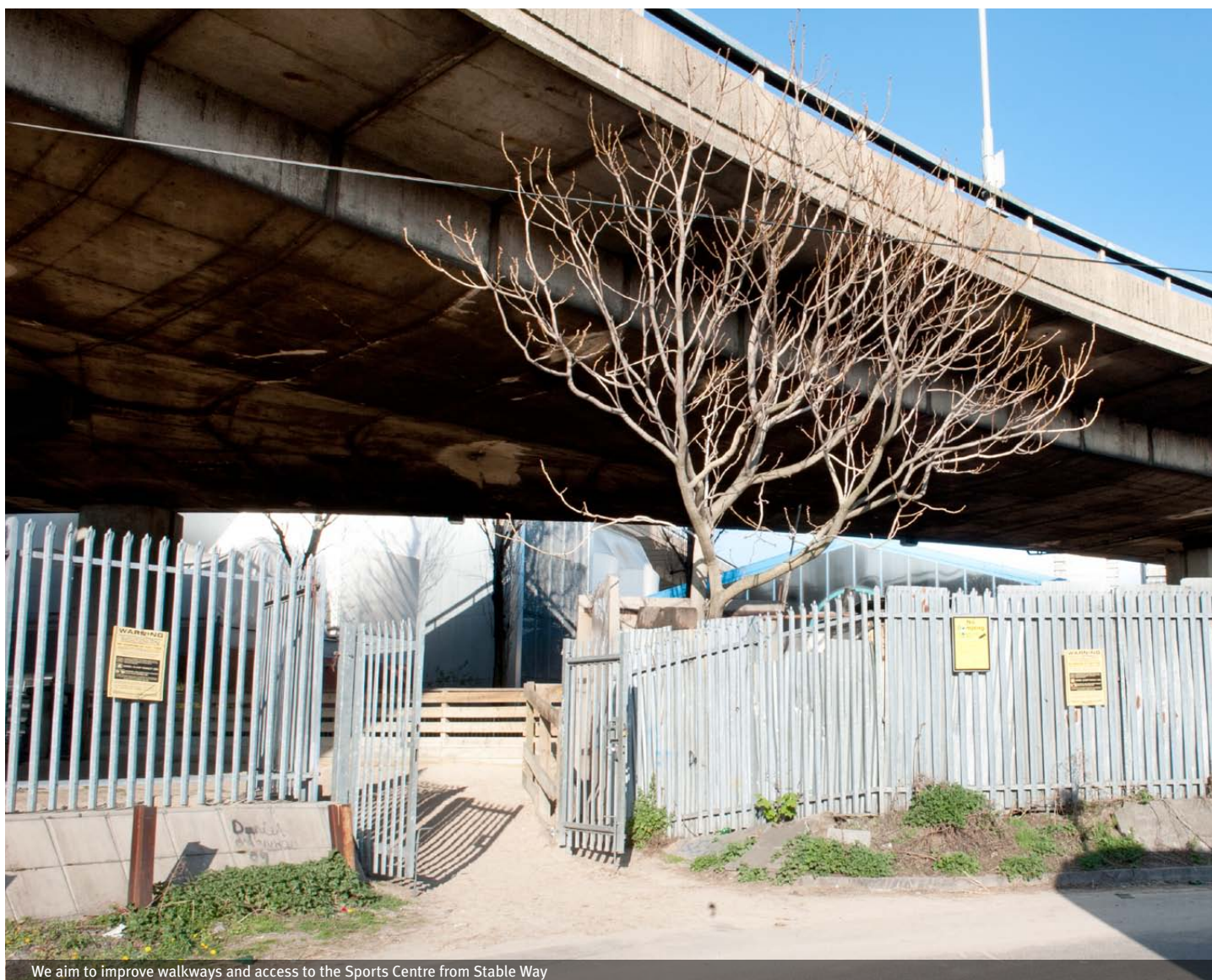
- In 2011/12 we continued to measure and monitor energy and water usage across the Trust. Since 2007 there has been a 36% reduction in our electricity consumption and a 45% reduction in gas consumption, including reductions in the last year alone of 9% and 11% respectively.
- We have encouraged staff to cycle to work by promoting free bike maintenance sessions, free bike maintenance training, free cycling courses and further staff cycle racks. Folding bikes have also been provided for staff to use for external meetings or visits between the sites. We provide staff loans for the purchase of bikes and participate in the Bike to Work scheme.
- The halogen lamp replacement programme has continued at the sports centre, gym and offices. Following our research, LED lighting has been installed on four indoor tennis courts and will be installed on one football pitch this year. If those installations prove successful, the programme will be rolled out to all facilities at the Westway Sports Centre in due course. This technology is not widely used in UK sports facilities and we are closely monitoring its impact.



Our full size pitch was re-laid with new artificial turf



Olympic torch at our Summer Festival



We aim to improve walkways and access to the Sports Centre from Stable Way



A young performer at the Summer Festival



Resurfacing work on courts at the Sports Centre

Financial report and business review

	2012	2011
	£'000	£'000
Total income	7,430	7,177
Expenditure on charitable activities	(6,333)	(6,061)
Property and governance costs	(982)	(711)
Operating result	115	405
Other gains and losses	(370)	(2,855)
Net movement in funds	(255)	3,260

The operating result for the year was a surplus of £115,000 and after deducting non-cash movements (the revaluation of our property portfolio and pension fund) there was a net reduction in funds of some £255,000. Key results were:

- Increased utilisation of football pitches and tennis courts at Westway Sports Centre (respectively 72% and 81% of peak time availability), but casual usage of the climbing wall has started to suffer the effects of the economic downturn;
- Increased funding and more participation in community use at Portobello Green Fitness Club, although membership sales continue to be under pressure;
- a 4.5% increase in direct charitable expenditure;
- virtually no vacancies in commercial rental units;
- effective debt collection during the year recovering 103% of the annual rent roll (reducing the rent arrears by the end of the year);
- allowing increased expenditure on refurbishing offices at 9 Thorpe Close and the expensing of speculative development costs ahead of the anticipated SPD (planning document) totalling more than £370,000.

Property

A break in lettings at 9 Thorpe Close was used to refurbish the building to a high standard at a cost of £220,000. Strong demand for our other properties helped to achieve income 4% higher than the previous year despite the closure during refurbishment. A further £50,000 was spent improving the working environment within 7 Thorpe Close, Portobello Green Arcade and Acklam Workshops. Collection of rent arrears during the year was successful and we reduced provisions for bad debts made in previous years. Strong performance on income allowed us to set-aside £180,000 to put into the portfolio regeneration fund (that we needed to undertake the works at 9 Thorpe Close). The Trust's overall operating surplus in the current year has covered professional fees incurred in preparing tender packages for development partners as we await the finalisation of the Royal Borough's Supplementary Planning Document covering Trust land.

Westway Sports Centre

Total income increased by 3% on the previous year. Football sales performed strongly throughout the year. Tennis income was also been strong with increased utilisation of courts through an effective administrative team. The development programme



Accessible fitness equipment



Refurbishing commercial workspace on Thorpe Close



Dancing at the Big Jubilee Lunch

jointly funded by the Trust and the LTA was delivered by Win and met its targets.

The climbing department has an effective development programme; each course delivers a surplus over the direct cost of running that course. Commercial income has continued to be squeezed by competition, strains on household budgets and an apparently dramatic fluctuation caused by the weather.

Fives and gym activities are small in relation to the whole Centre and these have become further marginalised during the year, with greater attention given to the delivery of commercial returns from the major sports.

Portobello Green Fitness Club

The Club saw a reduction in income of 8% from the previous year; sales of memberships fell below target throughout the year and member retention is therefore a priority for the Club. Community programmes have been delivered successfully, with funding for health activities and the women-only events in the Club. Work has been undertaken in preparing the upstairs space at the Fitness Club for the community café and performance space. The cost of this work was met from refurbishment reserves.

Sports management and outreach

Grant income has been successfully secured for a number of projects, most notably the girls and women's activities. An additional £12,000 was allocated to the central sports outreach team from the Trust's current year surplus, of which some £7,000 was utilised, in particular in their work with community and schools groups.

Sports development

All sports at the Westway Sports Centre delivered their planned community activities and all, with the exception of climbing, generated more income than planned from those activities.

Community development, education, learning, health and arts

Everyday Magic continued with a slightly reduced activity rate as schools' budgets remain stretched and we increased the subsidy for the programme by £10,000. Demand for small grants and education grants was notably higher this year; our allowance was fully committed quite early in the year. The Trust was able to allocate additional funds to these areas from the overall Trust surplus.

Additional income was achieved for Adult & Community Learning during the year from the European Integration Fund and was used to fund new work. The financial results for the Health Trainers are in line with the contract with NHS Kensington & Chelsea.

Investment properties

The value of investment properties was stable during the year as other forms of investment remain relatively unattractive. This has resulted in no material change in the value of our commercial rental portfolio. We rely upon the income stream generated by the rental portfolio, and the capital value does not have a direct impact on the Trust's ability to continue its programme of subsidised activities.

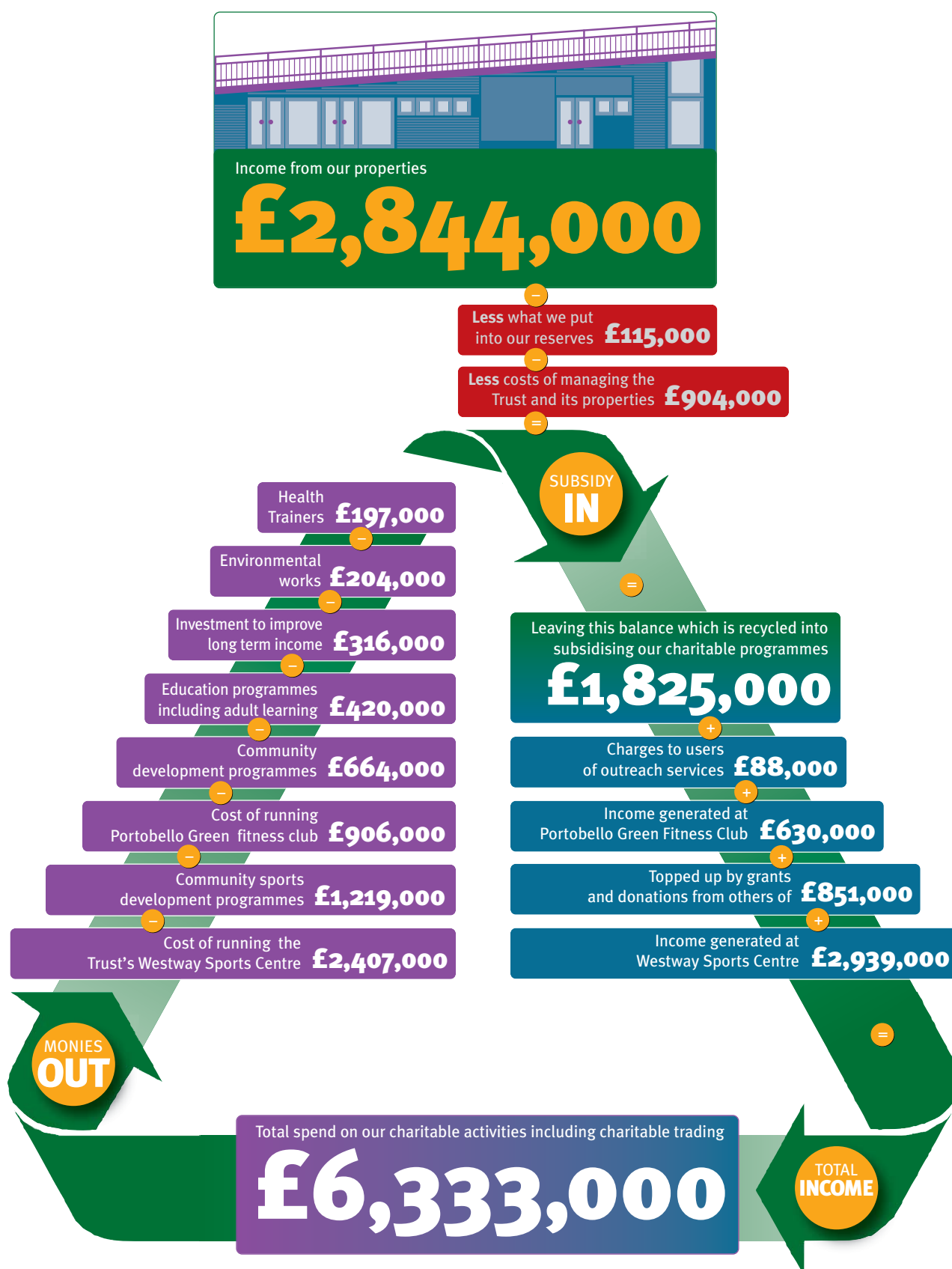
Pensions

The actuarial losses reported on the Trust's final salary pension scheme were £370,000 over the course of the year, following a gain last year of £2,027,000. These very material movements are created by strict short-term valuation rules applied to long-term liabilities and should be viewed with caution. The cash contributions to the scheme are determined by triennial actuarial valuation: the last available valuation as at 31 March 2010 showed the scheme to be fully funded at that time.

Solvency

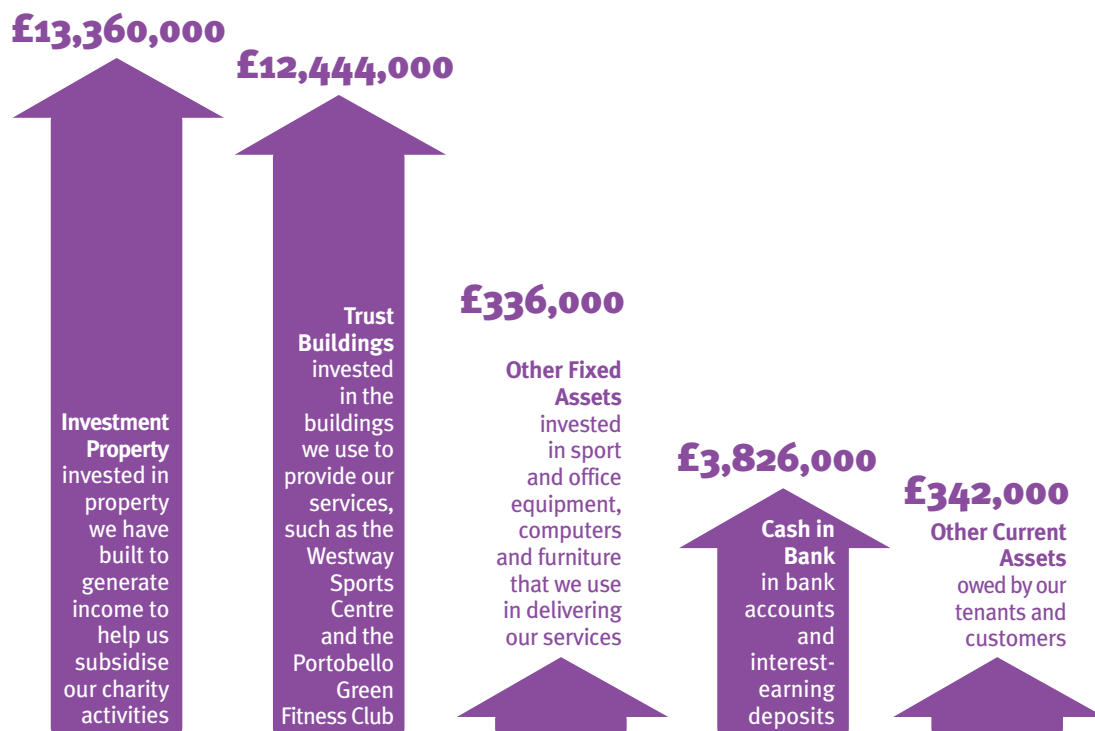
The Trust remains solvent with cash reserves put aside to meet anticipated liabilities and development costs.

How our income is recycled



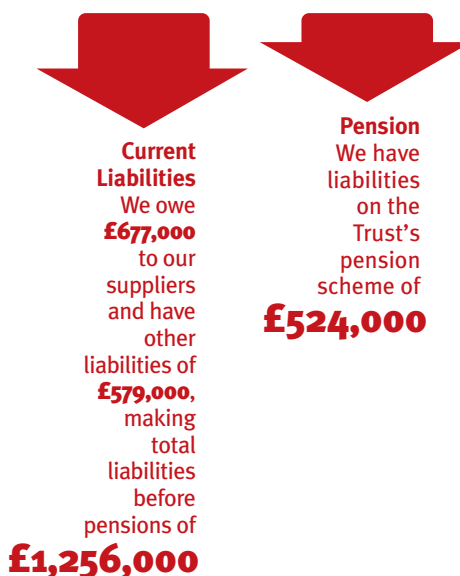
Where are our assets?

We hold 23 acres of land in trust and this means we have significant assets and a source of income to fund many of our charitable activities.



The Trust has total funds of

£28,528,000



Structure, governance & management and significant policies

The Trust is governed by its Memorandum & Articles of Association, adopted on 12 December 2007, as subsequently amended. We have a Board of between 15 and 18 trustees; seven are elected for three-year terms by our 39 member organisations (active local charities and organisations serving the Borough) and seven are nominated by the Royal Borough of Kensington & Chelsea; together they appoint an independent Chairman (who must be a resident of the wider benefit area) at the beginning of the year. The trustees may co-opt up to three additional trustees. New trustees are introduced to the Trust with a formal induction programme.

The organisation

The charity is known as Westway Development Trust; it is a registered charity number 1123127 and is a company limited by guarantee number 6475436. The first trust was set up in 1971. From 2008 the activities have been operated through a charitable company also known as Westway Development Trust.

Governance review

A major review of the governance arrangements of the Trust was undertaken during 2011 and in April 2012 the Board agreed the creation of a number of sub-boards to supervise the activities of the Trust, which recognise that its major constituent parts are run as community enterprises. Trustees and senior members of staff are assigned to the boards by a Nominations Committee, headed by the Chairman.

In addition to the Main Board, the Trust has the following sub-boards and committees set out below:

- Sport & Fitness Board
- Property & Regeneration Board
- Community Development Board
- Audit Committee
- Remuneration Committee
- Nominations Committee
- External Reputation Advisory Group

Prior to the review, the Trust had four permanent sub-committees: Sport, Recreation & Fitness, Community, Health, Education & Arts, Planning & Property Management and Finance & Staff.

Management

Chief Executive: Martyn Freeman

The trustees delegate the day-to-day management of the Trust's operations to a full-time management team, headed by the Chief Executive Officer and supported by the executive directors and the Director of the Westway Sports Centre.

Risk and control

The Trust has long-standing financial controls that are authorised by the trustees and periodically reviewed and updated. The trustees have undertaken a comprehensive organisational risk

assessment and have identified the principal risks, both financial and operational, to which they consider the Trust is exposed. The trustees have put in place the controls they consider to be realistic and practical to mitigate the risks identified. The main risks include the Trust's exposure to the property rental market, as the Trust's rental income underpins the costs of its targeted, charitable activities; the condition of the Trust's property estate; and the delivery of quality services to the public, including young people and vulnerable adults.

Investment policy

The trustees have set aside 15% of Trust land for commercial development to provide shops, offices, light industrial units and any other suitable building that fits within the Trust's property strategy. The trustees do not consider any other form of long-term investment to be relevant as surplus cash is placed on bank deposit, so that it is then available to draw down in the short-term as the need arises.

Reserves policy

The trustees set aside available funds for foreseeable needs and for planned refurbishment and environmental improvements. The trustees also set aside a small amount each year, when rental income is strong, to allow for some flexibility in periods of economic downturn. The trustees do not currently consider it necessary to establish a minimum level of free reserves for general purposes and seek to put available funds to charitable use or to make specific provisions for future use as noted above. Free, undesignated reserves stand at £500,000 as at 31 March 2012. Note 17 to the financial statements gives greater detail on the purposes of the designated funds of the Trust and the reasons for holding those funds.

Treasury policy

The Trust will deposit its cash funds in UK-based financial institutions authorised and regulated by the Bank of England or the Financial Services Authority. The Trust will only deposit funds in institutions with a minimum credit rating. A variety of instant access, short-term and medium-term deposits will be made to allow funds to be drawn down according to the needs of the Trust's forecast cashflow.

Whilst the Trust prosecutes multi-million-pound development opportunities, it will seek to hold treasury reserves in the order of £500,000 to protect the ordinary activities of the Trust from unforeseen events during those developments.

Accounting policy

The Trust will adopt suitable accounting policies to ensure its published financial accounts show a true and fair view of the income, expenditure, unrealised gains and losses and state of affairs of the Trust.

Trustees and committee membership

Board and sub-Committee membership and changes during the year were as follows:

	Board membership	Former sub-committee membership
Chairman		
Jon Rayman (until 21 November 2011)	–	REP
Ken Scott (from 19 March 2012)	CDB (Chair), APP (Chair), REM (Chair), NOM (Chair)	–
Elected by Member Organisations		
James Caplin	ERA, AUD	SRFC, REP
Cynthia Dize	PRB	CHEA, PPMC
Mary Gardiner	CDB	CHEA
Ruth Hillary	CDB	SRFC
David Oliver (Vice Chairman)	AUD (Chair), NOM	FSC
Mary Roser	SFB	SRFC
Fatai Towolawi	CDB	CHEA
Council nominees		
Cllr Fiona Buxton (Vice Chairman)	AUD	CHEA (Chair), FSC
Cllr Terence Buxton	PRB, ERA	FSC, REP
Cllr Pat Healy (from 23 June 2011 until 23 May 2012)	AUD	REP
Cllr David Lindsay	PRB, AUD	PPMC
Cllr Pat Mason (from 26 June 2012)	–	–
Cllr Rock Feilding-Mellen	CDB, REM	PPMC
Peter Wilson	SFB, REM	FSC (Chair)
Tim Davis	SFB (Chair), ERA (Chair), NOM	SRFC (Chair), REP (Chair)
Co-opted trustees		
Joanna Farquharson	SFB, REM	SRFC
Mike Jones	PRB (Chair), NOM	PPMC (Chair)
Peter Molyneux (until 21 November 2011)	–	CHEA

AUD: Audit Committee

CDB: Community Development Board

ERA: External Reputation Advisory Group

NOM: Nominations Committee

PRB: Property & Regeneration Board

REM: Remuneration Committee

SFB: Sport & Fitness Board

CHEA: Community, Health, Education & Arts

FSC: Finance & Staff

PPMC: Planning & Property Management

REP: Reputation

SRFC: Sport, Recreation & Fitness



Outdoor table tennis tables are proving popular

Statement of trustees' responsibilities

The trustees (who are also directors of Westway Development Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice.)

Company law requires trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies

Act 2006 and the Charities Act 2011 and regulations made thereunder. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

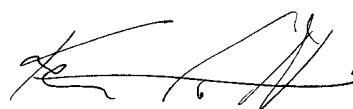
The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

In so far as the trustees are aware:

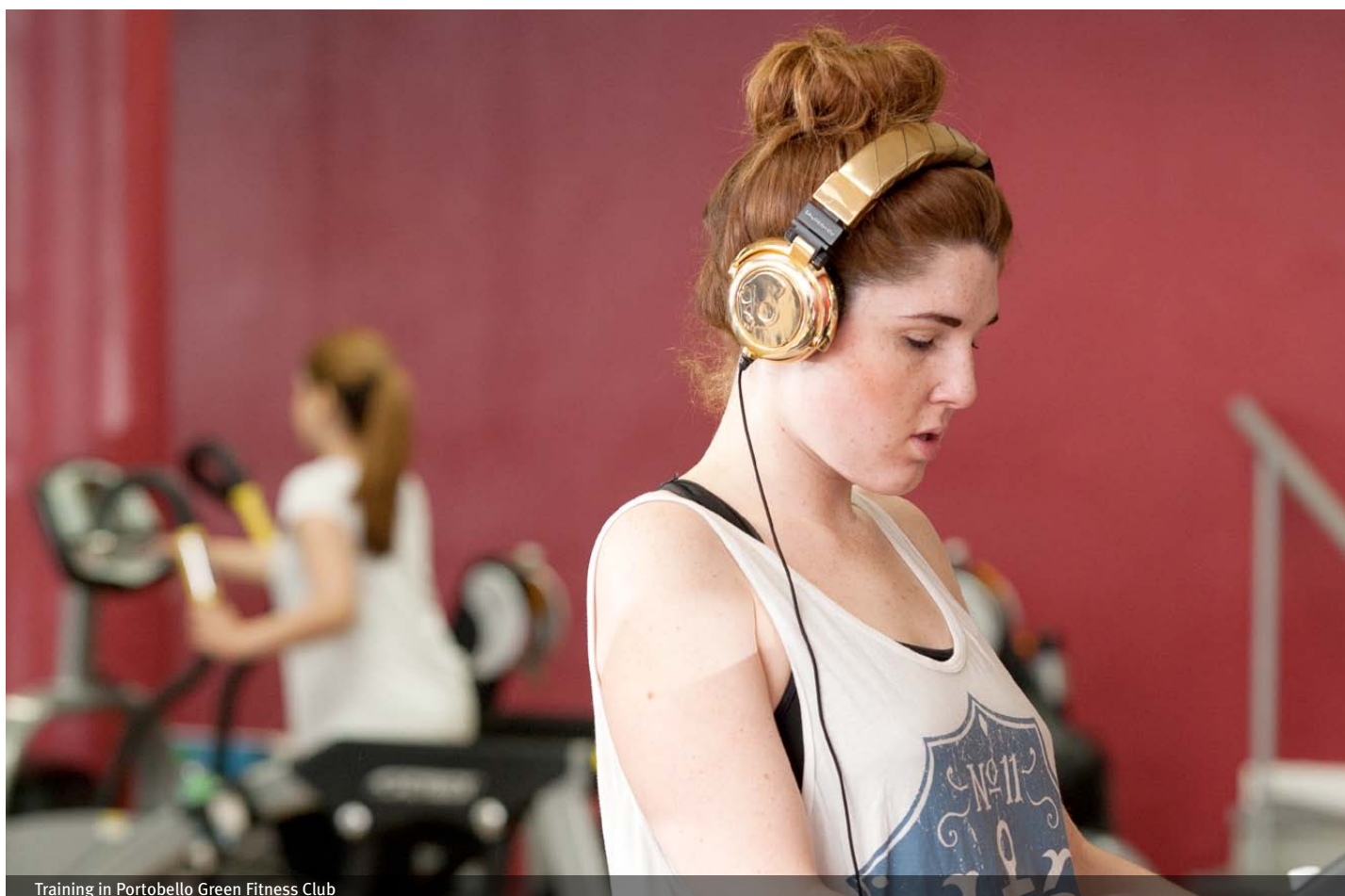
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Our auditors, Kingston Smith LLP, have indicated their willingness to continue in office and it is proposed that they be re-appointed as auditors for the ensuing year.



Signed on behalf of the Trustees
Ken Scott, Chairman, 10 September 2012



Training in Portobello Green Fitness Club

Addresses and advisors

Main addresses

Head office

1 Thorpe Close, London W10 5XL
Tel. 020 8962 5720

Portobello Green Fitness Club

3/5 Thorpe Close, London W10 5XL
Tel. 020 8960 2221

Westway Sports Centre

1 Crowthorne Road, London W10 6RP
Tel. 020 8969 0992

Email / Website

info@westway.org / www.westway.org

Advisors

Solicitors

Bates Wells & Braithwaite London LLP,
2 – 6 Cannon Street, London EC4M 6YH

Auditors

Kingston Smith LLP,
Devonshire House, 60 Goswell Road, London EC1M 7AD

Bankers

Barclays Bank PLC,
Corporate Banking Centre, Level 28, 1 Churchill Place,
London E14 5HP

Property Advisors

GVA Grimley,
10 Stratton Street, London W1J 8JR

Member organisations of the Trust

Abundance Arts
Age Concern Kensington and Chelsea (incorporating Sixty Plus)
Association for Cultural Advancement of Visual Art
Catholic Children's Society (Westminster)
Chelsea Theatre
Children's & Parents Carnival Association
Community Accountancy Self Help
Corner Nine Arts Project
Dadihiye Somali Development Organisation
Dalgarno Neighbourhood Trust
Earl's Court Community Trust
Ebony Steelband Trust
Ethiopian Women's Empowerment Group
Gloucester Court Reminiscence Group
Hand In Hand Group
Harrow Club W10
Kensal Community Association
Kensington & Chelsea Mental Health Association
Kensington & Chelsea Social Council
Kensington & Chelsea Swimming Club
Kensington Housing Trust
Latymer Christian Centre
Notting Hill Housing Trust
NOVA new opportunities
Nucleus Earl's Court Community Action
Octavia Housing and Care
Open Age
Pepper Pot Day Centre
Regeneration Trust
Response Community Projects
Sion Manning RC Girls School
St Helen's Church
St Helen's Residents Association
Swinbrook Estate Residents Association
Tavistock Crescent Residents Association
The Video College
Venture Community Association
West London Citizens
Westway Community Transport



The Westway Green Community outreach team in action

Independent auditors' report to the Members of Westway Development Trust

We have audited the financial statements of Westway Development Trust for the year ended 31 March 2012 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the financial statements, to the charity's trustees, as a body, in accordance with regulations made under section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion 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 charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under the Companies Act 2006 and section 144 of the Charities Act 2011 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 charitable company'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 Trustees' annual report 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.



Learning circus skills at the Westway Summer Festival

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2012 and of the 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 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

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

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 2011 require us to report to you if, in our opinion:

- the charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company'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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Kingston Smith LLP

Anjali Kothari
(Senior Statutory Auditor)
For and on behalf of Kingston Smith LLP,
Statutory Auditor

Devonshire House
60 Goswell Road
London EC1M 7AD

Kingston Smith LLP is eligible to act as auditor under of Section 1212 of the Companies Act 2006.

Date: 5 October 2012



Westway Development Trust

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 March 2012

	Note	General funds	Designated funds	Restricted funds	Total 2012	Total 2011
		£	£	£	£	£
Incoming resources						
<i>Incoming resources from charitable activities</i>						
Sports and recreational facilities	2	2,871,381	–	130,179	3,001,560	3,064,812
Community sports development		771,879	–	245,347	1,017,226	843,058
Health and education activities		40,882	–	423,180	464,062	433,262
Other grants and donations		-	–	25,249	25,249	47,542
<i>Investment income</i>						
Land and property rentals		2,521,213	–	–	2,521,213	2,415,268
Interest receivable		41,644	–	327	41,971	20,463
<i>Other incoming resources</i>						
Property service charges		28,519	–	294,329	322,848	329,654
Miscellaneous income		36,285	–	–	36,285	23,198
Total incoming resources		6,311,803	–	1,118,611	7,430,414	7,177,257
Resources expended						
<i>Charitable activities</i>						
Governance	4	5,191,453	209,652	931,488	6,332,593	6,061,531
Investment management costs	6	59,936	–	–	59,936	50,447
Property overheads	7	588,054	23,528	310,841	922,423	660,714
Total resources expended		5,839,443	233,180	1,242,329	7,314,952	6,772,692
Net incoming(outgoing) resources before transfers		472,360	(233,180)	(123,718)	115,462	404,565
Transfers between funds	8	(480,826)	480,826	–	–	–
Net income less expenditure after transfers		(8,466)	247,646	(123,718)	115,462	404,565
<i>Other recognised gains and losses</i>						
Revaluation of commercial properties	12	–	–	–	–	536,000
Movements arising on defined benefit pension scheme						
Change of actuarial assumption	20	–	–	–	–	292,000
Actuarial gains and losses	20	–	(370,000)	–	(370,000)	2,027,000
Net movement in funds		(8,466)	(122,354)	(123,718)	(254,538)	3,259,565
<i>Reconciliation of funds</i>						
Balances brought forward at 1 April 2011		508,275	16,486,958	11,787,215	28,782,448	25,522,883
Balances carried forward at 31 March 2012	17	499,809	16,364,604	11,663,497	28,527,910	28,782,448

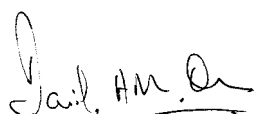
All activities derive from continuing operations.

All gains and losses recognised in the year are included on the Statement of Financial Activities.


The accompanying notes form part of these financial statements.

	Note	2012	2012	2011	2011
		£	£	£	£
Fixed assets					
Charitable buildings	11	12,444,367		12,536,116	
Investment property	12	13,360,000		13,360,000	
Other tangible fixed assets	13	335,597		330,062	
		<u>26,139,964</u>		<u>26,226,178</u>	
Current assets					
Debtors	14	289,022		479,342	
Short term deposits		3,731,294		3,477,274	
Cash at bank and in hand		94,978		95,743	
		<u>4,115,294</u>		<u>4,052,359</u>	
Liabilities:					
amounts falling due within one year	15	(1,156,014)		(1,292,760)	
Net current assets		2,959,280		2,759,599	
Total assets less current liabilities		<u>29,099,244</u>		<u>28,985,777</u>	
Liabilities:					
amounts falling due after more than one year	16	(47,334)		(47,329)	
Net assets excluding pension deficit		<u>29,051,910</u>		<u>28,938,448</u>	
Pension liability	20	(524,000)		(156,000)	
Net assets		<u><u>28,527,910</u></u>		<u><u>28,782,448</u></u>	
Funds	17				
<i>Unrestricted funds</i>					
Accumulated fund		499,809		508,275	
Revaluation reserve		7,613,341		7,613,341	
Other designated funds		8,751,263		8,873,617	
		<u>16,864,413</u>		<u>16,995,233</u>	
<i>Restricted funds</i>		11,663,497		11,787,215	
		<u><u>28,527,910</u></u>		<u><u>28,782,448</u></u>	

Approved by the Trustees on 10 September 2012 and signed on their behalf



David Oliver, Trustee



Fiona Buxton, Trustee

The accompanying notes form part of these financial statements.

	Note	2012	2012	2011	2011
		£	£	£	£
Net cash inflow from operating activities	21		715,510		937,546
Interest and servicing of loans					
Bank interest received		40,455		14,191	
Other interest received		1,516		6,272	
Net interest			41,971		20,463
Capital expenditure					
Payments to construct charitable buildings	11	(334,522)		(333,699)	
Payments to construct investment property	12	–		–	
Payments to acquire other charity fixed assets	13	(169,704)		(165,350)	
Capital expenditure			(504,226)		(499,049)
Increase in cash and bank deposits	22		253,255		458,960
Represented by:					
Increase in short term deposits			254,020		546,015
Decrease in cash			(765)		(87,055)
	22		253,255		458,960

The accompanying notes form part of these financial statements.



Leading the dance at the Summer Festival

1. Accounting policies

- 1.1 Cost convention**
The accounts have been prepared under the historical cost convention, as modified by the revaluation of investment property.
- 1.2 Form and content of accounts**
The accounts are prepared in accordance with the requirements of the Trust's constitution, the Companies Act 2006, the Charities Act 2011, Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) revised by the Charity Commission in 2008 and relevant Financial Reporting Standards. The order of certain items in the Statement of Financial Activities and their headings have been adapted as required by SORP in order to present a true and fair view of the nature and scale of the activities of the Trust.
- 1.3 Grants received**
Where grants are given for specific purposes they are credited to the restricted funds of the Trust. Grants that are awarded for a specific period are recognised in the accounts in that period. Capital grants are recognised to the extent that the Trust has met the conditions for draw down of those grants. Otherwise grants are shown as income in the period in which they are received.
- 1.4 Grants payable**
Grants are accounted for in the period in which they are approved. Certain properties are set aside for letting to local charitable groups at one-third of market rent. The full commercial rent is shown as investment income and the corresponding two-thirds reduction is shown as grants payable.
- 1.5 Property service charges**
Income and expenditure arising from the service charge accounts of tenanted buildings are included within these accounts. The Trust is accountable to its tenants for the expenditure incurred on maintaining these properties and, under the terms of the leases, the accounting records and vouchers are available for their inspection on demand.
- 1.6 Basis of allocation of support costs**
Staff and other support costs are allocated to the various activities of the Trust based upon the direct staff costs involved in delivering direct charitable activities and on the estimated time devoted to the governance of the Trust.
- 1.7 Pension costs**
The Trust participates in a defined benefits pension scheme under a local government scheme, the assets of which are held wholly independently from those of the Trust. Pension costs in respect of employees who are members of this scheme are charged to the statement of financial activities so as to spread the cost of pensions over the service lives of employees. The current service cost and net return on pension assets are charged to resources expended; actuarial gains and losses are shown separately on the SOFA. The deficit of scheme liabilities over scheme assets is recognised on the balance sheet and a deficit reserve carried in the designated funds of the Trust as explained within the reserves policy.
- 1.8 Value Added Tax**
The Trust is partially exempt for VAT purposes. Where input VAT is not recoverable it is included in the accounts as part of the expenditure on which it was incurred.
- 1.9 Land and buildings**
1.9.1 Land: the Trust's has a 130 year lease with a total cost of £280,000. The land is included in the property valued as an investment asset.

1.9.2 Investment property: the Trust has developed some of its land with commercial building so as to provide a source of income for the Trust. These buildings are carried at the Trustees' own valuation as set out in note 12. This reflects the investment nature of such buildings. Investment properties are not depreciated, nor is any separate reduction made for impairment, because any changes in their worth is dealt with within the Trustees' valuation. Movements on unrealised revaluation surpluses are shown separately on the face of the Statement of Financial Activities and the cumulative unrealised surplus is shown as a designated fund in the balance sheet.

1.9.3 Charitable buildings: buildings occupied by the Trust for its own charitable purposes ("charitable buildings") are shown at cost less depreciation. This has the effect of setting the cost of these buildings against the income of the Trust over the expected useful lives of the buildings. Buildings are maintained in a constant state of sound repair; the carrying values of buildings are reviewed annually and reduced to the extent that it is considered that there has been an impairment of value.
- 1.10 Capitalisation**
1.10.1 Property developments: The costs of speculative developments are written-off in the year in which they are incurred until the point that planning consent is obtained and the project has a realistic likelihood of being built. Where projects are abandoned, all previously capitalised costs are written-off.

1.10.2 Threshold: Goods acquired are capitalised where they represent an asset of continuing value to the Trust and the cost exceeds £1,000 per item or group of items.

1.11 Depreciation

1.11.1 Charitable buildings:

- (a) Buildings are depreciated at a rate of 2% per annum on cost.
- (b) Major refurbishments: depreciation is charged annually at the rate of 10% on cost.
- (c) Office partitioning to increase short-term office space: depreciation is charged annually at the rate of 20% on cost.

1.11.2 Landscaping and environmental improvements: all expenditure is written-off in the year in which it is incurred.

1.11.3 Office furniture and fixtures: depreciation is charged at the rate of 20% p.a. on cost.

1.11.4 Sports equipment: depreciation is charged at the rate of 20% p.a. on cost.

1.11.5 Computers and software: depreciation is charged at the rate of 33.3% p.a. on cost.

1.12 Bad debts

Provisions are made against monies due to the Trust where the debt is overdue and there is evidence unwilling or unable settle the amount due. Debts are written off according to procedures agreed by the Trustees.

1.13 Restricted funds

1.13.1 Capital grants: Grants that are received for capital projects are credited to a restricted fund. Subsequent charges for depreciation of those capital assets are charged directly to the fund in the statement of financial activities. The balance of such grants are released to general funds when they are considered to be no longer repayable.

1.13.2 Building refurbishment reserves: Provisions are made in the service charge accounts for tenanted buildings towards the expected costs of building repairs that may be required in the future in accordance with the terms of the relevant leases. Interest on the unexpended balances is credited to those balances. These funds may only be spent on the specific tenanted buildings to which they relate.

1.13.3 Other project grants: Grants that are received for specified purposes are credited to a restricted fund. Expenditure that is attributable to such grants is charged directly to the fund in the statement of financial activities.

1.14 Designated funds

1.14.1 Buildings funds: The balances on the funds represent investment and charity land and buildings rather than cash. The capital costs of buildings that are met from the Trust's own resources are represented by designated buildings funds. Where developments have been funded by loans an appropriate transfer is made from operating income to cover the capital repayments of the loans. Depreciation is charged directly against the fund in the statement of financial activities.

1.14.2 Revaluation reserve: The surplus arising upon valuation of the Trust's commercial property is credited directly to a designated fund to indicate that this surplus is also represented by buildings rather than cash.

1.14.3 Reinstatement and development funds: Transfers are made into these funds to meet the anticipated costs of renovating depreciating assets at the end of their anticipated lives, such as the playing surfaces of sports facilities. In addition, funds are transferred for capital developments to provide reserves to meet, or contribute, so far as reserves permit, towards the cost of capital expenditure that is not funded by loans or grants.

1.14.4 Charitable purposes funds: It is the Trust's policy to set aside a small amount of its surplus in years when rental income is strong in order to allow for some flexibility during periods of economic downturn.

1.14.5 Pension reserve: The reserve represents the surplus or deficit on the Trust's defined benefits pension scheme. Contributions are paid into the scheme in accordance with the recommendations of the scheme actuary and may be made over a number of years to spread the cost of funding the deficit over the future service lives of active scheme members.

2. Income from sport and fitness

	Westway Sports Centre £	Portobello Green Fitness Club £	Community sport development £	Total 2012 £	Total 2011 £
Income from use of facilities	2,326,151	586,461	–	2,912,612	2,856,077
Management fees	88,948	–	–	88,948	208,735
	2,415,099	586,461	–	3,001,560	3,064,812
Income from sports development	711,085	148,787	157,354	1,017,226	843,058
Total income	3,126,184	735,248	157,354	4,018,786	3,907,870
Less: operating costs	(2,407,155)	(905,526)	–	(3,312,681)	(3,219,376)
Less: sports development costs	(710,927)	(205,504)	(302,690)	(1,219,121)	(1,102,365)
Net result	8,102	(375,782)	(145,336)	(513,016)	(413,871)
2011	26,249	(256,786)	(183,334)	(413,871)	



Working out with a personal trainer in the free weights gym at our Portobello Green Fitness Club

3. Grants and donations received

	Total 2012 £	Total 2011 £
Royal Borough of Kensington & Chelsea		
Adult Learning	46,440	56,484
Supplementary Schools	96,424	96,328
Parenting	26,390	28,858
Westway Sports Centre multi-games pitches	–	75,000
Arts	–	700
Sports development	7,500	2,000
Landscaping	–	18,992
Gardens apprentices scheme	–	6,000
European Integration Fund	11,700	–
Portobello Green Fitness Club	–	8,580
Bonfire	–	500
NHS Kensington & Chelsea		
Health Trainers	195,000	189,786
Get Fit Get Healthy	60,670	–
Portobello Green Fitness Club, Carers' Project	46,940	47,156
Lawn Tennis Association		
Fixed programme	67,500	74,050
Capital grant	63,331	–
John Lyon's Charity		
Adult Learning	25,000	25,000
Handball fives	15,000	21,000
London Marathon Trust, capital	70,000	–
Greater London Authority, Women's Project	25,283	–
The Football Foundation, capital	40,656	–
The Craignish Trust	20,000	–
The Kensington & Chelsea Foundation		
Supplementary Schools	5,500	5,000
Everyday Magic	10,500	12,667
BBC Children In Need, Holiday Project	7,396	–
Western Riverside Environmental Fund, deprived families	3,136	–
Nova new opportunities, education initiatives	4,100	–
Esmee Fairburn Trust	–	15,000
Other grants	–	16,336
Private donations	2,589	17,074
Total grants received	851,055	716,511
Less: unrestricted funding	(27,100)	(29,400)
Restricted grants	823,955	687,111
Arising from:		
Sport & Fitness	130,179	75,000
Community sports development	245,347	172,537
Health & Education	423,180	392,032
Other	25,249	47,542
	823,955	687,111



Participant in one of our Arts workshops

4. Direct charitable expenditure

	Sports and recreational facilities	Sports development	Community development	Education	Health trainers	Environmental improvements, development and management	Regeneration and development	Total 2012	Total 2011
	£	£	£	£	£	£	£		£
Staff costs	1,617,029	423,666	160,233	246,584	186,672	131,712	93,707	2,859,603	2,657,569
Self-employed sessional workers	132,128	261,104	–	–	–	–	–	393,232	306,929
Repairs and maintenance	190,775	52,127	333	227	40	119	–	243,621	313,909
Utilities	136,793	35,296	–	–	–	–	–	172,089	194,257
Fixtures and fittings	71,828	27,472	55,404	524	92	4,773	–	160,093	62,035
Communication and IT costs	131,027	29,066	10,684	15,728	1,278	3,835	–	191,618	166,319
Marketing	113,249	29,046	5,367	3,670	642	1,927	–	153,901	162,891
Cleaning	176,670	50,471	309	211	37	111	–	227,809	222,382
Insurance and other establishment costs	141,436	31,260	11,660	7,973	1,395	6,701	–	200,425	170,682
Leasing costs	6,770	1,801	–	–	–	–	–	8,571	11,319
Grants awarded (note 5)	–	10,412	251,223	86,313	–	–	–	347,948	449,748
Sports development activities and events	–	236,802	–	–	–	–	–	236,802	223,989
Health and education activities and events	–	–	–	56,283	6,321	–	–	62,604	88,128
Community development	–	–	164,736	–	–	444	–	165,180	180,080
Environmental improvement and management	–	–	–	–	–	52,857	221,858	274,715	274,855
Retail stock	18,553	–	–	–	–	–	–	18,553	8,915
Depreciation	536,323	29,923	3,333	2,279	399	1,196	–	573,453	530,374
Bank and security collection charges	40,100	675	740	506	89	266	–	42,376	37,150
	3,312,681	1,219,121	664,022	420,298	196,965	203,941	315,565	6,332,593	6,061,531
General funds	2,879,258	1,045,413	643,497	191,975	13,552	197,406	220,352	5,191,453	4,792,131
Designated funds	126,552	–	–	–	–	–	83,100	209,652	420,343
Restricted funds	306,871	173,708	20,525	228,323	183,413	6,535	12,113	931,488	849,057
	3,312,681	1,219,121	664,022	420,298	196,965	203,941	315,565	6,332,593	6,061,531
2011	3,219,376	1,102,365	674,956	358,623	175,741	358,593	171,877	6,061,531	

5. Grants awarded

	Total 2012	Total 2011
	£	£
Rent subsidies to charity tenants	187,176	201,763
Project support to local charities	21,500	115,000
Adult & Community Learning Programme allocations	74,123	80,570
Education grants to individuals	19,092	15,714
Small grants to local charities	23,455	20,462
Allocations to Supplementary Schools	11,200	4,725
Sports grants to groups	3,300	4,149
Grants for child care	990	1,720
Sports grants to individuals	400	1,699
Performance sports bursaries	6,712	3,946
	347,948	449,748

The Trust does not disclose the names of recipients of grants to individuals in these accounts.

6. Governance costs

	Total 2012	Total 2011
	£	£
Staff costs	31,598	33,644
Audit fees	14,493	13,974
Legal and other professional fees	13,845	2,829
	59,936	50,447

7. Property overheads

	General funds	Designated funds	Restricted funds	Total 2012	Total 2011
	£	£	£	£	£
Staff costs	159,110	–	21,639	180,749	248,784
Overheads, fees and marketing	87,416	–	–	87,416	50,886
Improvements, repairs and maintenance	288,863	14,784	139,935	443,582	171,931
Utilities	875	–	47,369	48,244	46,415
Communications and marketing costs	34,508	–	819	35,327	14,434
Cleaning	237	–	80,868	81,105	78,589
Insurance and other establishment costs	8,233	–	20,211	28,444	36,077
Depreciation	8,243	8,744	–	16,987	13,163
Bank charges	569	–	–	569	435
	588,054	23,528	310,841	922,423	660,714

8. Transfers between funds

	General funds to (from) £	Designated funds to (from) £	Restricted funds to (from) £
<i>Transfers to reflect activities during the year</i>			
Release of funds against current refurbishment costs	473,413	(473,413)	–
Transfer to cover capitalised costs of improvement works	(220,239)	220,239	–
<i>Transfers to provide for future activities</i>			
Provisions for reinstatement of sports playing surfaces and facilities	(377,000)	377,000	–
Provisions for reinstatement of IT facilities	(20,000)	20,000	–
Provisions for the maintenance of the estate	(180,000)	180,000	–
Funds allocated for development projects in future years	(157,000)	157,000	–
	(480,826)	480,826	–

9. Allocation of support costs

The basis of the allocation of support costs is set out in the accounting policies, note 1.6.

	Total 2012 £	Total 2011 £
Staff costs	695,719	671,071
Repairs and maintenance	2,840	5,520
Fixtures and fittings	6,546	2,981
IT and communication costs	91,243	78,676
Marketing	45,841	63,389
Cleaning	2,636	2,428
Insurance and other establishment costs	65,737	74,403
Depreciation	28,486	17,446
Bank charges	6,325	4,838
Professional fees	33,870	16,973
	979,243	937,725
Sports and recreational facilities	553,425	501,729
Sports development	69,178	50,481
Community development	110,873	102,660
Education	75,812	41,233
Health	13,268	23,770
Environmental improvements and management	39,801	50,793
Governance	31,598	50,447
Property overheads	85,288	116,612
	979,243	937,725

These costs are included within the total costs analysed by activity reported in the Statement of Financial Activities.

10. Staff costs

	Total 2012	Total 2011
	£	£
Salaries and wages	2,573,113	2,422,026
Social security costs	227,409	215,042
Pension costs		
Current service costs	86,897	84,523
Past service costs	13,452	71,304
Other finance costs	(2,000)	(6,000)
	<u>2,898,871</u>	<u>2,786,895</u>

Average number of employees		
Monthly paid	<u>117</u>	<u>126</u>
Full-time equivalent	<u>98</u>	<u>95</u>

The full-time equivalent number of employees analysed by function was:

Sports and recreation	65	61
Community development	2	3
Education	5	5
Health trainers	8	8
Property management	4	6
Environmental improvement	4	3
Governance, support and finance	10	9
	<u>98</u>	<u>95</u>

Number of employees whose emoluments during the year fell between:

£70,000 and £79,999	1	1
£100,000 and £109,999	–	1
£110,000 and £119,999	1	–

The lower paid member of staff included in the table above belongs to the Trust's final salary pension scheme (note 20). Total pension employer's pension contributions for the higher paid employees amounted to £23,822. (2011: £18,854).

Payments to trustees

No Trustee received any remuneration from the Trust during the year or the previous year. Expenses were reimbursed to three Trustees amounting to £430 (2011: one trustee, £137).

11. Charitable buildings**Buildings occupied for the
charity's own purposes
£****Cost**

At 1 April 2011 17,139,691

Additions 334,522

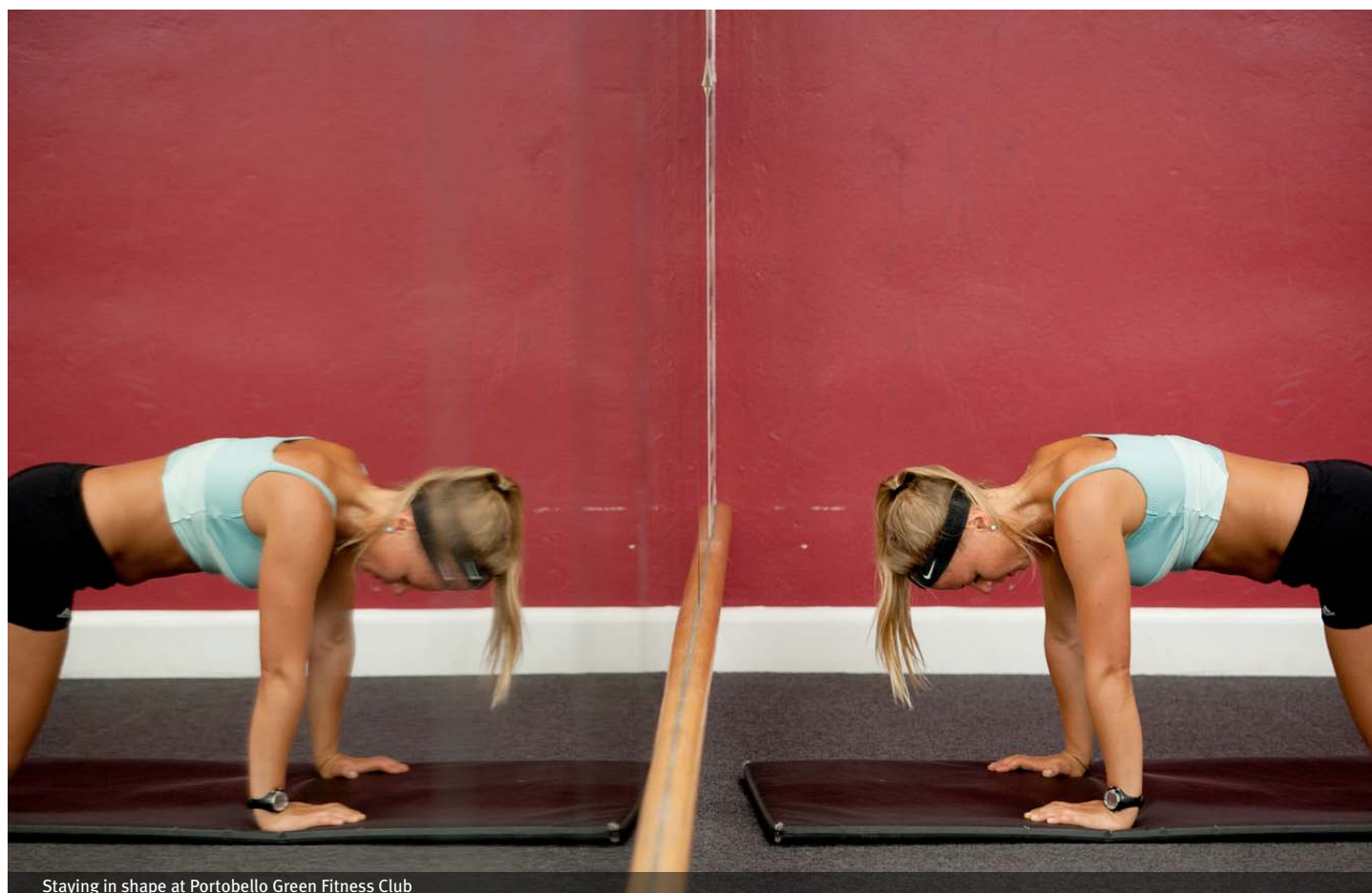
Accumulated cost at 31 March 2012 17,474,213**Depreciation**

At 1 April 2011 4,603,575

Charge for the year 426,271

Accumulated depreciation at 31 March 2012 5,029,846**Net book value**At 31 March 2012 12,444,367At 31 March 2011 12,536,116

Buildings occupied by the Trust to deliver its charitable activities (for example the Portobello Green Fitness Club and the Westway Sports Centre) are stated at cost after depreciation amounting to £12,444,367. The cost of rebuilding is professionally calculated for insurance purposes periodically, the last calculation being performed as at 1 April 2007. The valuation has been uplifted for the effects of inflation and the buildings are insured for £24,527,000.



Staying in shape at Portobello Green Fitness Club

12. Investment property

	Land and buildings £
Cost or valuation	
At 1 April 2011	13,360,000
Additions	–
Revaluation	–
Accumulated cost or valuation at 31 March 2012	<u>13,360,000</u>
Net book value	
At 31 March 2012	<u>13,360,000</u>
At 31 March 2011	<u>13,360,000</u>

Land

The Trust holds the land under the elevated A40(M) trunk road under leases commencing 1 May 1972 for 130 years from the Royal Borough of Kensington & Chelsea, who in turn lease the land from the freeholders - Transport for London.

Basis of valuation of investment property

The Trustees have obtained indicative quotations for a professional valuation of the investment properties and have concluded that the cost of such a valuation outweighs its benefit.

The Trustees have authorised an internal valuation of investment property that has been prepared on their behalf by the Chief Executive.

In arriving at their assessment of market value, the Trustees have taken into consideration:

- the yields applied by professional valuers when commercial loans were last raised by the Trust;
- published information relating to movements in investments yields since the above; and
- the rental values being achieved over the Trust's portfolio.

The valuation as at 31 March 2012 was not materially different from that computed as at 31 March 2011.

The valuation of £13,360,000 gives rise to a notional surplus as at 31 March 2012 of £7,613,340.

Other values

The historic cost of the Trust's investment property amounts to £5,746,659. The cost of rebuilding was professionally calculated for insurance purposes as at 1 April 2007. The valuation has been uplifted for the effects of inflation and the commercial buildings are insured for £30,051,000.

13. Tangible fixed assets

	Equipment on the estate £	Fixtures and fittings £	Sports equipment £	Computer equipment £	Motor vehicles £	Total £
Cost						
As at 1 April 2011	82,363	854,251	328,314	263,028	18,543	1,546,499
Additions	–	43,557	87,825	38,322	–	169,704
Retirements	–	(230,314)	(125,598)	(72,621)	–	(428,533)
Accumulated cost at 31 March 2012	82,363	667,494	290,541	228,729	18,543	1,287,670
Depreciation						
As at 1 April 2011	48,287	591,099	302,451	256,057	18,543	1,216,437
Charge for the year	5,679	112,297	26,797	19,396	–	164,169
Retirements	–	(230,314)	(125,598)	(72,621)	–	(428,533)
Accumulated depreciation at 31 March 2012	53,966	473,082	203,650	202,832	18,543	952,073
Net book value	28,397	194,412	86,891	25,897	–	335,597
At 31 March 2012						
At 31 March 2011	34,076	263,152	25,863	6,971	–	330,062

14. Debtors

	2012 £	2011 £
Trade debtors less provision	87,142	110,798
Grants receivable	94,813	336,127
Prepayments and accrued income	93,462	23,648
Other debtors	13,605	8,769
	289,022	479,342

15. Liabilities: amounts falling due within one year

	2012 £	2011 £
Trade creditors	624,191	365,315
Accruals and deferred income	317,020	657,896
Tenants' deposits	127,833	145,237
Taxes and social security costs	76,719	104,815
Other creditors	10,251	19,497
	1,156,014	1,292,760

16. Liabilities: amounts falling due within one year

	2012	2011
	£	£
Tenants' deposits	47,334	47,329
	<u>47,334</u>	<u>47,329</u>

17. Analysis of funds

	At 1 April 2011	Incoming resources	Resources expended	Transfers, revaluations and unrealised gains (notes 8, 12 and 19)	At 31 March 2012
	£	£	£	£	£
<i>Restricted funds</i>					
Investment property	493,374	–	–	–	493,374
Charitable buildings	10,999,151	114,283	(290,975)	–	10,822,459
Building refurbishment	126,661	294,656	(307,016)	–	114,301
Project grants	168,029	709,672	(644,338)	–	233,363
	<u>11,787,215</u>	<u>1,118,611</u>	<u>(1,242,329)</u>	<u>–</u>	<u>11,663,497</u>
<i>Unrestricted funds</i>					
Other designated funds					
Investment buildings	5,253,285	–	–	–	5,253,285
Charitable buildings	1,536,965	–	(135,296)	220,239	1,621,908
Reinstatement funds	1,283,548	–	(71,488)	285,274	1,497,334
Charitable activities	37,697	–	4,901	–	42,598
New charitable activities	151,000	–	(33,297)	–	117,703
Capital development funds	767,122	–	–	(24,687)	742,435
Pension reserve	(156,000)	–	2,000	(370,000)	(524,000)
	<u>8,873,617</u>	<u>–</u>	<u>(233,180)</u>	<u>110,826</u>	<u>8,751,263</u>
Revaluation reserve	7,613,341	–	–	–	7,613,341
Accumulated fund	508,275	6,311,803	(5,839,443)	(480,826)	499,809
	<u>16,995,233</u>	<u>6,311,803</u>	<u>(6,072,623)</u>	<u>(370,000)</u>	<u>16,864,413</u>
	<u>28,782,448</u>	<u>7,430,414</u>	<u>(7,314,952)</u>	<u>(370,000)</u>	<u>28,527,910</u>

Restricted funds - investment properties: These funds represent grants given to the Trust to construct buildings that are let commercially to generate income for the Trust. Commonly these grants have been awarded from local and central government and European initiatives for regeneration. Funds continue to be treated as restricted for such time as the Trustees consider there to be an explicit or constructive obligation to keep the underlying asset in use for specified, grant-funded purposes.

Restricted funds - charitable buildings: These funds represent grants given to the Trust to construct buildings that it occupies for the direct delivery of charitable activities. These grants may have been awarded from a variety of initiatives for regeneration or charitable purposes. Funds continue to be treated as restricted for such time as the Trustees consider there to be an explicit or constructive obligation to keep the underlying asset in use for specified, grant-funded purposes, and are reduced to the extent that those assets have been depreciated or reduced due to impairment of value.

Restricted funds - building refurbishment: These funds, commonly referred to as sinking funds, represent monies collected from tenants through the service charges for the maintenance of the investment properties. There are several ringfenced funds, each for a specified property. The Trust is accountable to its tenants for the income collected, expenditure incurred and refurbishment funds held for each property.

17. Analysis of funds (continued)

Restricted funds - project grants: These funds represent grants received by the Trust for specified projects and which can only be spent on those projects. Income is recognised when the Trust is entitled to receive the grant and where there is no reasonable expectation that the grant could become repayable. Any unspent funds held at the end of the year are held separately to be spent on the specified project in future years. At 31 March 2012 the funds on hand comprised:

	2012	2011
	£	£
<i>Project grants</i>		
Regeneration	10,000	2,000
Portobello Green Fitness Club	23,760	23,180
Sports development	73,884	8,325
Community Tennis Club	257	4,257
Performance sport bursaries	–	5,401
Gardening apprentices	3,000	6,000
Maxilla Gardens landscaping	–	18,992
Community development	–	800
Supplementary Schools	23,845	40,713
Community Arts	–	5,000
Westway Sports Centre	54,167	22,500
NHS K&C Health Trainers	44,450	30,863
	233,363	168,031

Designated funds - investment properties: These funds represent the money that the Trust has invested from its earnings into buildings that are let commercially to generate further income for the Trust in the future.

Designated funds - charitable buildings: These funds represent the money that the Trust has invested from its earnings into buildings that it occupies for the direct delivery of charitable activities. These funds are reduced to the extent that those assets have been depreciated or reduced due to impairment of value.

Designated funds - reinstatement funds: These funds represent money set aside to meet the anticipated costs of renovating depreciating assets at the end of their anticipated lives, such as the playing surfaces of sports facilities. In addition, funds are transferred for capital developments to provide reserves to meet, or contribute, so far as reserves permit, towards the cost of capital expenditure that is not funded by loans or grants.

Designated funds - new charitable initiatives: This money has been allocated from the Trust's operating surplus for the enabling costs of a new charitable initiative.

Designated funds - charitable activities:

This money is set aside in order to allow for some flexibility during periods of economic downturn.

Designated funds - capital developments: These funds represent money set aside to meet the anticipated costs of progressing identified development opportunities to planning stage, at which point grant or loan funding would become available or development partnerships can be entered into.

Designated funds - pension reserve: The reserve represents the deficit on the Trust's defined benefits pension scheme and allows for payments that may need be paid into the scheme due to the funding shortfall on past service accrual (see note 20).

Designated funds - revaluation reserve: This is the surplus arising upon valuation of the Trust's investment property and is represented by buildings rather than cash.

18. Analysis of net assets between funds

	Investment property £	Tangible fixed assets £	Net current assets £	Liabilities after 1 year £	Total 2012 £
<i>Unrestricted funds</i>					
Accumulated fund	–	335,597	211,546	(47,334)	499,809
Designated funds	12,866,626	1,621,908	2,400,070	(524,000)	16,364,604
	12,866,626	1,957,505	2,611,616	(571,334)	16,864,413
<i>Restricted funds</i>	493,374	10,822,459	347,664	–	11,663,497
	13,360,000	12,779,964	2,959,280	(571,334)	28,527,910

19. Capital commitments and contingent liabilities

At 31 March 2012 the Trust had authorised capital expenditure amounting to £115,300 (2011:£38,500) of which £81,300 had been committed (2011: £nil).

At 31 March 2012 the Trust had the following annual leasing commitments:

	2012 £	2011 £
On operating leases ending within one year	–	13,418
On operating leases ending between one and five years	–	–



Refurbishment of offices at 9 Thorpe Close

20. Retirement benefits

The Trust operates three pensions schemes: a stakeholder scheme and a personal pension scheme operated on behalf of the Trust by Friends Provident Life and Pensions Limited; and a final salary pension scheme operated by the Royal Borough of Kensington & Chelsea.

Stakeholder pension scheme

This scheme has been established to meet the legal requirement to offer a pension scheme with minimum employee contributions no greater than 3% of salary. The Trust does not contribute to this scheme. There are no members in the scheme.

Money purchase scheme

This personal pension scheme requires a minimum level of contribution by the employee of between 2% and 4% dependent upon the date of joining, with no maximum level of contribution outside the legislative thresholds. The Trust contributes between 2% and 8% of salary again dependent upon the date of joining and the employee's own contribution level for those members who opt into the scheme.

Final salary pension scheme

This scheme, the detailed results of which are given below, was closed to new members from the Trust with effect from 31 March 2006.

The employer's pension contributions paid in the year were:

	2012	2011
	£	£
Final salary scheme	61,145	122,668
Money purchase scheme	39,204	33,159
	<u>100,349</u>	<u>155,827</u>

The total pension contributions due from the Trust to the pension trustees at the end of the year are included within current liabilities (note 15), represent the last month's contributions and amounted to:

	2012	2011
	£	£
Final salary scheme	6,024	11,629
Money purchase scheme	5,716	4,877
	<u>11,740</u>	<u>16,506</u>



Acklam Workspace is home to numerous growing and creative businesses

20. Retirement benefits (continued)

Final salary pension scheme

Some members of the Trust's staff belong to the Royal Borough of Kensington & Chelsea Pension Scheme. The assets of this final salary pension scheme are held separately from those of the Trust. Pension costs in respect of employees who are members of this scheme are charged to the statement of financial activities so as to spread the cost of pensions over the service lives of employees.

The Trust accepted liability for the existing obligations of its predecessor body under the Scheme as part of the transfer of undertakings on 31 March 2008 and has entered into an Admission Agreement with the Royal Borough. The comparative figures for 2008 shown below are for illustrative purposes and relate to the pension costs incurred by the predecessor body.

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation available, at 31 March 2010, was issued in March 2011 and indicated that, on the basis of service to date and current salaries, the funding level of the scheme was 124%. The key assumptions were that the smoothed equity return is 7.3% per annum, that salary increases would average 5.0% per annum and that present and future pensions would increase at the rate of 3.0% per annum.

During the year, contributions to the scheme by employees and the Trust have been maintained in accordance with the recommendations of the actuary in the 2010 valuation.

The actuarial valuation as at 31 March 2010 identified a required employer's contribution rate of 14.8% for current service, plus a cautious provision for past service of 5.2%. The Trust paid contributions at a rate of 20.0% during the year (2011: 14.4% with a fixed annual sum of £71,274).

Change of actuarial assumption

Urgent Issues Task Force Abstract 48: accounting implication of the replacement of the retail prices index (RPI) with the consumer prices index (CPI) for retirement benefits.

Under government recommendations, RPI was replaced last year with CPI for the statutory minimum increase in pensions in defined benefit schemes. The actuaries have advised that it is appropriate to change the assumption used to value deferred pensions to CPI. That resulted in a gain (reduction in value of deficit) last year of £292,000. In accordance with UITF48 this was reflected in the financial statements for last year.

International Accounting Standard 19 'Employee Benefits' (IAS 19)

An actuarial valuation of the defined benefit scheme was carried out as at 31 March 2012 by a qualified independent actuary on an IAS 19 basis. The major assumptions at 31 March 2012 used by the actuary were:

	2012	2011	2010
Price increases (RPI)	3.3%	3.5%	3.9%
Price increases (CPI)	2.5%	2.7%	n/a
Salary increases	4.7%	5.0%	5.4%
Pension increases	2.5%	2.7%	3.9%
Discount rate	4.6%	5.5%	5.5%



20. Retirement benefits (continued)

The assets relating to the Trust's participation in the scheme and the expected rate of return at 31 March 2012 were:

	2012	2011	2010
	£'000	£'000	£'000
Fund value			
Equities	1,778	2,283	2,146
Gilts	28	275	286
Other bonds	—	—	—
Property	111	110	86
Cash	28	83	343
Alternative assets	833	—	—
Total	2,778	2,751	2,861

	2012	2011	2010
Expected long-term rate of return			
Equities	5.3%	6.4%	6.5%
Gilts	3.3%	4.4%	4.5%
Other bonds	4.6%	5.5%	5.5%
Property	4.3%	5.4%	5.5%
Cash	3.0%	3.0%	3.0%
Alternative assets	5.3%	3.0%	3.0%
Total	5.2%	6.1%	5.9%

	2012	2011	2010
	£'000	£'000	£'000
Estimated employer assets	2,778	2,751	2,861
Present value of scheme liabilities	3,302	2,907	5,342
Net pension asset (liability)	(524)	(156)	(2,481)

Movement in deficit during the year

	2012	2011	2010
	£'000	£'000	£'000
Deficit in scheme at beginning of year	(156)	(2,481)	(1,205)
Current service cost	(62)	(86)	(45)
Past service cost	—	292	—
Employer contributions	58	125	138
Other finance income	6	(33)	(89)
Actuarial gains and losses	(370)	2,027	(1,280)
Deficit in scheme at end of year	(524)	(156)	(2,481)



Ceramic art meets digital icons on the Trust's Portobello Green market

20. Retirement benefits (continued)

Revenue account costs

	2012 £'000	2011 £'000	2010 £'000
Current service cost	62	86	45
Past service cost	-	(292)	-
Total service costs	62	(206)	45
Percentage of payroll	20.3%	(58.2%)	9.4%
Expected return on employer assets	163	146	136
Interest on pension scheme liabilities	(157)	(179)	(225)
Net return	6	(33)	(89)
Percentage of payroll	2.0%	(9.3%)	(18.5%)
Net revenue account cost	56	(173)	134
Percentage of payroll	18.3%	(50.1%)	27.9%

Analysis of amount recognised in net movement in funds

	2012 £'000	2011 £'000	2010 £'000
Actual return less expected return on pension scheme assets	(22)	85	588
Experience gains and losses arising on scheme liabilities	-	1,632	-
Changes in assumptions underlying the present value of scheme liabilities	(348)	310	(1,868)
Actuarial gains and losses recognised in net movement in funds	(370)	2,027	(1,280)

History of experience gains and losses

	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Difference between the expected and actual return on scheme assets	(22)	(295)	588	(727)	(252)
Percentage of scheme assets	(0.8%)	(10.7%)	20.6%	(5.3%)	(10.0%)
Experience gains and losses on scheme liabilities	-	2,012	-	-	(431)
Percentage of the total present value of scheme liabilities	0.0%	69.2%	-	-	(13.1%)
Total amount recognised in net movement in funds	(370)	2,027	(1,280)	(437)	(119)
Percentage of the total present value of scheme liabilities	(13.5%)	69.7%	(24.0%)	(13.4%)	(3.6%)



The Big Jubilee Lunch under the Portobello market tent

21. Reconciliation of net movement in funds to net cash inflow from operating activities

	2012	2011
	£	£
Net movement in funds	(254,538)	3,259,565
Interest receivable	(41,971)	(20,463)
Interest payable	–	–
Pension service costs net of finance costs	98,349	116,668
Contributions to defined benefits pension scheme	(100,349)	(122,668)
Actuarial gains and losses	370,000	(2,027,000)
Changes in actuarial assumptions	–	(292,000)
Depreciation	590,440	543,535
Valuation (surplus)	–	(536,000)
Decrease (increase) in debtors	190,320	(231,941)
(Decrease) increase in creditors due within one year	(136,746)	223,288
Increase in creditors due after one year	5	24,562
	715,510	937,546

This note adjusts the increase in the net assets of the Trust, as shown on the Statement of Financial Activities, for those items that do not involve the movement of cash and for interest.

22. Analysis of changes in net debt

	At 1 April 2011 £	Cash flows £	Other changes £	At 31 March 2012 £
Cash at bank and in hand	95,743	(765)	–	94,978
Short term deposits	3,477,274	254,020	–	3,731,294
Total	3,573,017	253,255	–	3,826,272

Net debt is the difference between cash and bank deposits held at the end of the year and the amount outstanding on loans to the Trust. This note shows how that net debt has changed during the year.



Face painting by volunteers at the Westway Summer Festival



Westway Development Trust

Registered charity number 1123127. A company limited by guarantee, registered number 6475436.

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WESTWAY
DEVELOPMENT TRUST

