

Charity number: 1072772

The Intercom Trust
Trustees' report and financial statements
for the year ended 31 August 2005

The Intercom Trust

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The Intercom Trust

Legal and administrative information

Status

The Intercom Trust (The Trust) was set up in 1997 with donations from local people, and operates under a Deed of Trust dated 9 September 1997, amended by Deeds of Amendment dated 28 November 1998 and 25 February 2004. The Deed of Trust has been formally adopted as the Constitution. The Trust is an independent unincorporated charity, based in Exeter to serve the South West Peninsula, defined as being the area of the counties and unitary authorities of Cornwall and the Isles of Scilly, Devon, Plymouth and Torbay, Dorset, Poole and Bournemouth, and Somerset, North Somerset, and Bath and North East Somerset. Of the eight founders, one (the Executive Director) is still active in the Trust.

| | | |
|------------------|--|---|
| Trustees | Christopher Taylor Jenny Broughton Peter Lawrence Noel Beavis Karen Harris Andrew Duncan Jane Stavert Matt Millmore | Chairman Secretary - Resigned May 2006 Treasurer - Resigned January 2006 Appointed in February 2005 Secretary Appointed March 2006 Appointed May 2006 Appointed May 2006 Appointed July 2006 |
| Secretary | Karen Harris | |
| Charity number | 1072772 | |
| Accountants | Thompson Jenner 1 Colleton Crescent Exeter Devon EX2 4DG | |
| Business address | PO Box 285 Exeter Devon EX4 3ZT | |
| Bankers | CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent | |

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Trustees' report for the year ended 31 August 2005

Charitable objects

The Objects of the Trust as defined in the Deed of Trust (section 3) are

- 1.To relieve the needs of lesbian gay bisexual and transgendered people and others who are in need on account of discrimination suffered in relation to sexual orientation or gender identity in such ways as are charitable at law;
- 2.To promote the understanding of fundamental rights and freedoms and to ensure their effective application to law and policy development and promote their obligations for the benefit of lesbian gay bisexual and transgendered people and others affected by similar discrimination or prejudices;
- 3.To advance the education of the public in relation to all aspects of discrimination and other disadvantage suffered by reason of being lesbian gay bisexual or transgendered.

Key powers of the Trustees (Deed of Trust, section 5) are:

- 1.To co-operate with voluntary and statutory agencies and other organisations and associations operating in furtherance of the Objects or of similar purposes and to exchange information and advice with them;
- 2.To establish or support any charitable trusts, associations or institutions formed for any of the charitable purposes included in the Objects;
- 3.To act as a focus and resource for other agencies and organisations who in the opinion of the trustees share all or some of these Objects or else contribute to their fulfilment;
- 4.To improve the sense of community amongst isolated and vulnerable lesbians, gay men, bisexuals and trans people, to broaden their access to mainstream services on the level of full equality with other members of the public, and to enable them to create new structures of self-help.
- 5.To work by all lawful educational and charitable means towards the eradication of homophobic and transphobic violence prejudice and discrimination from private public and corporate life;
- 6.To facilitate, encourage and publicise lesbian gay bisexual and trans communal and cultural activities in all fields including but not limited to the arts, sport, and leisure activities;
- 7.To support families whose members include lesbian, gay, bisexual or trans people.

As a community-led organisation, responsive to community needs, the Trust's principal activities under the Constitution are centred on issues that relate to social isolation, crime and community safety, equal access to services, and young people's needs. Community consultation is mainstreamed throughout all services. The primary activities are (1) providing direct help for individuals in need, and (2) developing the local and sub-regional community by the provision of infrastructure support services for other community-led organisations. The Trust also provides training and consultancy services for a wide range of organisations across all sectors.

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Trustees' report for the year ended 31 August 2005

Organisational structure

The Board of Trustees meets every six weeks. Except for any reserved items staff are welcome to attend and speak, and the Executive Director, Dr Michael Halls, is normally present. Dr Halls has also held the role of Advisor to the Trustees since July 2001. The Executive Director is responsible to the Board of Trustees through the Chair, who is formally his line manager. His responsibilities are as follows:

1. All operations and activities of the Trust.
2. Ensuring compliance with funding agreements and other obligations.
3. Budgeting and use of human, financial and capital resources.
4. Defining Trust strategy and policy within limits defined from time to time by the Board of Trustees.

During the period of this report, the Community Development Manager, Paul Roberts, had operational responsibility for all infrastructure services and community development, and reported to the Trustees through his line-manager the Executive Director.

The Executive Director had operational responsibility for all other services. Both acted as volunteer co-ordinators within their service areas. The Sweef Project Worker, Steph Denver, was employed on a short term project from November 2004 to March 2005, funded by the Department of Trade and Industry, and was line-managed by the Community Development Manager.

Review of activities and achievements

The Trust employed one full-time and two part-time members of staff throughout the year, and also the Sweef Project Worker for five months. Total employed hours were 4,075. High-level skilled volunteer hours were 1,905, and our valued office volunteers contributed 343 hours. The office was staffed for 1,635 hours. Helpline and advocacy services were provided as in past years by the Executive Director and a very small volunteer team as far as capacity allowed. The helpline received between 15 and 35 calls a week. The majority of these were unfortunately made at times when no one was available to staff the helpline. Approximately 500 hours were spent directly dealing with helpline calls over the year, and another 250 hours were spent providing advocacy services.

Professional help services for young people and families drew heavily, as always over the past five years, on the outstanding skills and knowledge of our colleague Mrs Roberta Fudge, a school counsellor whom The Trust continued to employ part-time. This was to be Roberta's last full year with The Trust before retirement, and her departure after the end of the report year has left staff and Trustees deeply appreciative, as always, of her skills and commitment, and dismayed at the thought that we can no longer draw on these on a day-to-day basis. Trustees, staff, volunteers, and many service-users, send Roberta and her husband warmest, most grateful, and very affectionate good wishes for their new home in Wales.

Continuing funding from Devon County Council allowed The Trust the capacity to play a full part in their Justice Through Equality programme and to sustain our role on the Equality Reference and Equality Steering Groups. Other partnership working with our statutory and voluntary stakeholders was undertaken, in proportion as funding was made available and as far as our own capacity permitted.

The two-year funding from the Learning and Skills Council Devon and Cornwall, which had supported the full-time post of Equal Opportunities Training Officer, had just ended. The Equal Opportunities Training Project could only be sustained through September 2004; since then the Trust has had to revert to providing workplace and employer training only on an ad hoc basis.

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Trustees' report for the year ended 31 August 2005

Fortunately, rather than lose the skills of Paul Roberts when the Learning and Skills Council grant ended, The Trust was able to redeploy him into an area of service-delivery where development was badly needed. The Trust had been providing infrastructure support services for other community-led groups and projects since February 1998. These services are of the highest importance to isolated and vulnerable LGB/T frontline groups and their service-users. Moreover, since these services combat social exclusion, and provide avenues by which victims of crime and discrimination can securely seek assistance, they are also of great significance to public authorities and the community at large. However, with no funding and no possibility of generating income that could make these services sustainable, pro-active work in this vital area had previously had to be very limited.

In October 2004 there was a good prospect that we would be able to draw down government funding for these services from the New Year. Accordingly we drew on unrestricted funds (with a vital contribution from Government Office South West, for which we are deeply grateful) to retain Paul and redeploy him as Community Development Manager, a role for which he had already demonstrated himself outstandingly well fitted. In February 2005 dedicated grant support for this service-area finally came on stream through the Change Up programme. This funding supported the Community Development Manager and his work throughout the remainder of the year, enabling The Trust to deliver a remarkable and impressive development of frontline community resources.

This sea-change across the sub-region was marked in September 2005 by the first conference of such groups ever held in the peninsula. This was attended by representatives of a majority of the 88 frontline community groups, which we had by then identified, or supported into existence, across The Trust's area of benefit. The conference initiated important new strategic thinking and policy development, based on targeted but user-friendly community consultation and needs assessments during this event. (See www.intercomtrust.org.uk/resources/reports/rrgt_report.pdf for the conference report.) The lessons learned from this event have proved to be of the greatest importance in the developing of The Trust's strategies and business plans.

The Trust continued to administer the Cornwall Devon and Isles of Scilly LGB/T Police Liaison Group on behalf of the communities, funded by Devon and Cornwall Police Headquarters Diversity Unit. The Group, which was set up in December 2001, continued to meet at six-weekly intervals in Saltash, though as usual in between meetings there was day-to-day activity and consultation between The Trust, the other Group members, and the Force Diversity Unit on strategic and policy issues.

The Trust and Devon and Cornwall Constabulary have at last achieved a rolling service-level agreement, following on The Trust's going through the process necessary to becoming an approved provider. However, this funding is entirely for strategic and policy-related work at headquarters level. There is no funding available to The Trust for local and tactical work within the geographical police basic command units in Devon and Cornwall, or from Dorset police at any level. As a result, and in view of our capacity problems, we continued regretfully to avoid undertaking such work when requested. There was however a welcome new engagement with Dorset police on strategic issues, though as yet on an entirely unfunded basis.

Our primary strategic concern continues to be the great disparity between the evidenced day-to-day demand for our services, and our capacity. The severe limitations on our capacity are a reflection of the extremely limited funding that we are able to draw down, and this relates largely to local perceptions of social and political sensitivities around the issues we address.

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Trustees' report for the year ended 31 August 2005

The funding difficulties being as they are, The Trust is heavily reliant on the services of highly skilled people acting as volunteers. This is not sustainable, they cannot be expected to continue providing these services indefinitely. Within this strategic heading we note two priorities, first, the helpline and advocacy services, the community-safety and crime reduction services, and the consultancy services of The Trust must all be secured on a funded basis. Second, the income available from restricted and unrestricted sources for supporting the post of Executive Director must be better assured. It is a major propriety to achieve a sustainable basis for all these core functions, both with a view to the retention of valued and skilled staff and with a view to securing The Trust's own future.

During the Report year, The Trust started a major community consultation exercise, to provide a formal evidence-base of the extent and nature of the public need. This exercise was concluded in the current financial year. When analysed, the results are expected to provide a strong basis for arguing the community case, and making The Trust more sustainable on a basis that matches the level of evidenced public need.

Since the year end, we have won a major grant from the Big Lottery Fund, which has enabled us to recruit and support one new full-time and one new part-time employee, running a newly-established Help and Advocacy Project in Cornwall, Plymouth, Devon, and Torbay. (NB. These services are still unfunded in the sub-regions of Dorset and Somerset.) The number of staff at the date of this Report is accordingly two full-time and two part-time. We have won continuation funding for the Community Development Project which enables us to continue employing the Community Development Manager, and we have applied for further funding to make these services sustainable into the longer term.

Trustees confirm that these accounts comply with requirements of relevant statute law, the Constitution of The Trust, and the appropriate edition of the Charity Commissioners' Statement of Recommended Practice.

The relatively low level of donations from members of the public reflects the fact that the great majority of our service-users and supporters are not themselves financially secure. We are deeply grateful to all who have given what they can to support The Trust's work among the largest vulnerable community in the peninsula.

Reserves

For reasons given above, The Trust has never been in a position to develop long-term or medium-term reserves. The annual accumulated fund at the end of each year is equivalent to roughly three months' outgoings, and has to be earmarked for the support of the unfunded work of The Trust in the following year, including the replacing of worn-out equipment, repairs and renewals, sustaining the salary of the Executive Director, and contingencies. Careful financial management has so far enabled us to replenish this small accumulated fund each year from short-term fee-income, and carry it down for the succeeding year.

Grant making policy

Small grants are occasionally made from unrestricted funds to smaller frontline groups when they are in particular need (e.g. their ability to continue to exist is seriously at risk). Small development grants have been made from Change Up restricted funds as provided for in the budget agreed with the funders.

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Trustees' report for the year ended 31 August 2005

Risk exposure

The Trustees and Executive Director are continuously assessing The Trust's exposure to risk. Expenditure, workplace activities and projections for work and budgeting are all managed on a day-to-day basis so as to minimise all medium and long-term risks. The major barrier to The Trust's development continues to be the difficulty of matching the demand for services across the peninsula with funding that would enable us to employ workers to deliver the services that are being called for by the general public and also, notably, by the same public authorities that continue not to fund us or any other LGB/T community services.

Appointment of Trustees

Trustees are appointed by vote of the Board of Trustees, following a recruitment and selection process that matches the skills, experience and qualifications of candidates with the needs of The Trust and the requirements for charity trustees. The recruitment process is administered and supervised by the Chair of the Board of Trustees.

Statement of trustees' responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the year end and of its incoming resources and resources expended during that year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Thompson Jenner were appointed accountants during the year and the trustees recommend that Thompson Jenner remain in office until further notice.

This report was approved by the trustees on 6 September 2006 and signed on their behalf by

Karen Harris
Secretary

The Intercom Trust

Independent examiner's report to the trustees on the unaudited financial statements of The Intercom Trust.

I report on the financial statements of The Intercom Trust for the year ended 31 August 2005 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

Respective responsibilities of trustees and examiner

As the charity's trustees you are responsible for the preparation of the accounts, you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under section 43(7)(b) of the Act, whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep accounting records in accordance with section 41 of the Act; and
 - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the Acthave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

G.J. Salter FCCA
Thompson Jenner
Chartered Accountants and
Registered Auditors
11 September 2006

Thompson Jenner
1 Colleton Crescent
Exeter
Devon
EX2 4DG

The Intercom Trust

Statement of financial activities

For the year ended 31 August 2005

| | Notes | Unrestricted funds £ | Restricted funds £ | 2005 Total £ | 2004 Total £ |
|--|-------|-------------------------|-----------------------|----------------------|----------------------|
| Incoming resources | | | | | |
| Donations | | 7,699 | - | 7,699 | 668 |
| Grants | 2 | 4,960 | 104,700 | 109,660 | 96,444 |
| Fundraising events | | - | - | - | 2,241 |
| Activities in furtherance of the charity's objects | | 40,607 | - | 40,607 | 10,398 |
| Income from investments | | 958 | - | 958 | 478 |
| Other incoming resources | | 1,707 | - | 1,707 | 1,885 |
| Total incoming resources | | <u>55,931</u> | <u>104,700</u> | <u>160,631</u> | <u>112,114</u> |
| Resources expended | | | | | |
| Grants payable | 3 | 1,000 | 1,125 | 2,125 | 54 |
| Staff costs | | 27,191 | 49,727 | 76,918 | 62,326 |
| Staff training | | 60 | - | 60 | 1,682 |
| Rent, rates and service charge | | 532 | 6,813 | 7,345 | 7,292 |
| Insurance | | 112 | 125 | 237 | 324 |
| Light and heat | | 163 | 623 | 786 | 684 |
| Repairs and maintenance | | 320 | 7,774 | 8,094 | 1,136 |
| Printing, postage and stationery | | 1,706 | 3,455 | 5,161 | 11,809 |
| Advertising | | 1,634 | 4,543 | 6,177 | 2,589 |
| Telephone | | 3,140 | - | 3,140 | 3,024 |
| Computer costs | | 774 | 4,591 | 5,365 | 2,526 |
| Motor expenses | | 2,947 | 3,350 | 6,297 | 4,844 |
| Travelling | | 410 | - | 410 | 1,311 |
| Consultancy fees | | - | 5,448 | 5,448 | 1,614 |
| Accountancy fees | | 2,585 | - | 2,585 | 900 |
| Bank charges | | 5 | - | 5 | - |
| General expenses | | 786 | 1,358 | 2,144 | 975 |
| Subscriptions | | 287 | 35 | 322 | 124 |
| Depreciation & amortisation | | 1,506 | - | 1,506 | 1,449 |
| Total resources expended | | <u>45,158</u> | <u>88,967</u> | <u>134,125</u> | <u>104,663</u> |
| Net movement in funds | | 10,773 | 15,733 | 26,506 | 7,451 |
| Total funds brought forward | | <u>30,523</u> | - | 30,523 | 23,072 |
| Total funds carried forward | | <u><u>41,296</u></u> | <u><u>15,733</u></u> | <u><u>57,029</u></u> | <u><u>30,523</u></u> |

The notes on pages 10 to 15 form an integral part of these financial statements.

The Intercom Trust

Balance sheet
as at 31 August 2005

| | Notes | 2005 | | 2004 | |
|---|-------|-----------------|---------------|---------------|---------------|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 6 | | 3,068 | | 4,310 |
| Current assets | | | | | |
| Debtors | 7 | 25,016 | | - | |
| Cash at bank and in hand | | 43,487 | | 27,113 | |
| | | <u>68,503</u> | | <u>27,113</u> | |
| Creditors: amounts falling due within one year | 8 | <u>(14,542)</u> | | <u>(900)</u> | |
| Net current assets | | | <u>53,961</u> | | <u>26,213</u> |
| Net assets | | | <u>57,029</u> | | <u>30,523</u> |
| Funds | | | | | |
| Unrestricted funds | 10 | | 41,296 | | 30,523 |
| Restricted funds | 11 | | 15,733 | | - |
| | | | <u>57,029</u> | | <u>30,523</u> |

The financial statements were approved by the Trustees on 6 September 2006 and signed on their behalf by

Jane Stavert
Acting Chair

The notes on pages 10 to 15 form an integral part of these financial statements.

The Intercom Trust

Notes to the financial statements for the year ended 31 August 2005

1. Accounting policies

1.1. Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) and follow the recommendations in 'Accounting and Reporting by Charities: Statement of Recommended Practice' issued in October 2000.

1.2. Incoming resources

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when receivable. Donated assets are included at the value to the charity where this can be quantified and a third party is bearing the cost. The value of services provided by volunteers has not been included.

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Grants include grants specifically received for the provision of services as part of the direct charitable activities. This is mainly received for training and consultancy services provided by the charity to a wide range of organisations across all sectors including from the Government and other public authorities.

Income from investments is included in the year in which it is receivable.

1.3. Resources expended

Resources expended are recognised in the year in which they are incurred.

1.4. Tangible fixed assets and depreciation

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

| | | |
|-------------------------------------|---|-------------------|
| Fixtures, fittings and equipment | - | 25% straight line |
|-------------------------------------|---|-------------------|

1.5. Pensions

The pension costs charged in the financial statements represent the contribution payable by the charity during the year.

The regular cost of providing retirement pensions and related benefits is charged to the SOFA over the employees' service lives on the basis of a constant percentage of earnings.

1.6. Funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects. Restricted funds are funds which have been given for particular purposes and projects. More detail is given on the restricted funds in note 11.

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Notes to the financial statements
for the year ended 31 August 2005

2. Grant income

| | Unrestricted funds £ | Restricted funds £ | 2005 £ | 2004 £ |
|-----------------------------------|----------------------------|--------------------------|----------------|---------------|
| Change Up (DEFRA and Home Office) | - | 74,700 | 74,700 | 96,444 |
| Department of Trade and Industry | - | 30,000 | 30,000 | - |
| Devon & Cornwall Police | 600 | - | 600 | - |
| Dorset LEA | 460 | - | 460 | - |
| Dorset Social Services | 1,000 | - | 1,000 | - |
| Other grant | 2,900 | - | 2,900 | - |
| | <u>4,960</u> | <u>104,700</u> | <u>109,660</u> | <u>96,444</u> |

3. Grants payable

| | 2005 £ | 2004 £ |
|-----------------------------|--------------|-----------|
| Space Youth project | 100 | 54 |
| The Number One Centre Trust | 1,750 | - |
| Outskirts | 75 | - |
| Shout Group North Devon | 100 | - |
| Devon Youth Association | 100 | - |
| | <u>2,125</u> | <u>54</u> |

4. Employees

Number of employees

The average monthly numbers of employees
during the year were:

| | 2005 Number | 2004 Number |
|----------------|----------------|----------------|
| Administration | <u>4</u> | <u>4</u> |

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Notes to the financial statements
for the year ended 31 August 2005

| | Unrestricted £ | Restricted £ | 2005 £ | 2004 £ |
|---------------------|-------------------|-----------------|---------------|---------------|
| Wages and salaries | 25,524 | 49,727 | 75,251 | 62,326 |
| Other pension costs | 1,667 | - | 1,667 | - |
| | <u>27,191</u> | <u>49,727</u> | <u>76,918</u> | <u>62,326</u> |

There were no members of staff employed by the charity with emoluments above £50,000.

4.1. Trustees' emoluments

No remuneration was paid to the Trustees during the year. Two trustees were reimbursed travel expenses totalling £103.

5. Pension costs

The company operates a defined contribution pension scheme in respect of all employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £1,667 (2004 - £ Nil).

6. Tangible fixed assets

| | Fixtures, fittings and equipment £ | Total £ |
|------------------------|---|--------------|
| Cost | | |
| At 1 September 2004 | 5,759 | 5,759 |
| Additions | 264 | 264 |
| At 31 August 2005 | <u>6,023</u> | <u>6,023</u> |
| Depreciation | | |
| At 1 September 2004 | 1,449 | 1,449 |
| Charge for the year | 1,506 | 1,506 |
| At 31 August 2005 | <u>2,955</u> | <u>2,955</u> |
| Net book values | | |
| At 31 August 2005 | <u>3,068</u> | <u>3,068</u> |
| At 31 August 2004 | <u>4,310</u> | <u>4,310</u> |

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Notes to the financial statements
for the year ended 31 August 2005

| | | | |
|-------------------|--------------------------------|---------------|-------------|
| 7. Debtors | | 2005 | 2004 |
| | | £ | £ |
| | Trade debtors | 23,879 | - |
| | Prepayments and accrued income | 1,137 | - |
| | | <u>25,016</u> | <u>-</u> |

| | | | |
|--|------------------------------|---------------|-------------|
| 8. Creditors: amounts falling due within one year | | 2005 | 2004 |
| | | £ | £ |
| | Other creditors | 9,390 | - |
| | Accruals and deferred income | 5,152 | 900 |
| | | <u>14,542</u> | <u>900</u> |

Other creditors consists of a grant to another entity, The Devon Strategic Partnership Equality Strategy and Scrutiny Group, a small consortium of voluntary sector agencies (Living Options Devon, AGILE, Devon Racial Equality Council, Fair Play South West and Intercom) who at the year end did not have a bank account. Devon County Council had given the consortium £10,000 which The Intercom Trust banked until an account could be opened for the consortium.

| | | | | |
|--|--|---------------------------|-------------------------|--------------------|
| 9. Analysis of net assets between funds | | Unrestricted funds | Restricted funds | Total funds |
| | | £ | £ | £ |
| | Fund balances at 31 August 2005 as represented by: | | | |
| | Tangible fixed assets | 3,068 | - | 3,068 |
| | Current assets | 52,770 | 15,733 | 68,503 |
| | Current liabilities | (14,542) | - | (14,542) |
| | | <u>41,296</u> | <u>15,733</u> | <u>57,029</u> |

The Intercom Trust

Notes to the financial statements for the year ended 31 August 2005

| 10. Unrestricted funds | 01/09/04 | Incoming | Outgoing | Transfers | 31/08/05 |
|------------------------|---------------|---------------|-----------------|---------------|---------------|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | 30,523 | 55,931 | (75,544) | 30,386 | 41,296 |
| | <u>30,523</u> | <u>55,931</u> | <u>(75,544)</u> | <u>30,386</u> | <u>41,296</u> |

Purposes of unrestricted funds

Unrestricted funds comprise of those funds which the trustees are free to use in accordance with the charitable objects.

| 11. Restricted funds | 01/09/04 | Incoming | Outgoing | Transfers | 31/08/05 |
|----------------------|----------|----------------|-----------------|-----------------|---------------|
| | £ | £ | £ | £ | £ |
| DTI | - | 30,000 | (19,919) | (10,068) | 13 |
| Change Up | - | 74,700 | (38,662) | (20,318) | 15,720 |
| | <u>-</u> | <u>104,700</u> | <u>(58,581)</u> | <u>(30,386)</u> | <u>15,733</u> |

Purposes of restricted funds

DTI

The DTI grant from the Department of Trade and Industry was part of their 2004-05 funding stream to promote awareness of the Employment Equality (Sexual Orientation) Regulations 2004. The grant was for a short-term project, from November 2004 to March 2006, to set-up a South West Employers Equality Forum and then hand it on to local employers to own and develop for themselves. As agreed in the grant terms and conditions of the grant, the charity is allowed to allocate a monthly figure to unrestricted funds in relation to a contribution to office and staff costs.

Change Up

The Change Up grant was from the Home Office and DEFRA, administered by Government Office for the South West. It was to support our work providing infrastructure services for LGB/T frontline groups across Cornwall, Devon, Dorset and Somerset, and to build our capacity to provide services into the future. The project ran from February 2005 to March 2006 and has now been succeeded by the Capacity Builders Continuation Fund, which started on 1 April 2006. As agreed in the terms and conditions of the grant, the charity is allowed to allocate a monthly figure to unrestricted funds in relation to a contribution to office and staff costs.

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Notes to the financial statements
for the year ended 31 August 2005

12. Financial commitments

At 31 August 2005 the company had annual commitments under non-cancellable operating leases as follows:

| | 2005 | 2004 |
|----------------------------|--------------|----------|
| | £ | £ |
| Expiry date: | | |
| Between one and five years | <u>6,824</u> | <u>-</u> |