

H.W.FISHER & COMPANY
CHARTERED ACCOUNTANTS

WAR MEMORIALS TRUST
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2004



War Memorials Trust

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WAR MEMORIALS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

J G Cluff, Chair of Trustees
Roger Bardell
Winston S Churchill
The Lord Cope of Berkeley
Jane Furlong
Nick Hewitt
Meg Hillier
Douglas Johnston
The Hon Tim Lewin
Peter McCormick, OBE
Tony Martin
John Peat
Val Ross
Juliette Woolley

Patron

The Countess Mountbatten of Burma CBE CD JP DL

Area Patrons

Wales

Maj-Gen the Reverend R M Llewellyn CB OBE

Northern Ireland

The Lord Molyneux of Killead KBE PC

Scotland

England

General Sir Brian Kenny GCB CBE

President

Winston S Churchill

Vice Presidents

The Earl Nelson
Josefina de Vasconcellos
Sara Jones CBE
Simon Weston OBE
Diana Graves

Treasurer

Roger Bardell

Director General

Sir Donald Thompson

Charity number

1062255

Principal address

4 Lower Belgrave Street
London
SW1W 0LA

Auditors

H.W. Fisher & Company
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

WAR MEMORIALS TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Bankers

Royal Bank of Scotland plc
2 Elgin Avenue
London
W9 3QR

Solicitors

McCormicks
Britannia Chambers
4 Oxford Place
Leeds
LS1 3AX

WAR MEMORIALS TRUST

CONTENTS

	Page
Trustees' report	1 - 4
Statement of Trustees' responsibilities	5
Auditors' report	6
Statement of financial activities	7
Balance sheet	8
Notes to the accounts	9 - 16

WAR MEMORIALS TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2004

The Trustees present their report and accounts for the year ended 31 December 2004.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Trust Deed, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

Objects of the charity

The charity is governed by a Trust Deed dated 7 May 1997. The objects of the charity are to educate and inform the general public about the significance of War Memorials as part of our national heritage to foster cultural appreciation and good citizenship by remembering those who have fallen in war by encouraging the preservation and maintenance of War Memorials.

In accordance with these aims, the charity provides advice and guidance to general and specific enquiries regarding War Memorials. The charity administers grant schemes to assist with War Memorial projects including conservation and restoration work. Alongside this work the charity promotes the protection of War Memorials, and educates people about their importance, for example by exhibiting at events or giving talks on War Memorials.

War Memorials Trust (WMT) works for the protection and conservation of War Memorials of all types and dates in the UK. It is the only charity in the country dedicated solely to the preservation of our national War Memorial heritage. The charity seeks to educate about the social, cultural and historical roles of War Memorials within all communities.

Review of activities

WMT is governed by a Trust Deed, dated 7 May 1997. During 2004 an internal Governance document provided greater guidance for those acting as Trustees, introducing a recruitment policy seeking individuals with specialist, relevant skills, formulating an induction programme for those appointed to the Board and establishing a five-yearly review of the make-up of the Board. In 2004, Val Ross and Tony Martin resigned as Trustees and Juliette Woolley joined the Board of Trustees in December.

The charity has been led by the Director General, supported full-time by an Administrator and a Conservation Officer. The charity also employs, part-time, an Accounts Manager, a Fundraiser and new, for 2004, a PR Consultant. The office staff are joined by three Volunteers providing administrative and IT support. In February Jill Jokel, Head of Fundraising, left; in June Robert Pitts joined the team as a Fundraising Consultant and Felicity McCall was appointed in October as PR Consultant. The charity also welcomed two new office based Volunteers who generously provide their time and expertise.

During the year the WMT built on a period of consolidation in 2003. The charity sought to develop new ways to establish itself as a focal point for War Memorial issues whilst maintaining its strong working relationship with other heritage organisations. The charity sought to improve its financial position, seeking higher income levels and a firmer financial footing. It planned to continue to provide expert advice and increase the number of cases and enquiries it dealt with to ensure it was assisting in helping and conserving many more War Memorials. Internally the charity wanted to operate more effectively, and provide alternative ways for its information to be accessed.

WAR MEMORIALS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

To achieve these ends WMT undertook to review its position and organisational structure. A firmer financial footing was to be achieved by a more professional approach to fundraising, working on the continued development of the supporter base. WMT intended to continue to provide a 'banking' service to small projects that could not raise and manage funds in other ways. WMT aimed to work closely with English Heritage in introducing the new Grants for War Memorials Scheme through which The Wolfson Foundation joined English Heritage to fund the preservation of freestanding War Memorials in England. All queries received by the organisation would be dealt with and appropriate advice provided. The charity planned to introduce a new website offering more information online as well as new Help-sheets on subjects related to War Memorials.

The main change for the charity through 2004 was the decision by Trustees to rename the charity, becoming War Memorials Trust instead of Friends of War Memorials. This step was taken to ensure the name of the charity reflected its role as a focal point for War Memorial issues, and its position as an important national heritage organisation.

The introduction of the Grants for War Memorials Scheme funded by English Heritage and The Wolfson Foundation removed some eligibility restrictions, led to an upsurge in applications and enabled a greater number of freestanding War Memorials to be assisted. In 2004, 28 grants were offered to a total of £58,752 with one pending. WMT collaborated with English Heritage to promote the new scheme through the media and targeted mail-outs. The previous English Heritage Grant Scheme for War Memorial Repair and Conservation ended. The final meeting in March 2004 offered grants to 19 projects to a total of £31,258 (2003: 19 projects received £24,222). Over the lifetime of the grant scheme, from April 2000 to March 2004 WMT helped 55 projects receive over £100,000. It is worth noting that the amount spent through both the new and old schemes is dependent on the cost of projects applied for, as grants are given at a standard 50% of eligible costs, up to a maximum grant of £10,000.

The WMT Small Grants Scheme was supported by the Dulverton Trust. Total grant spend in 2004 was £18,866 to 79 projects (2003: 36 projects received £8,891). This scheme continues to be a vital way for WMT to support smaller projects and assist War Memorials that fail to meet eligibility criteria of other schemes. WMT also supported special projects including offering £2,000 to the Sundowner War Memorial as the selected recipient of a grant from the David Graves Memorial Fund.

The charity continues to see a rise in general enquiries from organisations such as ad hoc committees, individuals, and parish councils covering a range of War Memorial issues. This service is provided free of charge to users but is a cost to WMT, although difficult to quantify. It is an essential part of WMT work as the charity realises its aim to be a focal point for War Memorial issues. In 2004 the charity dealt with 786 enquiries and 191 new cases. By the end of 2004 the War Memorials Trust total casework since 2000 stood at 1,517 cases.

On 31 December 2004 the charity had 1,358 members (2003: 1,376), representing a consolidation of the supporter base. The figures decreased slightly due to an Administrative change that saw the annual mail-out to lapsed members being moved from October 2004 to January 2005. This meant that at the end of 2004 those members who had not renewed their membership had yet to be offered a second opportunity to do so. The charity began an audit of its Regional Volunteers, seeking to ensure that the roles and responsibilities it offered to its volunteers around the country was reflective of their interests and the needs of the organisation. This led to Regional Volunteers being offered the opportunity to continue their role or take on a less active volunteering position.

The WMT AGM was held on 1 July 2004 and was preceded by a moving Ceremony at the Cenotaph. Wreaths were laid. The ceremony was attended by more than 45 members, as well as a bugler, the Association of Military Remembrance and a guard of honour from the ATR Whittington Barracks. WMT were grateful to Westminster Police for their support, including stopping the traffic for the one minute silence to remember all those who fell on the first morning of the Battle of the Somme on 1 July 1916.

The WMT Newsletter became the Bulletin with the introduction of coloured photographs. It continues to go from strength to strength thanks to the generous support of sponsors DFS, which WMT greatly appreciates. It is a valuable tool to thank our members for their support, to promote our Fundraising work as well as an opportunity to report on our Conservation successes.

WAR MEMORIALS TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2004

As the organisation develops we recognise the importance of the contribution of our members and our life members. Our special thanks go to generous donors this year who have included: DFS, The Linbury Trust, The Dulverton Trust, The Hedley Foundation, The Pilgrim Trust, The Clore Duffield Foundation, British American Tobacco, The Normanby Charitable Trust, The Sir James Knott Trust, The Westminster Foundation, Cowley Charitable Foundation, Esmee Fairburn Foundation, Mr Charles Wilson, The Gosling Foundation, Army Training Regiment Lichfield, Blackburn with Darwen Borough Council, The Alice Ellen Cooper Dean Charitable Foundation, The Jordan Foundation, The Hartnett Charitable Trust, The Lambert Trust, Mrs Vicki Villers and The Manifold Trust.

WMT fundraising activity was focused upon the Hip Art event in May 2004. A Hip Art private view in March was followed by a Gala Dinner and Auction in May, both held at Christie's Auction House. Working alongside Stowe House Preservation Trust the target of £50,000 for each charity was achieved. Coverage in publications including Hello Magazine, Country Life Magazine and the Evening Standard helped to enhance the profile of the charity.

The charity launched its first legacy leaflet in April introducing a new area of Fundraising activity.

The charity had a successful return from its London Marathon runners with the event raising nearly £7,000. A big thank you to all those who ran for the charity. The WMT also participated in other national and local events, activities that could not have been undertaken without the generous support of show organisers and our Regional Volunteers. Displays included air shows, county fairs, museums and military gatherings. Participating at events raises awareness of the charity as well as generating reports of War Memorials at risk.

WMT has been involved, alongside the Commonwealth War Graves Commission and the Ministry of Defence in the Joint Boer War Initiative, raising funds to restore the War Memorials and Graves in South Africa. The charity is holding some of the funds for this project and assisting with the fundraising activity.

Trustees

The Trustees who served during the year were:

J G Cluff, Chair of Trustees

Roger Bardell

Winston S Churchill

The Lord Cope of Berkeley

Jane Furlong

Nick Hewitt

Meg Hillier

Douglas Johnston

The Hon Tim Lewin

Peter McCormick, OBE

Tony Martin

John Peat

Val Ross

Juliette Woolley

Reserves policy

The charity has a reserves policy, which is to achieve sufficient unrestricted funds to meet six months' operational costs.

Risk factors

The major risks to which the charity is exposed have been reviewed by the Trustees and systems have been established to mitigate those risks.

WAR MEMORIALS TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

Asset cover for funds

Note 13 sets out an analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

On behalf of the board of Trustees



Trustee

Dated: 24 June 2005'

WAR MEMORIALS TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year (unless the charity is entitled to prepare accounts on the alternative receipts and payments basis).

In preparing accounts giving a true and fair view, the Trustees should follow best practice and:

- 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the accounts comply with the applicable law. 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.

WAR MEMORIALS TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WAR MEMORIALS TRUST

We have audited the accounts of War Memorials Trust for the year ended 31 December 2004 set out on pages 7 to 16. These accounts have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the Trustees, as a body, in accordance with section 44 of the Charities Act 1993. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditors

As described on page 5, you are responsible as trustees for the preparation of accounts in accordance with applicable law and United Kingdom Accounting Standards. We have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Trustees' Report is not consistent with the accounts, if the charity has not kept proper accounting records, or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read other information contained in the Trustees' Report, and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the accounts. Our responsibilities do not extend to any other information.

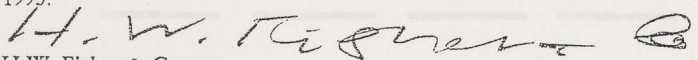
Basis of audit opinion

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

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

Opinion

In our opinion the accounts give a true and fair view of the charity's state of affairs as at 31 December 2004 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.


H.W. Fisher & Company

Chartered Accountants

Registered Auditor

Acre House

11-15 William Road

London

NW1 3ER

United Kingdom

Dated: 24 June 2005.

WAR MEMORIALS TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 DECEMBER 2004

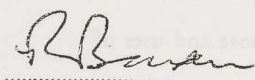
	Notes	Unrestricted funds £	Restricted funds £	Total 2004 £	Total 2003 As restated £
Incoming resources					
Donations and legacies	2	178,142	71,808	249,950	82,658
Activities in furtherance of the charity's objects	3	-	25,566	25,566	27,929
Investment income	4	2,750	22	2,772	1,717
Total incoming resources		180,892	97,396	278,288	112,304
Resources expended					
Costs of generating funds					
Fundraising and publicity costs		25,170	-	25,170	22,652
Charitable expenditure					
Grants payable	5	-	18,866	18,866	8,891
Education and conservation		14,794	32,214	47,008	49,281
Support costs		52,748	-	52,748	54,207
Management and administration		14,306	-	14,306	9,388
Total resources expended	6	107,018	51,080	158,098	144,419
Net incoming/(outgoing) resources before transfers		73,874	46,316	120,190	(32,115)
Transfers between funds		705	(705)	-	-
Net movement in funds		74,579	45,611	120,190	(32,115)
Fund balances at 1 January 2004 as originally stated		39,356	20,889	60,245	94,502
Prior year adjustment	14	-	(8,563)	(8,563)	(10,705)
		39,356	12,326	51,682	83,797
Fund balances at 31 December 2004		113,935	57,937	171,872	51,682

WAR MEMORIALS TRUST

BALANCE SHEET AS AT 31 DECEMBER 2004

		2004		2003	
	Notes	£	£	As restated	£
Fixed assets					
Tangible assets	9		266		354
Current assets					
Debtors	10	1,303		160	
Cash at bank and in hand		189,065		65,577	
		190,368		65,737	
Creditors: amounts falling due within one year	11	(18,762)		(14,409)	
Net current assets			171,606		51,328
Total assets less current liabilities			171,872		51,682
Income funds					
Restricted funds	12		57,937		12,326
Unrestricted funds			113,935		39,356
			171,872		51,682

The accounts were approved by the Trustees on 24 June 2005



Trustee

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 DECEMBER 2004

1 Accounting policies

1.1 Basis of preparation

The accounts are prepared under the historical cost convention.

The accounts have been prepared in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in October 2000.

1.2 Incoming resources

Voluntary income is received by way of donations and is included when receivable.

Grants and investment income are also included in the Statement of Financial Activities when receivable.

1.3 Resources expended

Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Grants payable are charged in the year when the offer is conveyed to the recipient.

Support costs are those incurred directly in support of expenditure on the objects of the charity.

Management and administration comprises costs for the running of the charity itself as an organisation.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

1.5 Accumulated funds

Unrestricted funds are funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purpose and uses of the restricted funds are set out in the notes to the accounts.

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

2 Donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2004 £	Total 2003 £
Donations and gifts	178,142	71,808	249,950	82,658
Donations and gifts				
Unrestricted funds:				
Donations and legacies			160,823	50,281
Membership fees			17,319	20,930
			178,142	71,211
Restricted funds:				
Donations and legacies			71,808	11,447
			71,808	11,447

During the year ended 31 December 2004 War Memorial Trust was notified that it was to receive a legacy. The income has not been included in the Statement of Financial Activities for the year because the conditions for receipt have not yet been met. It is believed that conditions for receipt will be met during the year ended 31 December 2005, and the expected income is in the region of £37,000.

3 Activities in furtherance of the charity's objects

	2004 £	2003 £
Grants receivable for charitable activities	25,566	27,929

4 Investment income

	Total 2004 £	Total 2003 £
Interest receivable	2,772	1,717

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

5 Grants payable

	2004 £	2003 £
Grants to institutions (79 grants)	<u>18,866</u>	<u>8,891</u>

War Memorials Trust awarded 78 grants of under £1,000 during the year as part of its Small Grants Scheme, and one grant of £2,000 from the David Graves Memorial Fund towards the restoration of the Sundowner War Memorial.

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

6 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2004 £	Total 2003 £
Costs of generating funds:					
Fundraising and publicity	5,111	-	20,059	25,170	22,652
Charitable expenditure:					
Grants payable	-	-	18,866	18,866	8,891
Education and conservation	27,597	-	19,411	47,008	49,281
Support costs	22,528	-	30,220	52,748	54,207
Management and administration	5,632	88	8,586	14,306	9,388
	55,757	88	77,083	132,928	121,767
	60,868	88	97,142	158,098	144,419
Other support costs comprise:					
Support cost sundries				1,582	828
Repairs & maintenance				727	1,571
Travel & subsistence				5,128	6,031
Rent & rates				11,048	11,943
Light & heat				767	575
Telephone				2,788	2,697
Insurance				1,001	940
Cleaning				335	448
Accountancy				5,011	-
Recruitment				1,101	1,570
Staff welfare				732	-
Conferences				-	14,416
				30,220	41,019
Other management and administration costs comprise:					
Audit				2,586	73
Honorarium				6,000	6,000
				8,586	6,073

Management and administration costs includes payments to the auditors of £2,500 (2003- £Nil) for audit fees and £Nil (2003- £Nil) for other services.

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

7 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but two of them were reimbursed a total of £340 travelling expenses.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2004 Number	2003 Number
	3	3
Employment costs	2004 £	2003 £
Wages and salaries	55,118	60,833
Social security costs	5,750	5,991
Other pension costs	-	2,870
	60,868	69,694

9 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 January 2004 and at 31 December 2004	3,881
Depreciation	
At 1 January 2004	3,527
Charge for the year	88
At 31 December 2004	3,615
Net book value	
At 31 December 2004	266
At 31 December 2003	354

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

10 Debtors		
	2004 £	2003 £
Other debtors	1,303	160
	<u>1,303</u>	<u>160</u>
11 Creditors: amounts falling due within one year		
	2004 £	2003 £
Taxes and social security costs	959	-
Other creditors	13,121	14,409
Accruals	4,682	-
	<u>18,762</u>	<u>14,409</u>

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				Balance at 31 December 2004
	Balance at 1 January 2004	Incoming resources	Resources expended	Transfers	
	£	£	£	£	£
Small Grants Scheme	3,439	19,490	(16,846)	-	6,083
Extension to Small Grants Scheme	-	3,250	-	-	3,250
David Graves Memorial Fund	10,000	-	(2,000)	-	8,000
Conservation Officer	(1,496)	30,588	(29,092)	-	-
Poplar War Memorial	250	-	-	-	250
Art Competition Fund	93	-	-	-	93
Darwen War Memorial	20	-	-	-	20
South Africa Appeal	20	40,755	(1,034)	-	39,741
Bailiff Bridge War Memorial	-	2,793	(2,088)	(705)	-
Education Fund	-	500	-	-	500
Benson War Memorial	-	20	(20)	-	-
	<u>12,326</u>	<u>97,396</u>	<u>(51,080)</u>	<u>(705)</u>	<u>57,937</u>

The Small Grants Scheme Fund represents monies received towards the costs of providing small grants of up to £250 for the restoration and preservation of war memorials.

The Extension to the Small Grants Scheme Fund represents monies received towards larger grants of between £250 and £2,000.

The David Graves Memorial Fund is towards the provision of one large grant (over £2,000) each financial year.

The Conservation Officer Fund represents monies received towards the cost of employing a Conservation Officer.

The Poplar War Memorial Fund is to be spent on restoring the war memorial in Poplar.

The Art Competition Fund represents monies received towards the purchase of prizes for an art competition. One competition has already been held and War Memorials Trust is planning to hold another such competition at some later date, at which time the remaining balance will be spent.

The Darwen War Memorial Fund is to be spent on restoring the Darwen War Memorial.

The South Africa Appeal represents monies collected for the restoration and preservation of Boer War Memorials in South Africa. This is a long-term project expected to continue for the next few years.

The Bailiff Bridge War Memorial Fund represents monies to be used for the Bailiff Bridge War Memorial, with any excess incoming resources to be spent on the general activities of the charity.

The Education Fund represents monies collected towards a new initiative to provide education packs for schools.

WAR MEMORIALS TRUST

NOTES TO THE ACCOUNTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2004

13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 December 2004 are represented by:			
Tangible fixed assets	266	-	266
Current assets	132,431	57,937	190,368
Creditors: amounts falling due within one year	(18,762)	-	(18,762)
	<u>113,935</u>	<u>57,937</u>	<u>171,872</u>

14 Prior year adjustments

The prior year adjustment is in respect of cash balances held by War Memorials Trust on behalf of other organisations. In previous years movements relating to these balances were treated as income and expenditure of War Memorials Trust, and the balance was included within accumulated funds. Because these balances did not belong to War Memorials Trust this treatment was incorrect. The misstatement has been corrected via a prior year adjustment.