

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

THURSDAY



A24

AS0PDSWS

31/03/2011

COMPANIES HOUSE

317

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1
Trustees' report	2 - 11
Independent auditors' report	12 - 13
Statement of financial activities	14
Balance sheet	15
Notes to the financial statements	16 - 23

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2010**

Directors	J Chappelle, Chairman Cllr B Burnett, Vice Chairman H Biddle M Brown K Hindmarsh A Lascelles V Nixon Cllr C Davie (appointed 20 August 2009) G Holt (appointed 11 February 2010) Cllr G Marsh (appointed 17 August 2009) D Stapleton (resigned 10 February 2010)
Company registered number	1802908
Charity registered number	515473
Registered office	Milford Court Warwick Road Louth Lincolnshire LN11 0YB
Company secretary	J Chappelle
Auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE Sills & Betteridge 46 Silver Street Lincoln LN2 1ED
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2010

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of East Lindsey Information Technology Centre Limited (the company) for the year ended 31 July 2010. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

East Lindsey Information Technology Centre Limited is a registered Charity, number 515473, and a registered Company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of "First College".

The financial statements comply with current statutory requirements and the charity's governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

The Charity may, by ordinary resolution, appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

On appointment, all new Trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 - Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of latest financial statements

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

The registered office and names and addresses of Advisers are set out on the Index page.

The directors during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However some of the directors represent companies that purchase training services from the company detailed in note 15.

The Company's premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 8 local organisations, including the East Lindsey District Council and Lincolnshire County Council. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management Function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Development Manager and the Learning Contracts Manager. The Business Development Manager is responsible for leading company

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

strategic planning including new business identification and the implementation of policy. Also to ensure that the company meets all legislative requirements including personnel, charity commission, health and safety and equality and diversity. In addition, responsibility for the company's finance and administrative activities, and for the learning operations and contract delivery of all Foundation programmes.

The Learning Contracts Manager is responsible for the learning operations of the college (excluding Foundation programmes) including contract delivery. Also ensures that the college meets all self-assessment and quality requirements including internal and external audits and/or inspections. In addition, supports strategic planning and implementation of policy.

The First College organisational structure for the 2009/2010 year was based on the Learning/Operational Function. The 4 Curriculum Areas are Foundation, Early Years, Hospitality and Business Programmes.

Each Curriculum Area has at least one person designated for Quality Improvement (QI). The Recruitment Team and the Administration Team also have a person designated for QI. QI's take a leading role in operational, performance and quality development matters.

The Lead Internal Verifier (IV) and QI ensure that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross-College consistency. They take a lead role in all matters relating to operational, performance and quality improvement matters including assessment, internal verification, awarding body liaison and Electronic National Vocational Qualification (ENVQ) success.

The Management Team consists of a representative from each curriculum area and is led by the Learning Contracts Manager. The role of the Management Team (MT) is to ensure that Learning Programmes are delivered in accordance with Contract, Inspectorate and External Body requirements. The MT is tasked to provide best practice in quality related matters including continuous improvement for the benefit of all Learners, to recognise and implement good practice and to monitor performance against targets and objectives, taking preventative and corrective actions as appropriate and necessary. The Management Team is required to be proactive in increasing the level of Customer Care provided to all Learners. The Health & Safety Manager/ Equality & Diversity Officer and/or Lead Internal Verifier are required to attend management meetings to cover specific agenda items.

The Strategic Group is led by the Business Development Manager and comprised of the Learning Contracts Manager, Manager Hospitality and Health and Safety Manager. The Strategic Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

e. RISK MANAGEMENT

The Trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

Objectives and Activities

a. POLICIES AND OBJECTIVES

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the charity commission relating to public benefit

The charities objectives as set out within the memorandum of association of East Lindsey Information Technology Centre are

- 1 The promotion and advancement of the education and training of the public including long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries and to meet national government targets by means of both instructor led, self study courses and the provision of practical experience
- 2 The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment

Additionally set out within our Business plan we have the following company objectives

- 1 To remain financially viable
- 2 To provide high quality learning services
- 3 To provide staff with a positive, rewarding and safe working environment

The company vision is to deliver high quality learning that raises participation and attainment that meets the individual needs of learners through collaboration partnership working and employer engagement First College is established to promote and provide for the advancement of the education and training of young persons and adults

First College works closely with some 250 local employers and with Schools and Colleges of Further Education First College primarily serves the East Lindsey area to the benefit of young people and adults with training, attaining recognised qualifications and employment First College is a member of the Work Based Academy of Lincolnshire and Rutland, and a member of the Association of Learning Providers, which is the national body representing provider views

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

Achievements and performance

a. REVIEW OF ACTIVITIES

Key priorities and performance targets were set out in the company's business plan for 2009/2010

Key Priorities for 2009/2010 and results

- Staff retention

First College has had a successful year with little staff turnover during the year 2009/2010. There have been three retirements during the year including the significant retirement for Margaret Taylor who for many years managed our Hospitality delivery. In addition there have been three other staff leave us. No redundancies were made during the financial year 2009/2010.

- Successful transition into new centres

Following many months of work our premises at Ida Road in Skegness were completed to a very high standard. In addition the premises at North Parade Skegness were adapted to encompass a newly fitted training/demonstration kitchen.

- Meet government reforms for the training and qualifications of staff

First College updates its staffing matrix on a regular basis to ensure staff meet with the requirements of the job roles. Staff are enrolling on courses for Preparing/Certificate/Diploma to teach in the lifelong learning sector. Individual members of staff have registered with the Institute for Learning as required. First College is ultimately responsible for these registrations so we keep a check on actions taken. During the year five staff completed their PTTLS (Preparing to teach in the lifelong learning sector), two staff completed their CTTLS (Certificate level) and three other staff completed their certificates in Education.

- Meet Government reforms for QCF and QCF

First College is keeping abreast of developments in this area but the Qualifications reform programme and the qualification credit framework are slow moving in general.

- Retention of existing Contracts / Sub-Contracts

First College has retained all its contracts during the financial year.

- Achievement of existing Contracts / Sub-Contracts

First College achieved excellent LSC contracts results. The results on the A4E (Jobcentre plus) contract were much improved following the introduction of Flexible New Deal in October 2009.

- New Contracts / Sub-Contracts

The flexible new deal contract was a new contract for A4E who again decided to work with First College. This was set out as a 5 year contract at the time. First College also gained additional work via other colleges in the form of the Employment skills programme and gained additional funding for ICT learning via UK online.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

- Partnership Working

The Business Manager of First College continued in his role as a Director of the work based academy which is a company consisting of 22 partners including most of the Colleges in the County, Lincoln University and all the major training providers. In addition First College is engaged with other local groups such as the East Lincolnshire cluster and the Wolds cluster. We also work in partnership with schools such as Lady Jane, John Spendluffe, Gartree and St Clements. Other key working partners include Skegness Vocational College, Lagat training, A4E, Boston College and Lincoln College. First College maintains positive working relationships with connexions and Jobcentre plus for the benefit of the community and achievement of the company's objectives.

- Young Apprenticeships and 14-19 Diploma Success

Delivery targets are being met as we go into the second year of this provision.

- ENVQ Success

Remains important and is being utilised further although there is more that can be done.

- Minimum Levels of Performance

See operational targets below.

- Success Rates

See operational targets below.

- Employer Engagement

This is a priority area moving into 2010/2011. There is a plan in place to recruit an Employer Engagement Manager and an Adviser.

- IIP Re-assessment

Successfully achieved in February 2010.

- Framework for Excellence

Slow progress here although we do have a quality improvement plan in place and with our recruitment plans for Employer Engagement staff this will progress further in the coming year.

- Successful Ofsted Inspection

First College had a successful inspection during March 2010. We were graded an overall grade 2 (Good) and achieved grade 1 (outstanding) status against value for money and in the Business Administration and law occupational area. All First College Directors and Managers are delighted with the results.

- Successful transition to Flexible New Deal

Following a slow start, delayed for circumstances beyond First College's control relating to data security, FND has performed well at First College. These were never concerns connected to First College or aimed at any individual provider but more across the board however they did cause a delay in starting the provision for all providers. Our levels of performance on job outcomes which is the only true measurement of success put us very much towards the top end in the performance charts of both sub contractors and main A4E offices.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

- Meet Government targets for the delivery of Adult Literacy and Numeracy qualifications
- Government funding has been withdrawn in this area and it is therefore clearly no longer a priority

Operational Targets for 2009/2010 and results

- Increase 16-18 Occupancy on work based learning by 5%
Not achieved Reduced by 6%
- Maintain 19+ occupancy levels on work based learning
Achieved Increased by 36%
- Ensure 25+ occupancy levels remain at 10% of overall work based learning contract
Achieved Maintained at 9%
- Increase Corporate provision overall by 25%
Not achieved Reduced by 12%
- JCP job outcomes to exceed 50%
Almost achieved At 48% and rising
- Achieve at least 55% Minimum Levels of Performance (MLP)
Achieved At 72%
- Train to Gain success Rate of 70%
Achieved At 94%
- Franchise success rate of 75%
Achieved At 100%
- Skills for Life success rate of 80%
Achieved At 83%
- Work based learning success rate of 80%
Achieved At 89%

Planned Developments 2009/10 and results

Research current legislation on Data Protection and update FC Policy

Consider staff incentive scheme rewarding competence, attendance, qualifications etc
Play a leading role in the delivery of Flexible New Deal within East Lindsey

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

Monitor achievement towards Institute for Learning staff training and qualification objectives

Agree and make available to staff Customer Management system Investigate and supply 'team based' access to MAYTAS MI system

Consider opportunities to broaden and increase levels of corporate delivery

Successful Investors in People re-assessment

Consider FC marketing routines and Quality Management Manual (QMM) working instructions to inform organisational strategy for marketing

Consider opportunities to broaden Work Based Learning provision and Employer Engagement

Monitor achievement towards the Framework for Excellence Standard

Monitor the impact of and organisational changes required to meet the needs of the Qualification

Reform Programme and Qualification Credit Frameworks

Implement throughout the QMM working instructions on the Employer journey that compliment and support current Learner journey processes

Play a leading role in the delivery of 14-19 Hospitality Diplomas and Young Apprenticeship(s) for Lincolnshire East and Lincolnshire Wold's partnerships

Monitor the impact of and organisational changes required to meet the delivery needs of Functional Skills and the Employers Pledge

Investigate on-line Learner and Employer Survey options to replace current paper-based systems

Complete full premises audits and emergency drills including emergency lighting needs and the completion of PAT testing

Consider how to reduce our negative impact on the environment and implement change

Play a leading role in E-learning and ENVQ delivery Establish E-learning Strategy

Consider QMM Learner Processes to identify opportunities to reduce printing and/or photocopying and increase electronic supply Implement change

All planned developments were either achieved or carried forward

The Directors have noted the positive findings published by Ofsted following inspection during March 2010 The Directors are also satisfied with the report and reaccreditation of the Investor in People award following the visit during March 2010 The Directors feel that the company has successfully achieved its targets and objectives Staff were informed regarding performance results in terms of meeting Key priorities and meeting performance targets at the annual staff day held on 14th July 2010

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

Financial review

a. RESERVES POLICY

A statement of Reserves can be found in Note 12 to the Financial Statements. The Charity holds Reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, Reserves are held to ensure continuity in the event of a large variation in net income and to bridge cash flow problems. The Board aims to maintain an adequate level of Reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity.

Reserves have increased by £85,891 from activities during the year just ended.

Plans for the future

a. FUTURE DEVELOPMENTS

First College has produced a business plan for the financial year 2010/2011 which was approved by the trustees of First College. Within the plan we recognise strengths, weaknesses, opportunities and threats following full consultation with staff. In addition we again have a list of planned developments, priorities and targets as shown below.

Planned Developments 2010/2011

Investigate the purchase of freehold premises in Louth

Review all ICT Resource including modern software application. Introduce Learner/Employer pages to FC webpage to facilitate the provision of data electronically.

Consider staff incentive scheme rewarding competence, attendance, qualifications etc.

Look at all staff communication mediums (face-to-face, electronic and paper) with a view to minimising data/information overload.

Review and update all FC Policy documents. Research current legislation on Data Protection and update FC

Policy and QMM procedures.

Review all Staff Appraisal, Performance Monitoring and Development processes ensuring that quality standards and contract requirements are maintained.

Look at all marketing and promotional activity and establish an annual plan of events including regular update to FC webpage.

Work with all staff to improve overall understanding of contractual requirements.

Review and update all Strategy documents.

Introduce via FC webpage electronic survey and feedback routines ensuring that quality standards and contract requirements are maintained.

Implement QMM working instructions on the Employer journey that compliment and support Learner journey processes and meet quality standards.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

Make available to staff Customer Management system Supply 'team based' access to MI system Train and support staff in effective use and operation

Look at all paperwork, health and safety, TNA, audit and visit processes so that these can be minimised and improved

Review all Recruitment routines and implement targeted recruitment processes ensuring that quality standards and contract requirements are maintained

Introduce new QMM system for 'Observation of Performance' in-line with Inspectorate recommendations

Review utilisation of space and effectiveness of working arrangements, also taking into consideration management presence at all centres

Achieve Matrix re-accreditation

Set measurable targets to reduce our negative impact on the environment and implement change Reduce paper/printing costs

Key Priorities for 2010/2011

- Retention of existing Contracts / Sub-Contracts
- Achievement of existing Contracts / Sub-Contracts
- Continue to build / foster partnerships
- E-learning
- Minimum Levels of Performance
- Success Rates
- Employer Engagement
- Matrix Re-assessment
- Reduction of paper and carbon footprint
- Continue to be aware of local School Meals Tendering arrangements

Operational Targets 2010 / 2011

- Increase 16-18 Work-Based Learning Apprenticeship Numbers by 20%
- Achieve at least 55% Minimum Levels of Performance (MLP)
- Achieve less than 5% variance between MLP and Timely Achievement
- Across all learning delivery achieve a minimum Success Rate of 75%
- Achieve Flexible New Deal Job Outcome Rate of 55%
- Achievement Budget and Financial targets

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 JULY 2010

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of East Lindsey Information Technology Centre Limited for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company and 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

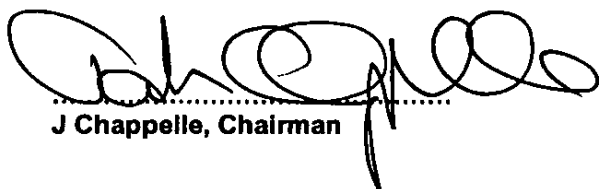
PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that

- so far as that Trustee is aware, there is no relevant audit information of which the company's auditors are unaware, and
- each Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 23/3/11 and signed on their behalf, by



J Chappelle, Chairman

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION
TECHNOLOGY CENTRE LIMITED**

We have audited the financial statements of East Lindsey Information Technology Centre Limited for the year ended 31 July 2010 set out on pages 14 to 23. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

The Trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' responsibilities.

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report to you in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' report is not consistent with those financial statements, the company has not kept adequate accounting records, if the company's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' report and consider the implications for our report if we become aware of any apparent misstatements within it.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company'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 financial statements 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 financial statements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION
TECHNOLOGY CENTRE LIMITED**

OPINION

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- have been prepared in accordance with the Companies Act 2006

Streets Audit LLP

STREETS AUDIT LLP

Chartered Accountants and Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

Date *24 March 2011.*

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 JULY 2010

	Note	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	21,962	-	21,962	4,253
Investment income	3	-	524	524	16,798
Incoming resources from charitable activities	4	-	1,262,431	1,262,431	1,570,550
TOTAL INCOMING RESOURCES		21,962	1,262,955	1,284,917	1,591,601
RESOURCES EXPENDED					
Charitable activities		15,138	1,179,388	1,194,526	1,301,242
Governance costs	5	-	4,500	4,500	4,595
TOTAL RESOURCES EXPENDED		15,138	1,183,888	1,199,026	1,305,837
NET INCOME BEFORE TRANSFERS		6,824	79,067	85,891	285,764
Transfers between Funds	12	(2,634)	2,634	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		4,190	81,701	85,891	285,764
<i>Total funds at 1 August 2009</i>		<i>30,254</i>	<i>1,051,840</i>	<i>1,082,094</i>	<i>796,330</i>
TOTAL FUNDS AT 31 JULY 2010		34,444	1,133,541	1,167,985	1,082,094

The notes on pages 16 to 23 form part of these financial statements

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED**(A company limited by guarantee)****REGISTERED NUMBER: 1802908**



**BALANCE SHEET
AS AT 31 JULY 2010**

	Note	£	2010 £	£	2009 £
FIXED ASSETS					
Tangible fixed assets	8		352,985		371,266
CURRENT ASSETS					
Consumable stocks		1,186		649	
Debtors	10	181,203		187,770	
Cash at bank		717,368		692,221	
		<u>899,757</u>		<u>880,640</u>	
CREDITORS: amounts falling due within one year	11	<u>(84,757)</u>		<u>(169,812)</u>	
NET CURRENT ASSETS			<u>815,000</u>		<u>710,828</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,167,985</u>		<u>1,082,094</u>
CHARITY FUNDS					
Restricted funds	12		34,444		30,254
Unrestricted funds	12		1,133,541		1,051,840
			<u>1,167,985</u>		<u>1,082,094</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 43 of the Charities Act 1993. The Trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at 31 July 2010 and of its profit for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Act relating to the financial statements so far as applicable to the company.

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

The financial statements were approved by the Trustees on 23/3/11 and signed on their behalf, by


.....
J Chappelle, Chairman
.....
Cllr B Burnett, Vice Chairman

The notes on pages 16 to 23 form part of these financial statements

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

1.2 Company status

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	4% straight line
S/Term Leasehold Property	-	10% straight line
Office equipment	-	33% straight line
Computer equipment	-	33/25% straight line

1.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads

1.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

1.9 Taxation

The company is a registered Charity and the accounts are prepared on the basis that its activities are not liable for income tax or corporation tax

Any input VAT deemed to be irrecoverable by virtue of the Company being partially exempt by the nature of its income is separately recognised in the Statement of financial activities

2. VOLUNTARY INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Grants received	21,962	-	21,962	3,652
ELDC Cookery Club	-	-	-	601
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	21,962	-	21,962	4,253
	<hr/>	<hr/>	<hr/>	<hr/>

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

3. INVESTMENT INCOME

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Bank interest	-	524	524	6,792
Office rental	-	-	-	10,006
	<u>-</u>	<u>524</u>	<u>524</u>	<u>16,798</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Adult income	-	330,143	330,143	515,910
Youth Income	-	637,062	637,062	738,688
Placement and college fee contributions	-	40,897	40,897	57,924
Commercial training and services	-	212,729	212,729	212,428
Amortisation of COVE grant	-	41,600	41,600	45,600
	<u>-</u>	<u>1,262,431</u>	<u>1,262,431</u>	<u>1,570,550</u>

5. GOVERNANCE COSTS

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Auditors' remuneration	-	4,500	4,500	4,595

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

6. NET INCOME

This is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets - owned by the charity	28,571	36,789
Governance Auditors' remuneration	4,500	4,595
Pension costs	33,156	31,329
	<u>66,227</u>	<u>72,713</u>

During the year, no Trustees received any remuneration (2009 - £NIL)

During the year, no Trustees received any benefits in kind (2009 - £NIL)

During the year, no Trustees received any reimbursement of expenses (2009 - £NIL)

7. STAFF COSTS

Staff costs were as follows

	2010 £	2009 £
Wages and salaries	670,339	677,574
Social security costs	57,097	58,035
Other pension costs	33,156	31,329
	<u>760,592</u>	<u>766,938</u>

The average monthly number of employees during the year was as follows

	2010 No.	2009 No
Administration	5	5
Sales	2	3
Trainers	34	37
	<u>41</u>	<u>45</u>

No employee received remuneration amounting to more than £60,000 in either year

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

8. TANGIBLE FIXED ASSETS

	Land and buildings £	Plant and machinery £	Equipment and furniture £	Office computer equipment £	Total £
Cost or valuation					
At 1 August 2009	351,598	92,568	272,594	203,476	920,236
Additions	966	-	2,434	6,890	10,290
At 31 July 2010	<u>352,564</u>	<u>92,568</u>	<u>275,028</u>	<u>210,366</u>	<u>930,526</u>
Depreciation					
At 1 August 2009	15,530	90,858	262,501	180,081	548,970
Charge for the year	12,224	174	9,580	6,593	28,571
At 31 July 2010	<u>27,754</u>	<u>91,032</u>	<u>272,081</u>	<u>186,674</u>	<u>577,541</u>
Net book value					
At 31 July 2010	<u>324,810</u>	<u>1,536</u>	<u>2,947</u>	<u>23,692</u>	<u>352,985</u>
At 31 July 2009	<u>336,068</u>	<u>1,710</u>	<u>10,093</u>	<u>23,395</u>	<u>371,266</u>

9. INVESTMENTS

Previously included in freehold buildings was a Property at Peterborough that was revalued in 2006 to £230,000. The original cost of this property was £145,000 and its book value at the time of being revalued was £130,735. This was transferred to current asset investments during 2008 and was sold during 2009.

10. DEBTORS

	2010 £	2009 £
Trade debtors	140,025	125,562
Other debtors	25,181	37,952
Prepayments and accrued income	15,997	24,256
	<u>181,203</u>	<u>187,770</u>

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

11. CREDITORS:
Amounts falling due within one year

	2010 £	2009 £
Trade creditors	26,111	21,835
Social security and other taxes	38,333	21,103
Accruals and deferred income	20,313	85,274
Cove Grant	-	41,600
	<u>84,757</u>	<u>169,812</u>

12. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds					
Designated Funds	7,871	-	(2,652)	-	5,219
General funds					
General Funds	1,043,969	1,262,955	(1,181,236)	2,634	1,128,322
Total Unrestricted funds	<u>1,051,840</u>	<u>1,262,955</u>	<u>(1,183,888)</u>	<u>2,634</u>	<u>1,133,541</u>
Restricted funds					
Diploma Scheme	30,254	-	(13,791)	-	16,463
Learning & Skills Council	-	21,962	(1,347)	(2,634)	17,981
	<u>30,254</u>	<u>21,962</u>	<u>(15,138)</u>	<u>(2,634)</u>	<u>34,444</u>
Total of funds	<u>1,082,094</u>	<u>1,284,917</u>	<u>(1,199,026)</u>	<u>-</u>	<u>1,167,985</u>

The transfer of £2,634 from General funds to Restricted funds represents a proportion of costs expensed against the General funds in the year to 31 July 2009 which were subsequently funded by the Learning & Skills Council grant

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010**

12. STATEMENT OF FUNDS (continued)

Designated funds represent the purchase of specific assets to the business and is equal to the net book value of those assets within the balance sheet. Depreciation is charged against the fund each year.

Restricted Funds:

The Diploma Scheme is made up of monies received in 2009 to set up a new Diploma scheme initiated by the government. Costs have been allocated to this directly and the balance will be spent during 2011.

Learning & Skills Council is made up of monies received during the year to refurbish premises in Skegness to provide a centrally based training facility to increase engagement and participation in 14-19 and Apprenticeship provision. Costs are allocated directly with depreciation charged against the fund each year in respect of specific assets.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
Designated funds	7,871	-	(2,652)	-	5,219
General funds	1,043,969	1,262,955	(1,181,236)	2,634	1,128,322
	<u>1,051,840</u>	<u>1,262,955</u>	<u>(1,183,888)</u>	<u>2,634</u>	<u>1,133,541</u>
Restricted funds	30,254	21,962	(15,138)	(2,634)	34,444
	<u>1,082,094</u>	<u>1,284,917</u>	<u>(1,199,026)</u>	<u>-</u>	<u>1,167,985</u>

13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Tangible fixed assets	17,981	335,004	352,985	371,266
Current assets	16,463	883,294	899,757	880,640
Creditors due within one year	-	(84,757)	(84,757)	(169,812)
	<u>34,444</u>	<u>1,133,541</u>	<u>1,167,985</u>	<u>1,082,094</u>

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE LIMITED
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2010

14. PENSION COMMITMENTS

The company operates a defined contribution personal pension plan that is open to all employees after completion of probationary service. The company contributes toward the pension scheme and employee's contributions are optional. The scheme is not contracted out. Free life assurance for an amount equal to annual salary is provided for those who join the pension scheme.

15. RELATED PARTY TRANSACTIONS

Some of the directors represent companies that purchase training services from the company. The total value of services provided was £49,213 (2009: £50,295).

	Services Provided at 31.07.10 £	Services Provided at 31.07.09 £	Balance Outstanding at 31.07.10 £	Balance Outstanding at 31.07.09 £
East Lindsey District Council	32,113	48,490	5,784	9,201
Lincolnshire County Council	17,100	245	-	-
Duncan & Toplis	-	1,560	-	-
	<u>49,213</u>	<u>50,295</u>	<u>5,784</u>	<u>9,201</u>

16. COMPANY LIMITED BY GUARANTEE

The company has no shares but is limited by guarantee.