

Company Registration Number 00998121  
Charity Number 1092902

Cansdales  
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## ATG TRAINING

### FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
31 JULY 2009

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## **ATG TRAINING**

**Company number** 00998121

**Registered charity number** 1092902

## **OFFICERS AND PROFESSIONAL ADVISERS**

**The Directors** J D Adams  
P D Burnham  
A Edwards  
D Granshaw  
I J Harper  
J P Silcock  
H E Simpson (Chairman)  
M J Tudor  
M Wicks

**Company secretary** S A Green

**Registered office** Future Centre  
Smeaton Close  
Aylesbury  
Bucks  
HP19 8SZ

**Auditors** Cansdales  
Chartered Accountants & Registered Auditors  
Bourbon Court  
Nightingales Corner  
Little Chalfont  
Bucks  
HP7 9QS

**Bankers** Lloyds TSB  
1 Market Square  
Aylesbury  
Bucks  
HP20 1TD

## **ATG TRAINING**

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## **ATG TRAINING**

### **REPORT OF THE DIRECTORS - continued FOR THE YEAR ENDED 31 July 2009**

The directors have pleasure in presenting their report and the financial statements for the year ended 31 July 2009.

#### **Principal activity and business review**

The principal activity of the charitable company during the year remained the provision of training to young people and adults, particularly those working or seeking work in business administration, customer service, engineering, electrical installation, logistics, IT, bicycle maintenance and care occupations.

The company has moved to larger premises to consolidate its activities in Aylesbury and to provide additional capacity for expansion and increased resources for a national delivery model. With continued partnership and collaborative working with a wide range of organisations in initiatives such as the Skills for Technology.

The Manchester Office has increased its delivery streams to include Cycle Maintenance, Engineering and Business Services Skills. The charity remains committed to working with schools and colleges to improve the range and quality of vocational training Diploma, Certificates and Awards.

As a not-for-profit charity with no shareholders, reserves are held within the business to invest in the sustainability and development of the charity and improve facilities for the learners. The investment in leasehold property at Future Centre in Aylesbury has a long term return in the form of improved facilities for learners and quality systems for increased efficiency.

Accumulated reserves have enabled ATG Training to absorb the losses in this current years trading activity due partially to the transfer of the accumulated loss of ATG Enterprise Training & Consulting Limited a wholly owned subsidiary of ATG Training which ceased trading on the 1 August 2008.

ETC was established to provide commercial short courses, management development and consultancy, any profits generated through the company were designed to be gift-aided back to the parent company to support its charitable activities. Following a review of the business it was decided that since profits were not being generated, the circumstances did not justify continued operations of the company. The directors therefore agreed to wind up the activities of the company at 31 July 2008. All assets and liabilities of ETC reverted to ATG Training on 1 August 2008.

#### **Public Benefit**

To develop individuals and enable them to maximise their potential through the design and delivery of training and assessment so they gain skills with the objective of securing employment and meeting the needs of industry. To maintain our role in the local community as a well regarded training provider and more widely as a source of sound training and development.

#### **Charitable status, members and limited liability**

The company continues to be registered as a charity (number 1092902) with the Charity Commission and is recognised as such by the Inland Revenue. The company is limited by guarantee with each member guaranteeing £30 in the event of the company being wound up whilst they are a member and for one year afterwards. At 31<sup>st</sup> July 2009 there were 53 members (2008: 66).

#### **Payment Policy**

The average payment period for creditors was 45 days (2008: 45).

## ATG TRAINING

### REPORT OF THE DIRECTORS - continued FOR THE YEAR ENDED 31 July 2009

#### Directors and their interests

The Directors who sat on the Board and were Trustees of the charitable company at any time during the year were:

J D Adams  
A Edwards  
I J Harper  
M J Tudor  
M Wicks

P D Burnham  
D Granshaw (stepped down as Chairman 5 June 2009)  
J P Silcock (appointed 1 August 2008)  
H E Simpson (Chairman appointed 5 June 2009)

The Directors meet every 2 months to receive the Managing Director's report and to consider the management accounts, as well as any reports from the Audit, Investment or Remuneration committees. In addition an Away Day is held each year to include the senior managers, during which detailed presentations are given on all operational aspects of the business and the strategy and targets for the charitable company are reviewed.

In accordance with the Articles of Association, one-third of the Directors are required to retire at the Annual General Meeting, in addition to any new Directors appointed since the previous AGM. All retiring Directors are eligible for re-election at the AGM unless otherwise disqualified to serve as a Director. Directors may be nominated by member companies but are not members in their own right.

#### Investment Committee

The Board has established an Investment Committee consisting of three Directors to monitor the investments of the charitable company and to make recommendations concerning the allocations of investment funds. A conservative investment policy has been adopted to reduce financial risk exposure, by holding cash deposits spread across four major high street banks.

#### Audit Committee

The Board has established an Audit Committee comprising three Directors to review the risks facing the company and monitor control systems, and to make appropriate recommendations to the Board.

#### Remuneration Committee

The Board has also established a Remuneration Committee comprising three Directors to consider Executive Directors' performance targets and to make recommendations to the Board concerning appropriate remuneration packages. Executive Directors are not permitted to participate in these decisions.

#### Reserves policy

The Board continues its prudent approach to the maintenance of reserves. The charitable company draws its primary income from its government contracts to deliver training programmes and these contracts can be subject to significant change and at relatively short notice. The Board seeks to maintain a level of reserves that are sufficient to provide a fund from which to resource any necessary changes in order to respond to such a change in government policy on training. They have set this as approximately six months normal running costs, at present the free reserves amount to £1,591,766.

## ATG TRAINING

### REPORT OF THE DIRECTORS - continued FOR THE YEAR ENDED 31 July 2009

#### Designated funds

As a charitable company which is not permitted to disburse surplus funds to shareholders, the charitable company has identified a number of designated funds in which reserves are allocated for specific purposes. Designated funds have been established for the following purposes:

- Building reserve Gatehouse, Aylesbury: £100,000;
- Special Educational Reserve for working with schools: £500,000;
- Provision of e-learning systems: £125,000;
- Leasehold make good Future Centre, Aylesbury and Manchester: £415,000.

#### Risk Review

The Board conducts regular reviews of the risks to which the charitable company is exposed and constantly develops its systems to mitigate those risks. The reviews identify the risks that could reasonably be foreseen and measures to reduce the exposure have been implemented where possible.

The Board seeks to minimise internal risks by its procedures for appropriate authorisation for all transactions and projects and to ensure as far as possible consistent quality of delivery for operational functions. These procedures are periodically reviewed to ensure that they continue to be appropriate. The Board has appointed an audit committee consisting of three of its members.

#### Directors' responsibilities

The Directors have elected to prepare these financial statements in accordance with United Kingdom Generally Accepted Accountancy Practice (United Kingdom Accounting Standards and applicable law). Company law requires the Directors to prepare financial statements for each financial year. Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the charitable company's affairs and the surplus or deficit of the charitable company for that period. In preparing the financial statements the Directors are required to:

- 1) Select suitable accounting policies and apply them consistently;
- 2) Make judgements and estimates that are reasonable and prudent;
- 3) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The directors have taken all steps that they ought to have taken to establish that the auditors are aware of that information.

**ATG TRAINING****REPORT OF THE DIRECTORS - continued  
FOR THE YEAR ENDED 31 July 2009**

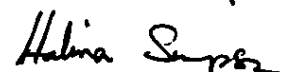
This report has been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued March 2005, and the Companies Act 2006.

**Auditors**

Cansdales are deemed to be reappointed under sections 487(2) of the Companies Act 2006.

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued March 2005.

On behalf of the Board



H E Simpson  
Chairman

Future Centre  
Smeaton Close  
Aylesbury  
Bucks  
HP19 8SZ

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATG TRAINING FOR THE YEAR ENDED 31 July 2009**

We have audited the financial statements of ATG Training for the year ended 31 July 2009 which consist of the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities, effective April 2008 (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the Members of ATG Training, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Members as a body, for our audit work, for this report, or for the opinions we have formed.

### **RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND THE AUDITORS**

As explained more fully in the Directors' Responsibilities Statement in the Report of the Directors on pages 3 to 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### **SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **OPINION ON THE FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2009 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ATG TRAINING FOR THE YEAR ENDED  
31 July 2009 (continued)**

**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Members' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Members' were not entitled to prepare the financial statements and the Report of the Directors in accordance with the small companies regime.

.....  
Nicholas Evans (Senior Statutory Auditor)

For and on behalf of  
CANSDALES  
Chartered Accountants  
& Statutory Auditors

Bourbon Court  
Nightingales Corner  
Little Chalfont  
Bucks  
HP7 9QS

Date: 14 October 2009

## ATG TRAINING

STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)  
FOR THE YEAR ENDED 31 July 2009

	Note	Unrestricted funds £	Restricted funds £	Total 2009 £	Total 2008 £
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Investment income		33,416	-	33,416	106,984
		33,416	-	33,416	106,984
<i>Incoming resources from charitable activities</i>					
Learning & Skills Council (LSC) contracts		3,858,684	-	3,858,684	3,949,218
Deferred (to future)/from earlier periods		(1,440)	192,440	191,000	291,553
	2	3,857,244	192,440	4,049,684	4,240,771
<i>Activities for generating funds</i>					
Commercial activities		464,009	-	464,009	249,398
Deferred (to future) periods		(47,370)	-	(47,370)	-
		416,639	-	416,639	249,398
<i>Other incoming resources</i>					
Profit on disposal of fixed assets		-	-	-	8,381
<b>Total incoming resources</b>		4,307,299	192,440	4,499,739	4,605,534
<b>Resources expended</b>					
<i>Charitable activities</i>	3	4,048,361	192,440	4,240,801	3,726,244
<i>Cost of activities for generating funds</i>	3	471,480	-	471,480	329,994
<i>Governance costs</i>	3	74,491	-	74,491	58,841
<i>Exceptional items</i>	3,7	29,202	-	29,202	-
<b>Total resources expended</b>	3	4,623,534	192,440	4,815,974	4,115,079
<b>Net (expenditure)/income for the year before transfers</b>	5	(316,235)	-	(316,235)	490,455
Transfers		44,182	(44,182)	-	-
<b>Net (expenditure)/income for the year</b>		(272,053)	(44,182)	(316,235)	490,455
<b>Other recognised gains/(losses)</b>					
Gain/(loss) on investment asset		(976)	-	(976)	(3,680)
Net (liabilities) transferred from subsidiary undertaking		(74,258)	-	(74,258)	-
<b>Net movement in funds</b>		(347,287)	(44,182)	(391,469)	486,775
Balance brought forward at 1 August 2008		2,904,474	44,182	2,948,656	2,461,881
Balance carried forward at 31 July 2009		2,557,187	-	2,557,187	2,948,656

All activities of the charitable company are classed as continuing.

The charitable company had no recognised gains or losses other than those included in the above Statement of Financial Activities and therefore no separate statement of total recognised gains and losses has been prepared.

## ATG TRAINING

BALANCE SHEET  
FOR THE YEAR ENDED 31 July 2009

Co. No: 00998121

	Note	2009	2008
		£	£
<b>Fixed assets</b>			
Tangible assets	9	1,438,709	774,299
Investments	10	3,469	4,445
<b>Current assets</b>			
Debtors	11	351,387	441,226
Short term investments		858,843	1,482,361
Cash at bank and in hand		300,603	740,995
		<u>1,510,833</u>	<u>2,664,582</u>
<b>Creditors:</b>			
Amounts falling due within one year	12	<u>(286,234)</u>	<u>(492,690)</u>
<b>Net current assets</b>		1,224,599	2,171,892
Amounts falling due after one year	13	<u>(108,000)</u>	<u>-</u>
<b>Net assets</b>		<u>2,558,777</u>	<u>2,950,636</u>
<b>Reserves</b>			
Restricted funds	17	-	44,182
Unrestricted Funds			
General funds		1,417,187	941,870
Designated funds	16	<u>1,140,000</u>	<u>1,962,604</u>
		2,557,187	2,904,474
		<u>2,557,187</u>	<u>2,948,656</u>
Members' guarantee account	15	1,590	1,980
		<u>2,558,777</u>	<u>2,950,636</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the directors on 7 October 2009 and are signed on behalf of the Board by:

 ..... H E Simpson Chairman	 ..... M J Tudor Deputy Managing Director
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## ATG TRAINING

**CASHFLOW STATEMENT  
FOR THE YEAR ENDED 31 July 2009**

	<b>2009</b>		<b>2008</b>	
	£	£	£	£
<b>Net (expenditure)/income for the year</b>		(316,235)		490,455
Add: Depreciation		149,416		125,306
Less: Interest received and similar income	(33,416)		(106,984)	
Profit on sale of fixed assets	-		(8,381)	
Net (liabilities) transferred from subsidiary undertaking	(74,258)		-	
		<u>(107,674)</u>		<u>(115,365)</u>
<b>Net (expenditure)/income from operating activities</b>		(274,493)		500,396
Decrease in debtors	89,839		46,042	
(Decrease) in creditors	<u>(98,456)</u>		<u>(429,571)</u>	
		<u>(8,617)</u>		<u>(383,529)</u>
<b>Net cash (outflow)/inflow from operating activities</b>		(283,110)		116,867
<b>Returns on investments and servicing of finance</b>				
Interest received and similar income	33,416		106,984	
Change in members' guarantees held	<u>(390)</u>		<u>60</u>	
		33,026		107,044
<b>Capital expenditure</b>				
Proceeds from sales of fixed assets	-		23,077	
Purchase of tangible fixed assets	<u>(813,826)</u>		<u>(114,594)</u>	
		(813,826)		(91,517)
<b>Net (decrease)/increase in cash and cash equivalents</b>		<u>(1,063,910)</u>		<u>132,394</u>
<b>Analysis of net funds</b>				
	<b>At 31 July 2008</b>	<b>Change in year</b>	<b>At 31 July 2009</b>	
Cash at bank and in hand	1,482,361	(623,518)	858,843	
Short term investments	740,995	(440,392)	300,603	
	<u>2,223,356</u>	<u>(1,063,910)</u>	<u>1,159,446</u>	

## ATG TRAINING

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 July 2009

#### 1 Accounting policies

##### a) Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention as modified for the revaluation of certain fixed assets. The financial statements have been prepared in accordance with applicable accounting standards, the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005.

##### b) Depreciation

Depreciation has been calculated to write off the cost of tangible fixed assets less estimated residual value over their expected useful lives using the following rates:

Leasehold property	-	straight line over the period of the lease
Mobile premises	-	10% per annum straight line
Workshop machinery	-	15% per annum straight line
Office and canteen equipment	-	20% per annum straight line
Motor vehicles	-	25% per annum straight line
Business equipment	-	50% per annum straight line
Property improvements	-	straight line over the remaining period of the lease

Items of equipment are only capitalised where the purchase price exceeds £2,000.

##### c) Leasing and hire purchase commitments

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and are depreciated over their useful lives. Rentals payable under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

##### d) Pension contributions

The charitable company operates a Group Personal Pension Plan for all employees and directors. The assets of the scheme are held separately from those of the company. The pension cost charge represents contributions paid to the Group Personal Pension Plan in the year. Until 30 June 2006 the company operated a defined contribution pension scheme for employees and directors. At that date the scheme was closed and all assets were transferred to Group Personal Pension Plans for each member.

##### e) Short term investments

The charitable company invests surplus cash in bank/ building society accounts. These are shown separately on the Balance Sheet at their redemption value.

##### f) Incoming Resources

Income is recognised in the period in which the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy, provided any conditions for receipt have been complied with. Income from government and other agencies has been included as incoming resources from charitable activities where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

**ATG TRAINING****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009****1 Accounting policies (continued)****g) Resources expended**

Expenditure is accounted for on an accruals basis, inclusive of VAT where this cannot be recovered. Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories. Certain other costs and some staff costs are attributable to more than one activity. In these cases the costs have been apportioned to the individual activities on the basis of the time spent by staff on matters relating to those activities. Support costs have been allocated on the basis of resources used and have been apportioned to the cost centres of individual projects within charitable expenditure and governance costs. Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs relating to the statutory audit.

**h) Funds accounting**

Funds held by the company are:

*Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the directors.

*Designated funds* – these are funds set aside by the directors out of unrestricted general funds for specific purposes or projects.

*Restricted funds* – these are funds which can only be used for particular purposes within the objects of the company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The nature and purpose of each fund is explained further in the notes to the financial statements.

**i) Tax status**

The company is a registered charity within the definition of section 506(1) Income & Corporation Taxes Act and is therefore able to take advantage of the exemptions given by section 505 of that Act.

## ATG TRAINING

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009

## 2 Incoming resources from charitable activities

	Unrestricted Funds	Restricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£	£
Engineering	1,443,312	137,876	1,581,188	1,738,564
Business training	917,982	-	917,982	807,500
Recruitment & marketing	800	-	800	800
Learning & skills	19,445	-	19,445	20,447
Cycle maintenance	1,312,408	54,564	1,366,972	1,424,228
IT services	163,297	-	163,297	249,232
	<u>3,857,244</u>	<u>192,440</u>	<u>4,049,684</u>	<u>4,240,771</u>

Incoming resources from charitable activities represents income relating to the funding of trainees under government contracts, and other amounts derived from the provision of services during the year, excluding value added tax. Receipts in advance in respect of periods extending beyond the year end are included on an appropriate time apportionment basis. When income is performance related it is only brought in to the financial statements once performance has been certified. None of the charitable company's turnover was derived from supplying geographical markets outside the United Kingdom.

## 3 Resources expended

	Staff & similar costs	Unrestricted Other costs	Funds Support costs	Restricted Other costs	Funds Support costs	Total 2009	Total 2008
	£	£	£	£	£	£	£
Engineering	494,229	347,103	385,282	3,129	134,747	1,364,490	1,382,860
Business training	415,350	182,306	224,877	-	-	822,533	663,825
Recruitment & marketing	289,273	124,301	-	-	-	413,574	247,108
Learning & skills	165,396	2,474	-	-	-	167,870	250,929
Cycle maintenance	477,276	212,298	393,535	54,564	-	1,137,673	889,827
IT services	55,277	12,342	267,042	-	-	334,661	291,695
Other shared costs	-	149,416	(149,416)	-	-	-	-
	<u>1,896,801</u>	<u>1,030,240</u>	<u>1,121,320</u>	<u>57,693</u>	<u>134,747</u>	<u>4,240,801</u>	<u>3,726,244</u>
Governance costs	51,534	22,957	-	-	-	74,491	58,841
Commercial courses	229,549	110,293	131,638	-	-	471,480	329,994
Exceptional items	29,202	-	-	-	-	29,202	-
	<u>2,207,086</u>	<u>1,163,490</u>	<u>1,252,958</u>	<u>57,693</u>	<u>134,747</u>	<u>4,815,974</u>	<u>4,115,079</u>

## ATG TRAINING

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009

## 4 Directors' emoluments and staff costs

The remuneration paid to directors during the year amounted to:

	2009	2008
	£	£
Remuneration	229,700	222,452
Other emoluments (pension and benefits in kind)	22,299	52,384
	<u>251,999</u>	<u>274,836</u>

A Edwards, M Tudor and I Harper were remunerated in accordance with the Memorandum and Articles of Association and are members of the Group Personal Pension Plan.

Staff costs, including directors' remuneration but excluding amounts paid to trainees and apprentices during their period of training amounted to:

	2009	2008
	£	£
Wages and salaries	2,528,149	2,256,686
Social security costs	253,773	191,488
Pension contributions	106,201	95,456
Health and life insurance	11,376	15,217
	<u>2,899,499</u>	<u>2,558,847</u>

The average number of employees during the year, excluding trainees and apprentices during their period of training, was eighty nine (2008: eighty one). There were thirty five employees with benefits accruing under the company's Group Personal Pension Plan (2008: thirty five).

## 5 Net expenditure for the year

Net expenditure for the year is stated after charging:

	2009	2008
	£	£
Auditors' remuneration and expenses		
- for audit work	7,398	7,046
- for other services	7,364	5,068
Depreciation	149,416	125,306
Profit on disposal of fixed assets	-	(8,381)
Cost of directors' and officers' liability insurance	1,940	1,890
Pension costs	92,279	86,373
Leasing and hire purchase costs	<u>184,662</u>	<u>102,370</u>

## 6 Tax on profit on ordinary activities

There is no charge to corporation tax as the company has been granted charitable status by the Inland Revenue and had no taxable income in the year.



## ATG TRAINING

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 20097 **Exceptional Expenses**

Exceptional expenses of £29,202 relate to redundancy costs for staff following restructuring and relocation of ATG Training from its previous site at Gatehouse Close to its new site at the Future Centre, Aylesbury.

8 **Shareholders' funds**

As the company is limited by guarantee and the company's funds cannot be apportioned to the members under any circumstances, a reconciliation of shareholders' funds is not appropriate.

9 **Tangible fixed assets**

	Leasehold property	Plant & machinery	Office equipment	Total
Cost or valuation	£	£	£	£
At 1 August 2008	731,221	763,075	388,177	1,882,473
Additions	788,055	14,395	11,376	813,826
At 31 July 2009	1,519,276	777,470	399,553	2,696,299
<b>Depreciation</b>				
At 1 August 2008	275,386	518,982	313,806	1,108,174
Charge for the year	58,256	60,780	30,380	149,416
At 31 July 2009	333,642	579,762	344,186	1,257,590
<b>Net book value</b>				
At 31 July 2009	1,185,634	197,708	55,367	1,438,709
At 31 July 2008	455,835	244,093	74,371	774,299

The long leasehold buildings were re-valued by Clifford & Billings, Chartered Surveyors, in 1998 on the basis of open market value. The valuation has not been updated following the introduction of Financial Reporting Standard 15 as the transitional provisions of Financial Reporting Standard 15 have been applied.

10 **Fixed Asset Investments**

The company owns one hundred ordinary shares of £1 each, purchased at par, being the whole issued share capital, of ATG Enterprise Training & Consulting Limited. The subsidiary company provides training to third parties on a commercial basis. The results of the subsidiary for the year ended 31 July 2008 was:

	2008 £
Turnover	336,177
Purchases	(159,085)
Gross profit	177,092
Administrative expenses	(225,756)
(Loss)/profit for the period	(48,664)

The subsidiary company ceased trading on 31 July 2008. On 1 August 2008, the assets and liabilities of the company were transferred to ATG Training. ATG Training has continued the work of ATG Enterprise Training & Consulting Limited, to provide commercial training courses.

**ATG TRAINING****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009**

The company also holds two ordinary shares of £1 each, nil paid, being the whole issued share capital of Aylesbury Training Group Limited (formerly ATG Training Limited), a dormant company.

The charitable company holds ordinary shares in Barclays plc. These shares have been included in the financial statements at their market value of £3,469 (2008: £4,345).

**11 Debtors**

	2009	2008
	£	£
Trade debtors less bad debt provision	78,611	169,255
Prepayments and accrued income	272,776	218,168
Amounts due from group undertakings	-	53,803
	<u>351,387</u>	<u>441,226</u>

**12 Creditors falling due within one year**

	2009	2008
	£	£
Trade creditors	62,900	119,739
Social security and other taxes	80,604	75,975
Accruals and deferred income	122,254	261,867
Other creditors	20,476	35,109
	<u>286,234</u>	<u>492,690</u>

**13 Creditors falling due after one year**

	2009	2008
	£	£
Premises costs: Due between 2-5 years	108,000	-
	<u>108,000</u>	<u>-</u>

**14 Deferred income**

Accruals and deferred income includes £85,674 (2008: £229,304) of deferred income arising as follows:

	2009	2008
	£	£
Balance brought forward	229,304	520,657
Released in the period	(229,304)	(337,869)
Deferred in the period	85,674	46,516
Balance carried forward	<u>85,674</u>	<u>229,304</u>

## ATG TRAINING

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009

## 15 Members' guarantee account

	2009 £	2008 £
At 1 August 2008	1,980	1,920
Members guarantees (released)/received	(390)	60
At 31 July 2009	<u>1,590</u>	<u>1,980</u>

## 16 Designated funds

	At 1 August 2008 £	Transfers £	At 31 July 2009 £
Building reserve	100,000	-	100,000
Capital fund	602,604	(602,604)	-
Special Educational Reserve	500,000	-	500,000
Move	635,000	(635,000)	-
E-Learning	125,000	-	125,000
Leasehold Restoration Reserve	-	415,000	415,000
	<u>1,962,604</u>	<u>(822,604)</u>	<u>1,140,000</u>

The building reserve arose on the revaluation of the leasehold property in 1998 (see note 9).

The capital fund represents the balance of the net book value of the fixed assets owned by the company, not represented by restricted funds.

In 2008, the Board agreed to create a designated reserve of £500,000 - the Special Educational Reserve, to support any potential initiatives. The Board has agreed that it wishes to continue to explore supporting linkages with schools, for example through the development of the new vocational Diplomas. As a consequence the Special Educational Reserve will be maintained.

Following the move to larger, more modern premises in Aylesbury, the Board has decided to establish a designated fund amounting to £415,000 to cover the costs of the removal and the adaptation of the new building and the Manchester leasehold property.

The Gatehouse property has a prospective buyer but remains an asset of the charitable company, a long standing provision remains under a general building reserve.

Finally, the charitable company has decided to undertake significant investment in e-learning and online assessment. This will directly benefit the learners within ATG Training who will have direct access to improved learning resources and more flexible assessment procedures. It will also enable the charitable company to improve its productivity and efficiency. A designated fund of £125,000 has been agreed to meet these costs.

## ATG TRAINING

NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009

## 17 Restricted funds

	Balance at 31 July 2008 £	Movement in Incoming £	resources Outgoing £	Transfers £	Balance at 31 July 2009 £
CoVE awards	44,182	192,440	(192,440)	(44,182)	-
	44,182	192,440	(192,440)	(44,182)	-

**CoVE awards**

ATG Training has benefited from two Centres of Vocational Excellence (CoVE) in engineering and cycle maintenance in recent years. These centres have received significant levels of government funding in both capital and revenue terms, and has supported the development of the cycle training centre in Manchester. The funding for the CoVE's has now come to an end. CoVE capital income received in previous years has been recognised in the financial statements this year. The restricted fund should be written down by amounts equivalent to the capital equipment's annual depreciation charge, until the equipment has been fully depreciated.

## 18 Analysis of net assets

	Fixed assets	Other net assets/ (liabilities)	Total
Members guarantee account	-	1,590	1,590
Restricted funds	-	-	-
Unrestricted Funds			
General funds	1,338,709	78,478	1,417,187
Designated funds	100,000	1,040,000	1,140,000
	<u>£1,438,709</u>	<u>£1,120,068</u>	<u>£2,558,777</u>

## 19 Capital commitments

There were no capital commitments for the year ended 31 July 2009. In 2008 capital commitments of £500,000 were made towards the purchase of a new building. The expenditure during 2009 was met from the Move designated fund.

## 20 Future financial commitments

At 31 July 2009 the charitable company had the following annual operating lease commitments in respect of land and buildings:

	2009 £	2008 £
Leases which expire in less than one year	-	5,250
Leases which expire in two to five years	25,000	25,000
Leases which expire after more than five years	143,000	35,000
	<u>168,000</u>	<u>65,250</u>

**ATG TRAINING****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 July 2009****21 Contingent Liability**

Thirteen members of the charitable company have been removed from the 'Register of Members' as attempts to contact them have failed to identify current details. It has therefore not been possible to return the member's guarantee paid on becoming a member. These amounts were treated as donations in the financial statements for the year ended 31 July 2009. If a former member contacts the charitable company, it would be necessary to either return the member's guarantee or reinstate them as a member, with the guarantee being reccredited to the Members' guarantee account.

**22 Related party transactions**

In 2008 sales totalling £31,382 were made to and purchases totalling £26,166 were made from the company's subsidiary, ATG Enterprise Training & Consulting Limited, during the year ended 31 July 2008. In 2008 a net amount of £53,083 was due from the subsidiary company at the year end. The subsidiary company ceased trading on 31 July 2008. On 1 August 2008, the assets and liabilities of the company were transferred to ATG Training. In 2008 the company paid £7,050 to Copiae for human resource support, a company in which D Granshaw, a director of ATG Training, is a partner.