THE CITY OF WINCHESTER TRUST LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2003

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered in England and Wales, number 00609812
Registered with the Charity Commission, Charity Number 251798

OFFICERS AND MEMBERS OF COUNCIL

The Heritage Centre

32 Upper Brook Street, Winchester SO23 8DG
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PRESIDENT	His Honour Sir Peter Ramsbotham GCMG GCVO DL
VICE PRESIDENTS	Lord Ashburton KG KCVO DL
	Donald Insall CBE FSA RWA FRIBA FRTPI SP Dipl (Hons)
COUNCIL MEMBERS	
CHAIRMAN	Roger Backhouse QC*
VICE CHAIRMEN	M Carden MBE AADip RIBA*
	R B Merton*
	Mrs P Edwards*
HONORARY TREASURER	Captain I F Grant RN*
OTHER COUNCIL MEMBERS	
	R Attfield RIBA
	Mrs S Carden BA
	H R Cole BA Hon Alderman
	Councillor P Davies
	Mrs R Kinnard-Smith
	K Leaman RIBA
	Mrs J Martin MSc
	N A McPherson BArch RIBA MA
	Mrs P Neyroud
	I A D Patton*

A Proudman MA FBCS CEng
Captain A Skinner RN
H Thomas RIBA
Major A Trimmer OBE

COMPANY SECRETARY Mrs R Thomas

Members of the finance and Resources Committee indicated by an *

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Chairman's Report

One feature of this Report is that we have broken down the various concerns of the Trust into two categories: Projects and Activities. It would be tempting to give a list of what we have done in the last twelve months in respect of each category and individual item. This would then relate to the period between April 2002 and March 2003. However as this Report's main purpose is to disclose the state of our finances as at 31.3.03 and the financial report and figures will not be read until October, I prefer to range over what we have done up to the present date.

The very nature of a voluntary body means that some of the things that we do will be in abeyance for some time and some will be current. One of the Activities to which we have returned this year is the Design Awards scheme. Following the retirement of Gill Collymore from the Council after a long period of very valuable work for the Trust, one of our members Alun Parry-Jones has agreed to organise the process of inviting applications from the designers of buildings in Winchester and the setting up of a panel of judges to select those worthy of an award or commendation. It may be that winners will not have been announced by next year because the process will be careful and deliberate. Many of the past winners have regarded the accolade from the Trust as valuable and a recognition of their skills and care in design.

Some of the Projects are long term, such as the Winchester District Local Plan. The work done here is not high profile but of great importance. The Trust has examined in detail all the proposals for the new Plan and three of our Council members, Pat Edwards, Antony Skinner and Harvey Cole, have spent many hours listening to proposals and commenting in writing on what they have seen and heard.

Many of the Projects have not been activated for some considerable time, such as the hosting of Southern Comfort (the informal annual meeting of similar societies in the South). Others have been vigorously pursued during the year, such as trying to find a home for Roger Brown's model. At least the Trust cannot be accused of emulating Rip Van Winkle.

The last year has seen the Trust prominent in taking a stand on PPG3. In July we published a paper on the effect of PPG3 on Winchester. I have commented on it in the September edition of TrustNews. Its impact has been important and has resulted in the Trust being invited to participate in two seminars on the implementation of PPG3. I would like to thank specifically Ray Attfield, Michael Carden, and Antony Proudman for their hard work in producing this document. It is the best example in the past year of a Project which has come to fulfilment. One other item in this category is the publication of a pamphlet about West Hill Cemetery written by Robin Merton. This is a fascinating piece of local history about an important part of the Winchester landscape. Copies will be on sale at the AGM.

In May we held an open meeting for new members in the Heritage Centre. This was well attended and it is something which we hope to repeat next year because it gives new members an opportunity to see what we do and us an opportunity to ask new members if they can help in any of our activities. We are always looking for new volunteers.

This year Ian Grant has retired as Treasurer but will make the report on last year's accounts. He left office on March 31st but we shall be making further use of his skills. He has made a very substantial contribution to the financial control of the Trust and has been responsible, with our Secretary Rolly Thomas, for tidying up our membership records. I am very conscious of not having mentioned other Council members by name or their involvement in particular contributions to the Trust, but othem/ise this Chaim1an's report would be too long. They have all been of influence and support during the last year. Those Council members who are standing for re-election are all of great value to the Trust and I urge you to vote for their continuing membership of the Trust Council.

Our speaker at the AGM this year is the eminent conservation architect Donald Insall, who became a Vice-President of the Trust at the last AGM. He attended our meeting on the Trust's response to the City's Friarsgate Draft Brief in April and put forward some very helpful suggestions. Lord Ashburton K.G. has accepted our invitation to become a Vice President of the Trust. His unrivalled experience of finance and commerce could be of great value to us.

Finally I know; that some of our members take the view that we should be more pro-active and partisan over specific issues which are controversial such as a particular application which affects their neighbourhood. This is a view with which we can all sympathise. However the Trust considers that it is essential that the planning comments which it makes are unbiased and confined to the built character of Winchester as a whole. This does not prevent comment relating to the impact of a scheme or even of a specific building on its immediate environment, something which is frequently done. Our website does give our recent comments on new applications within the wards of Winchester. It can be found at www.cityofvvinchestertrustco.uk. However we believe firmly that specific local issues are best addressed to local ward Councillors who have the political authority to air the views of their constituents within the City Council. It must be remembered that the Trust has no such authority and can only present arguments and offer advice.

On behalf of the Council

signed Roger Backhouse
Chairman
September 2003

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Development Control Committee

Winchester continues to reel under the onslaught of the high density schemes resulting from the implementation of PPG3, and all kinds of proposed developments are springing up around our City, in its centre, its suburbs and its outer fringes. Don't be surprised if this sounds familiar, because this is the gist of the opening paragraph about this committee's activities in last year's annual report. Things haven't changed since then; if anything they've become worse, as no doubt many members are all too aware.

It is a matter of considerable concem that due to the lack of an overall assessment of Winchester's characteristics and true capacity for increased density, the majority of developments are considered individually on an ad hoc basis, often without much apparent reference to other schemes in the neighbourhood.

It is also most misleading to consider density only in terms of dwellings per hectare (dph), while not also considering the previously used method of bed-space provision, even though this cannot be totally accurate because some are double beds and others are not being used. It does however illustrate the general trend of what the local infrastructure will have to provide in the future. For example, 120 bed-spaces could be accommodated in 75 one- and two-bedroom flats on half a hectare, which would give a density of 150 dph; if the same bed-spaces were accommodated in 3-bedroom houses, these would number 40 and give a density of 80 dph. The demands on water and sewage provision would be much the same for both, but the higher density is likely to generate more traffic.

The new developments reflect Winchester's dire need for one- and two-bedroom accommodation, and this immediately bumps up the density value - and unfortunately also the need for car parking spaces. The Planners are pleased because they are complying with the PPG3 density requirements but the local residents are filled with horror.

The above examples relate to high density schemes that would be suitable only in a city centre, and lesser densities would normally be expected in the 'leafy suburbs' of Winchester. It is here that the cumulative effect of ad hoc permission for new developments is so alarming, especially when the local infrastructure appears to be ill-equipped to cope with large influxes of new residents.

An obvious example is the wedge of land between Dean Lane and the Stockbridge Road. Here three major developments have reached completion or are under

construction, with all the disturbance that this brings to the local roads, which were not designed to cope with the volume of traffic demanded of them during construction work. It seems probable that in their present form they won't be able to cope with the car movements of the new residents either. On Dean Lane the English Courtyard development on the Wyke Mark site and the Linden Homes houses in the newly named Lupin Gardens will bring about 125 new people into the area, plus any others living in smaller in-fill developments in the neighbourhood. On Stockbridge Road the Banner Homes development at Salters and a smaller development at Salters Acres will add about another 200, bringing the expected total of new residents in this area to well over 300.

These are the schemes that have already been granted. In the offing are developments on the Stockbridge Road on the land at present occupied by the Red Cross, and the site of the houses Beverley and Thistledown. An application for a development providing 44 new bed-spaces on the latter site has already been lodged, and the expected high density scheme for the Red Cross site on the comer with Dean Lane has still to be presented.

Other Stockbridge Road developments are the 40-bed development at present being built at The Firs, and a proposal to accommodate a further 25 residents on the site on the corner of Bereweeke and Stockbridge Roads. Further claims on the road's carrying capacity will be caused by schemes already granted on Chilbolton Avenue. Here permitted development has already added over 100 new residents to the neighbourhood, and two further schemes still under consideration, at No 55 and on land at the rear of Nos 8-22, would add another 170 new residents to Chilbolton Avenue.

Can either Romsey or Stockbridge Roads, or Chilbolton Avenue, cope with the traffic that is likely to be generated by this addition of about 700 new residents?

There are other vulnerable roads at risk: Park Road, where 36 new bed-spaces have already been granted, and a possible further 62 are being proposed for a development behind Nos 3-9, 76-82 Alresford Flood, where a scheme for 53 new residents is under consideration, and Quarry Road, where recently it was proposed that 32 bed-spaces should be accommodated on the site of No 22 (now withdrawn, but it could be re-presented) and behind No 64, where Cala Homes proposed a development of 30 dwellings which added over 70 new residents. This has been refused by the Local Authority, largely because granting it would make it difficult to refuse similar schemes which could have a cumulative detrimental effect on the local infrastructure (traffic, drainage and sewage).

These are some of the larger schemes we've looked at. The panels have also seen many smaller in-fill developments during the year, all of which add incrementally to the population of our city. If this rate of development continues there could be about 1000 new residents each year. How long can the fabric of Winchester survive this influx without losing the character that makes it so special?

Shione Carden
Chairwoman, Development Control

Policy Group

The Government's revision of Planning Policy Guidance Note 3: Housing, known to us all as PPG3, has been our main concern for the year. To this end we convened a PPG3 Working Party, consisting of Ray Attfield, Michael Carden and Antony Proudman. Early on, it was discovered that the Government had published a helpful companion guide to PPG3 called Better Places to Live: by Design. So the first task was to analyse both documents carefully and then to decide how they should inform the Trust’s policy for Winchester. An early draft policy paper was produced by August 2002. However, based on the experience of actual planning applications, and the City Council’s responses to them, it became clear to us that PPG3 was not being applied as the Government intended. As a result of the changing situation, and our increasing understanding of it, the emerging policy underwent continuous revision and then had to be largely rewritten. It was finally published in July 2003.

As the situation unfolded, the working party felt that it could not wait for the Trust’s policy to be finished and asked for a meeting with Steven Bee, then Director of Development Services, to express its concem. Then it met Winchester’s MP, Mark Oaten, to explain to him what we felt was going wrong. Ultimately, we submitted a Plea on behalf of the Trust to the City Council’s Principal Scrutiny on 5th March 2002, requesting action. We can now report that the City is reviewing its policy.

Antony Proudman
Chairman, Policy Group

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Summer Walks 2003

The first walk of this beautiful summer was marked by glorious weather and by an inspirational leader. Merrick Denton-Thompson, Assistant County Director of Environment, led us on a memorable circuit of St Catherine's Hill, putting Winchester in its landscape setting and discussing current environmental issues with examples en route.

We started at Gamier Road car park, proceeded along the Itchen Navigation and the line of the old GWR railway, turned left up Plague Pits Valley and climbed past the derelict sewage works at the top.

After discussions about agricultural management, green farming techniques, waste disposal and the rural communications infrastructure, we walked across the new M3 pedestrian bridge and arrived at the mediaeval dongas, brutally severed by the motorway cutting. After this, we followed the line of the Roman road down to Bar End and to the site of the proposed Park and Ride extension. Opinions about these matters were various, but that is one of the joys of Trust Summer Walks!

Our second excursion was less controversial, and certainly less strenuous. Michael Carden, Vice Chairman of the Trust and recently honoured for his services to architectural conservation, led us around the ancient Hospital and Chapel of St Cross. As always, he was a great source of knowledge and architectural wisdom. After strolling around the hospital itself and viewing the Brothers‘ Hall and Kitchen, we spent some time inside the unique and beautiful late Romanesque Chapel. Phil Yates gave us another interesting and somewhat nostalgic tour of the High Street and Jewry Street of the Thirties. Many of those attending were amazed by Phil‘s depth of knowledge and lively memories, but they obviously had not heard him talk about such things before.

The weather had to break at some stage and it chose the day when Richard Baker, semi-retired Head of Architecture and Landscape at Eastleigh Borough Council, led us around the Cemeteries, Hospital and College on West Hill. Fortunately the rain only made itself apparent when we had finished the outdoor part of the walk in West Hill Cemetery. King Alfred's College and the Royal County Hospital provided shelter and discussion room and by the time we had arrived at the Roman Catholic cemetery on Romsey Road, the rain had stopped.

Graham Scobie, City of Winchester Archaeologist, led members on a tour of Winchester’s Waterways. Graham left no stone unturned and the walkers had a lively and energetic evening!

The sixth Walk of the season was led by Chris Webb, long-time member of the Trust. Chris is a great authority on many aspects of the Trust‘s former and present activities. This time he led walkers on a tour exploring the links between Winchester and our transatlantic cousins.

The next Walk was a short visit to Winchester College. As in previous years, we were guided by Patrick Maclure, Director of the Friends of Winchester College. We visited Meads, School, War Cloister and Winchester College Chapel. Our walk finished in Fromond‘s Chantry where Patrick entertained us with readings and quotations from Fromond and other Wykehamists. He leaves his post at the end of March next year and will be involved in other work at the College. He has been an enthusiastic and amusing Walk Leader for several years and has spoken with charm and great authority.

The following week rains threatened to disrupt proceedings but despite this those who assembled outside the Heritage Centre were treated to a fascinating insight into the Planning Authority's past dealings with the problem of signs. Retired Conservation Architect, Andrew Rutter led us only a few yards into St George's Street, Parchment Street and the High Street itself and we heard the background story behind many local signage applications. As usual we were invited to express

our opinions about various projects and Andrew was able to show us his own hand-made templates that were used to demonstrate the importance of scale and urban appropriateness.

Keith Leaman led walkers through some of the more familiar parts of Winchester's city centre - a similar route to the one taken the previous week, but on this occasion we were invited to consider the quality of the urban spaces enclosed rather than the quality of the signage. Keith made it clear that signage and spaces and the materials employed were interrelated and we were invited to mark up a checklist of desirability at each space considered. The City Council's own streetscape provision came in for considerable criticism and at one point the High Streets atmosphere was described as being akin to that of a film set. The concrete paving slabs were particularly disliked. The Square and its relationship to the Cathedral Close were then considered and certain constructive suggestions relating to street surfaces were made.

Horizontal surfaces made way for vertical ones the following week when Robin Freeman, architectural historian and local studies librarian, took us past the early Victorian grandeur of Clifton Terrace and Clifton House to the vemacular chalk constructions of Clifton Hill, Clifton Road and West Hill Terrace. Many different brick bonds were on show including the local variety, Rat Trap Garden Wall Bond!

On a memorable evening we met at the top corner of Mead Road, St Cross and were led by Kim Wilkie, Wykehamist, Landscape Architect and designer of Hyde Abbey Garden, on a delightful walk up Whiteshute Lane. This is one of the truly ancient bridleways of South Winchester and leads uphill towards Badger Farm and Oliver‘s Battery, eventually reaching Slackstead. Robin Merton, past Chairman of the Trust, introduced Kim Wilkie and we proceeded up the lane to Bushfield Camp. This is a derelict Army Camp and as Kim Wilkie explained the whole area has enormous landscape importance. The arguments made echoed many of those discussed during our very first walk - the need to manage and develop the potential of many of our landscape sites. The views from the site were marvellous and in the glorious weather made the walk to the top a magical experience for sixty-four walkers and a host of dogs.

The twelfth summer walk was led by Gary Seymour, local architect and specialist in mediaeval and ancient buildings. Once again we were asked to consider various properties around Great Minster Street, The Square, Symonds Street and in particular No.10 The Close. The difficulties of marrying cost and modern practicality with necessary conservation provision were discussed by those present, many of whom were architects familiar with these problems of contemporary conservation. The highlight of this particular walk was a visit to the vaulted undercroft of No.10 The Close. The rear elevation of this building was also fascinating and Andrew Rutter expressed his hope that one day a Garden of Peace would be created in the space behind it.

A change of gear from Mediaeval to Modern Architecture was made when Rupert Cook of architecture plb gave us a detailed tour of the new Art School buildings in Park Avenue. The opportunities and additional funding possibilities available once university status had been granted were discussed and we were able to visit all parts

of the school and see the various new buildings in current artistic use. The budgetary constraints had somehow elicited a more utilitarian and Bauhaus-like functionalism which many members applauded.

The final walk of the season has not taken place at the time of writing but, in the hope that the weather of September will continue to favour us, I had better email this report to our esteemed secretary.

Nick McPherson
Summer Walks Co-ordinator

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Publicity

The first CWT TrustNews was produced in February 2002 under the editorship of Gill Collymore. This is a shorter and less fomwal document than the former Newsletter, and is produced at more frequent intervals. The concept has been welcomed and it is intended to continue publication in the new style.

Due to a lack of available support for organising a CWT Exhibition in the Public Library planned for May 2002, the exhibition was delayed to coincide with the timing of the Trust AGM in November 2002. We are grateful to Sally Patience and Rosemary Kinnaird-Smith for mounting the exhibition but would like to put out a strong plea for further volunteers for future exhibitions.

Two new designs for Trust Christmas cards were printed for sale during the 2002 Christmas period and proved to be popular. A further new design will be on sale over Christmas 2003. The artistic work put in by Christopher Jarman is much appreciated.

The indefatigable Jo Gordon-Watson organised two book-sales in St Maurice Covert during the period, raising a total of £800 for Trust funds. Here again, volunteers to assist with setting up, running the sales and dismantling at the end of the day are urgently needed.

The Trust website, www.cityofwinchestertrust.co.uk has been up and running throughout the period, and is constantly being updated. In addition to basic information about the Trust (Aims, Achievements, Finances, Organisation, How to Join, “What is Hot?" etc), a large new section was added in March 2003; this lists the major Planning Applications that are under current consideration by the Trust’s Development Control section. The Trust’s comments on the Applications sent to the City Planning Department are also there for all to see.

Antony Skinner
Chairman, Publicity Group

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Extracts from the Trust's Accounts
for the year 2002 - 2003

Annual Report of the Council

The Trust continues to develop those projects and activities which support its aims while also seeking to improve its administrative performance. This year we have distinguished between projects and activities while recognising that there may be some overlap. The purpose of this separation is to enable the Trust to examine on a regular basis the performance of particular projects and activities, and to assess the allocation of resources to them. Each project has a specific budgeted sum for the year.

Projects

Listed during the year to 31st March 2003:

- Policy Group - Friarsgate Development - response to WCC draft Brief;
- Policy Group - PPG3 - preparing the Trust's response to its implementation;
- Winchester District Local Plan - monitoring progress, contributing to shopping survey and registering objections;
- Neighbourhood Studies - preparation for publication;
- Rationalising membership records;
- Roger Brown Model - finding a home;
- Hockley Viaduct - obtain listing;
- Preparation of pamphlet on West Hill Cemetery; Preparation for the publication of Andrew Rutter's book on Winchester;
- In partnership with the City Council, obtaining consent and grants for restoration of railings in Eastgate Street.

Some of these projects are being progressed with other bodies and therefore the final cost and completion date are not always controllable by the Trust. We are very careful to ensure that we are not committed to anything beyond our capacity.

The two projects of major significance for the Trust are the development of the Friarsgate/Broadway site and the impact of PPG3 on the City and its suburbs. Apart from expenditure on the shopping survey, the costs of these two projects to date have been absorbed in the general administration of the Trust. However, it is anticipated that further costs will be incurred in promoting this work and seeking support for our comments on PPG3.

Activities

Listed during the year to March 31st 2003:

- Development Control - weekly monitoring of planning applications in the City area;
- Summer walks;
- Publicity Group - responsible for press releases and monitoring of local press, our website, publications, exhibitions and the sale of books and cards;
- Reference Collection - updating;
- Members' meetings;
- Reciprocal visits with other organisations.

Membership

The major review of the membership continued and should be completed during the next financial year. A great deal of effort has been put into trying to establish personal contact with those members whose subscription records were inaccurate. This was mainly caused by their not responding to the increase in membership fees. Some were not paying the correct sum and a few were paying too much. As a result of the exercise many members have brought their subscriptions up to date but those who still failed to respond have been put into a category of Suspended Membership.

The overhaul has resulted in a reduction of sixty-five members. Most of those who left were members who had not paid for some time and whose lapsed membership was shown up by the review. A number of members generously continue to make payments which are in addition to their subscriptions. This year thirty-two new members have joined the Trust. Within this financial year we show two years of Gift Aid recovery. The extra time spent in establishing this valuable addition to our revenue has led, in the short term, to an increase in salary payments for the overtime required. A drive to increase membership is planned for the future.

Investments

Listed Investments

Thanks to the wise advice of the Trust's financial advisors, the Trust's listed investments of stocks, shares and bonds have largely withstood the falling prices on the Stock Exchange since 2000. As this fall has spread into all investment sectors, the valuation of the Trust's listed investments has dropped by £21,300. The loss is only on paper as the Trust has not sold any investment as it continues to maintain a strong cash position.

The Heritage Centre

Previous accounts have shown that in 1998 the Trust bought a 99-year lease of the Heritage Centre. This is a property in the centre of Winchester, which provides the Trust's office, meeting rooms and two flats. The flats are an essential part of the Trust's investment income.

The sum expended on the purchase of the lease was capitalised for the purpose of composing the accounts. The concurrent grant of £20,000 received from Winchester

City Council was not included in this exercise as it was a gift and did not represent any money or investment then owned by the Trust. The sum invested in the building is depreciated at the rate of 1% per year.

This year the Council of the Trust decided to revalue the property and took the opinion of two local estate agents who have experience of this type of property. Each advised separately that a sale should achieve in the region of £400,000. The Council has thought it prudent to revise this figure downwards by 10% and to allow for selling expenses of £10,000. This produces the sum of £350,000. This is again a paper exercise but it is comforting to know that the increase in value more than offsets the potential losses on the listed investments.

Investment Policy

Property investment is either used for charitable purposes or to produce income to fulfil those charitable purposes. This means that the Heritage Centre is used for the operation of the Trust, and the two small flats are let to provide income for the Trust because membership subscriptions alone would not generate enough income to enable the Trust to carry out all its projects and activities.

Monetary investments are invested in listed investments. The policy applicable to equity-based investment is designed to produce income while seeking capital growth and longer-term security for the Trust's investments.

The policy applicable to fixed interest and variable interest investment is to produce the greatest income whilst ensuring that there is no loss of capital.

Reserves Policy

The annual accounts show the assets and liabilities attributable to the funds by type and which are approved by the Council. The Council plans its expenditure within available resources whilst maintaining reserves which gives the Trust flexibility to achieve its aims.

Property Revaluation Policy

The Trust adopts the policy of revaluing its property every five years. This year has seen the revaluation set out in these accounts.

Accounting Policies

Within its accounting policies the Trust now defines its various funds as follows:

Restricted Funds are funds subject to specific conditions within the objects of the charity.

Unrestricted Funds are funds where no restrictions are placed on the use by the charity upon either the capital or the income. The unrestricted funds are divided between:

- Designated funds:
  Tangible fixed assets fund - representing funds invested in the Trust's leasehold property and other fixed assets.
  Investment fund - representing investments arising from a legacy, which the Council's policy is to retain for the longer term in order to provide income to support the Trust's projects and activities.
- Undesignated funds:
  Revenue fund - to provide the Trust's working capital.

Council Responsibilities

It is a requirement of company law for the Council to prepare financial statements for each accounting period. They must give a true and fair view of the state of affairs of the Trust and of the surplus or deficit for that period. The Council must:

- Prepare the financial statements on the basis that the Trust is a going concern;
- Select appropriate accounting policies and apply them consistently;
- Make judgements and estimates that are prudent and reasonable;
- Disclose whether any material departures have been made from these Policies.

The Council is responsible for keeping proper accounting records which should be able to disclose at any time the financial position of the Company and enable the Council to ensure compliance with the Companies Act 1985. The Council is also responsible for safeguarding the assets of the Trust and for taking reasonable steps for the prevention and detection of fraud and other financial irregularities.

Accountants

Butler & Co have been appointed as Reporting Accountants and will be proposed for re-appointment.

Small Company Status

This Report has been prepared in accordance with the special provisions of Part VII of the Companies Act, 1985 relating to Small Companies.

By Order of the Council

signed by R Thomas
Secretary
Dated 17th September 2003
32 Upper Brook Street,
Winchester,
Hampshire, SO23 8DG

REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2003

We report on the accounts of the Trust for the year ended 31st March 2003.

Respective responsibilities of Council of Management and Accountants

As described on an earlier page the Council Members (who also act as trustees for the charity) are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of Opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985, as amended;
- (b) having regard only to, and on the basis of, the information contained in those accounting records;
- (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
- (ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to exemption specified in section 249B(1).

22nd September 2003

BUTLER & CO

Bowland House, West Street, Alresford, Hampshire SO24 9AT

	Unrestricted Funds 2003	Restricted Funds 2003	Total Funds 2003	Total Funds 2002
Income:	**£**	**£**	**£**	**£**
Donation and legacies (note 1)	377	-	377	230
Grants, subscriptions and Gift Aid (note 2)	7,621	-	7,621	7,563
Investment income, including rental (Note 3)	15,295	323	15,618	15,736
Fund raising (Note 4)	2,769	-	2,769	2,515
Total Income	26,062	323	26,385	26,044
Expenditure				
Cost of generating funds (note 5)	825	-	825	436
Charitable expenditure:				
Project expenditure	4,215	-	4,215	1,812
Management and administration of the charity (note 6(c))	16,606	41	16,647	15,927
Letting expenses	1,186	-	1,186	873
Property expenditure	457	-	457	190
Depreciation	3,899	-	3,899	4,378
Total Expenditure	27,188	41	27,229	23,616
Net income/(expenditure) for the year	(1,126)	282	(844)	2,428
Other recognised gains and losses				
Gains/losses on revaluation and disposal of investments	(17,866)	(3,429)	(21,378)	(665)
Gain on revaluation of property	184,369	-	184,369	-
	166,483	(3,492)	162,991	(665)
Net Movements in Funds	165,357	(3,210)	162,147	1,763
Funds balances brought forward at 1 April 2002	297,583	7,927	305,510	303,747

Fund balances carried forward at 31 March 2003	462,940	4,717	467,657	305,510

BALANCE SHEET AS AT 31st MARCH 2003

	Notes	31 March 2003 £	31 March 2003 £	31 March 2002 £	31 March 2002 £
Fixed assets					
Tangible assets(leasehold, building, functional - office, investment - 2flats)	**7**		356,516		175,261
Investments(equity, bonds)	**8**		95,270		115,119
			451,786		290,380
Current assets					
Stocks	**9**	659		624	
Debtors	**10**	902		779	
Cash on deposit and at bank		16,308		15,137	
		17,869		16,540	
Creditors	**11**	(1,998)		(1,410)	
Net current assets			15,871		15,130
NET ASSETS			467,657		305,510
FUNDS					
Unrestricted - designated	**12**	447,069			
Unrestricted - undesignated	**12**	15,871			
			462,940		297,583
Restricted	13		4,717		7,927
			467,657		305,510

Designated funds include a properly revaluation reserve of £184,369 (2002: Nil)

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 frelating to small companies.

The financial statements were approved by the Council of Management and signed on its behalf by:

signed Roger Backhouse
(Council Member)
17th September 2003

signed Captain I F Grant
(Council Member)
17th September 2003

THE CITY OF WINCHESTER TRUST LIMITED
REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2003

NOTES TO THE ACCOUNTS

	Unrestricted Funds	**Restricted Funds**	**31 March 2003**	**31 March 2002**
	£	£	£	£
1 DONATIONS AND LEGACIES				
Donations	377		377	30
Legacies	-	-	-	200
	377		377	230
2 GRANTS, SUBSCRIPTIONS AND GIFT AID	£	£	£	£
Grants	1,000		1,000	1,000
Subscriptions	5,411		5,411	6,033
Gift Aid	1,210		1,210	530
	7,621		7,621	7,563
3 INVESTMENT INCOME	£	£	£	£
Dividends	5,170	323	5,493	5,569
Interest	450	-	450	267
Rental income	9,675		9,675	9,900

	15,295	323	15,618	15,736
4 FUND RAISING INCOME	£	£	£	£
Sale of books and cards	2,146		2,146	1,906
Walks	353		353	609
	2,769	-	2,769	2,515
5 COSTS OF GENERATING FUNDS	£	£	£	£
Purchase books and cards	755		755	239
Walks	70		70	197
	825	-	825	436

	31 March 2003	**31 March 2002**
6 NET INCOME/(EXPENDITURE)		
(a) Net Income/(expenditure) is stated after charging:		
	£	£
Depreciation	3,899	4,378
Staff costs	6,722	6,113
Auditors Remuneration - auditors	2,000	1,998
- other services	468	437
	13,089	12,926

(b) Particulars of staff:

The City of Winchester Trust Limited has one part-time member of staff

(c) Management and administration costs include:	**31 March 2003**	**31 March 2002**
	£	£
Telephone and internet	757	803
Postage, stationery and printing	1,549	1,838
Cleaning	345	162
Light and heat	655	634
Salaries	6,722	6,133
Audit and Accountancy	2,468	2,436

Computer development and training	917	-
Insurance	773	845
Subscriptions	205	25
Meeting costs	1,032	1,480
Bank and Broker charges	756	909
Equipment repairs	402	79
Sundry expenses	79	364
Rates and water	118	(563)
irrecoverable tax	-	661
Per statement of financial activities	16,647	15,927

FURTHER NOTES TO THE ACCOUNTS

7 TANGIBLE FIXED ASSETS

	Leasehold Property	Fixtures and fittings	Office Equipment	Total
	£	£	£	£
Cost and valuation (V)	**(V)**			
At 1 April 2002	172,586	15,772	9,740	198,098
Additions	-	-	785	785
At 31 March 2003	356,955	15,772	10,525	383,252
Depreciation				
At 1 April 2002	5,229	8,924	8,684	22,837
Charge for the year	1,726	1,712	461	3,899
At 31 March 2003	6,955	10,636	9,145	26,736
Net Book Value				
At 31 March 2003	350,000	5,136	1,380	356,516
At 31 March 2002	167,357	6,848	1,056	175,261

The leasehold property was revalued at 31 March 2003 by the Council.

8 FIXED ASSET INVESTMENTS

	31 March 2003	31 March 2002
	£	£
Listed investments	89,665	112,057
Cash balances	5,605	3,062
	95,270	115,119
Listed investments		
Market value at 1 April 2002	112,057	115,927
Additions	985	45
Disposals	(2,074)	(6,784)
Change in market value	(21,303)	2,869
Market value at 31 March 2003	89,665	112,057
Historical cost at 31 March 2004	83,844	86,056

9 STOCKS

	31 March 2003	31 March 2002
	£	£
Goods purchased for resale (Christmas cards, notecards, publications)	659	624

10 DEBTORS

	£	£
Due within one year:		
Other debtors	240	241
Prepayments	662	538
	902	779

11 CREDITORS

	£	£
Due within one year:		
Accruals and deferred income	1,998	1,410
	1,998	1,410

12 ANALYSIS OF FUNDS

	Tangible fixed assets	Investments	Total designated funds	Undesignated revenue funds	Total
	£	£	£	£	£
Unrestricted Funds	356,516	90,553	447,069	15,871	462,940
Restricted fund: Alder		4,717			4,717
Total funds	356,516	90,553	447,069	15,871	467,657

Included in unrestricted funds are investments amounting to £3,452 which are designated funds set aside for the purpose of replacing the Trust‘s premises on expiry of the lease. It is the Trust's intention to set aside money each year for this purpose. Included in unrestricted funds is cash to the amount of £2,616 set aside for the purpose of maintaining property.

13 COMMITMENTS FOR FUTURE EXPENDITURE

There were no material commitments either at the beginning or at the end of the year.