

Techniquet
Company limited by guarantee

Financial statements for the year ended 31 March 2016



Company No. 01955696
Charity No. 517722

Technique

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Techniquet

Members of the Council of Management and Professional Advisers

Company registration number 1955696

Charity number 517722

Registered office
Stuart Street
Cardiff
CF10 5BW

Chief Executive
Mrs. Lesley Kirkpatrick (appointed 29 February 2016)
Dr. Anita Shaw (acting from 17 July 2015 to 28 February 2016)
Mr. Peter Trevitt (resigned 17 July 2015)

Council of Management
Mr. S H Best OBE (Chair)
Dr. G L Guilford (Chair of Finance Committee)
Mrs. H McNabb (Chair of Audit Committee)
Dr. V Chambers
Mr. S Bowden
Mrs. K Harris
Mrs. J Mortimer
Dr. R Morgan

Secretary
Ms. T C Marsh

Bankers
HSBC Bank plc
97 Bute Street
Cardiff
CF10 5NA

Legal Advisors
Eversheds
1 Callaghan Square
Cardiff
CF10 5BT

Independent Auditors
PricewaterhouseCoopers LLP
One Kingsway
Cardiff
CF10 3PW

Techniquest

Council of Management's Annual Report

The Council of Management (Council), who are also Directors for the purposes of the Companies Act, present their report and the audited financial statements for the year ended 31 March 2016.

Objectives and activities

Objects

The principal object of the company, as set out in its Memorandum of Association, is to promote the advancement of education and learning, particularly amongst children, of science and technology and in particular to do so by maintaining and carrying on an exhibition to explore various scientific concepts and to encourage an awareness amongst children of the significance of science and technology in society.

Aims

Techniquest's aim is to promote the advancement of education and engage the public in science, technology, engineering and maths (STEM) by establishing permanent and temporary interactive exhibitions across Wales, together with supporting educational programmes and a series of outreach programmes for those unlikely to visit a permanent exhibition.

There is a risk to the continuing fulfilment of this strategic aim as a consequence of the Welsh Government withdrawing part of its annual grant from April 2016 and indicating that the grant might be reduced to zero by April 2019. Techniquest proposes to respond to this potentially significant threat to 40% of its income, by accepting the need to redesign its operating model and creating replacement income streams. Techniquest is also in discussion with the Welsh Government about a five year (rather than a three year) transition plan.

Activities

Techniquest operates the busy science and discovery centre in Cardiff Bay, open for both public and schools, and offers extensive outreach services across Wales. The centre features a collection of 132 interactive exhibits primarily designed and constructed by Techniquest to provide hands-on experience of scientific phenomena and problem solving opportunities in a safe and friendly environment.

For public visitors, in addition to the exhibition areas, Techniquest offers presenter-led programmes in its science theatre, planetarium and lab. A range of special events includes theme weekends, toddlers' days, Brownie, Beaver and Cub sessions as well as specific evening events for over 18s. Front of house staff provide every visitor with a warm welcome and help and advice during their visit, an important part of the Techniquest experience. Techniquest exhibits and programmes are also taken to a number of external cultural and community events.

Techniquest's schools services include a wide range of curriculum linked programmes designed to inspire and motivate pupils on topics from space science to computer coding. All programmes are available in the medium of Welsh and English and are gender-balanced.

In addition to participating in the on-site programmes, school groups visiting Techniquest spend time in the main exhibition area investigating the exhibits in order to gain inspiration and to deepen their understanding and skills.

As an alternative to visiting the main site in Cardiff, schools from all parts of Wales can book Techniquest outreach services. For schools in South East Wales these are provided from Techniquest in Cardiff; whilst for schools in other areas, programmes are provided by regional operators known as "hubs". Techniquest targets disadvantaged schools preferentially with its outreach offer to support their access to its services. It identifies those most disadvantaged through the proportion of pupils in receipt of free school meals and the Welsh Index of Multiple Deprivation (WIMD).

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Council of Management's Annual Report

Techniquet works closely with the Welsh Government to support its priorities such as strengthening scientific literacy, the National Literacy and Numeracy Framework, and its *Qualified for Life – focus on science* initiative.

Techniquet maintains a comprehensive website at www.techniquet.org. During the financial year ending 31 March 2017, the development of a new website will be commissioned which will include online booking facilities. Techniquet is active on social media such as Facebook and Twitter.

Techniquet employs a range of skilled, specialist staff to manage, develop and deliver its activities. This expertise is often in demand and the organisation frequently provides advice, consultancy and design to other organisations to help generate income.

In addition to the significant financial support from Welsh Government, Techniquet is very grateful to the following organisations for their funding or in-kind support for the charity's activities during the year: Admiral Group plc; the UK Association for Science and Discovery Centres; the Ernest Cook Charitable Trust; ExxonMobil; the Equitable Charitable Trust; the Institution of Engineering and Technology; the John Lewis Partnership; Institute of Physics; the National Science Learning Centre; Nuffield Foundation; The Princes Trust Cymru; Royal Academy of Engineering; Science and Technology Facilities Council; TATA Steel; UK Space Agency; Wellcome Trust; Wellcome Trust Image Library; and Western Power Distribution.

Techniquet is also extremely grateful to the Science Museum who generously donated their exhibit, the Big Machine to the charity in February 2016.

Achievements and performance

Audiences

During the year a total of 370,477 people experienced a Techniquet 'live' STEM enrichment activity in Wales. This is 41,139 more people than in 2014/2015 and represents almost a 13% increase.

The following table shows a breakdown of the figures for 2015/16 showing where the activity took place. By far the biggest increase was participation in a Techniquet activity at short term events. Most of this was from visitors to Techniquet activity at the National Eisteddfod, which accounted for over 22,000 of the total.

	2015/16	2014/15
Public audiences		
Techniquet (at the Cardiff site)	155,686	148,772
Techniquet (at Electric Mountain in NW Wales)	6,711	6,441
Techniquet at other fixed sites	26,509	21,996
Techniquet outreach at short term events	32,677	8,947
Total public	221,583	186,156
Schools audiences		
Techniquet (at the Cardiff site)	44,486	41,086
Outreach from Techniquet	83,986	85,152
Outreach from Techniquet Glyndŵr hub	2,982	3,214
Outreach from other Techniquet schools hub	17,440	13,730
Total schools	148,894	143,182
	370,477	329,338

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The number of pupils and teachers from schools in Wales engaged at Techniquiest's main Cardiff site was 44,486 (2014/15: 41,086). Through its outreach, Techniquiest reached 104,408 (2014/15: 102,096) pupils and teachers in schools in all 22 unitary authorities of Wales (representing a 2% increase from the previous year).

Techniquiest continued to pursue its All Wales Strategy, and partners around Wales delivered outreach in areas outside SE Wales. Techniquiest Glyndwr ran Techniquiest primary outreach in North East Wales and Techniquiest secondary outreach in North Wales. TLC! ran Techniquiest primary outreach in North West and South West Wales as well as Techniquiest secondary outreach in South West Wales

Techniquiest recognises the importance on working in the medium of Welsh; all schools programmes are available in both Welsh and English and all written materials are provided bilingually. During the year, 12,374 (2015: 12,310) pupils included in the table above were engaged through programmes delivered through the medium of Welsh.

Techniquiest continued to work closely with teachers, supporting further learning in the classroom. In addition to the 9,169 (2015: 9,798) teachers who participated with their classes in programmes during the year, 1,476 (2015: 1,352) teachers participated in professional development opportunities provided by Techniquiest as a result of Welsh Government funding. Techniquiest also provided 472 (2015: 513) days of professional development training to teachers in Wales through contracts with the following organisations; the National Science Learning Centre; York (NSLC) in association with Research Councils UK; and the Royal Society of Chemistry.

Public attendance at Techniquiest's site in Cardiff Bay increased by 5% on last year, at 155,686 (2015: 148,772). This was made up of 51% children and 49% adults, mainly in family groups. Techniquiest places a high value on the impact it generates by engaging both children and their parents, or carers, in an informal learning environment and recent research has highlighted that children's' aspirations may be raised as a result of discussion that takes place both during the visit and afterwards: at home and in the wider community.

Techniquiest's annual survey of public visitors which is carried out in February half term showed that 96% of visitors rated the overall satisfaction with their visit as 'good' or 'excellent'. At Easter, Techniquiest also commissioned an independent survey of the value of Techniquiest to its visitors. It found that the majority of respondents felt that Techniquiest provides a unique experience in their leisure choices that is different from other family outings. The unique selling points were science knowledge, educational opportunities and physical interaction. Visitors felt that Techniquiest provided opportunities for 'fun' and 'learning and discovering together'.

Techniquiest also engaged visitors in science activities at the Royal Welsh Show, the Three Counties Show, the Royal Bath and West Show, and the National Eisteddfod. It maintained exhibits at Cardiff Airport, the Electric Mountain centre in Snowdonia and Serennu.

Techniquiest Exhibition

The exhibition area underwent significant renewal with the installation in March 2016 of the *Big Machine* exhibit. This exhibit consists of a large scale human powered circuit, allowing visitors to operate simple machines such as screws, pulleys and levers to transport thousands of plastic pellets. The exhibit was donated to Techniquiest by the Science Museum, London, following a competitive bidding process. It had previously been the centrepiece of the Museum's flagship interactive gallery *Launch Pad*. Standing more than 4 m tall and allowing groups of up to 10 children to operate it at any one time, it is by far the largest exhibit ever installed in Techniquiest's thirty-year history.

March 2016 also saw the installation of a major new exhibit demonstrating the use of a robotic arm.

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This exhibit was designed and built by Techniquet's workshop, funded by the UK Space Agency and celebrates the recent activities and publicity surrounding Tim Peake's launch to the International Space Station.

Techniquet was asked by the UK Space Agency to run the Wales celebration of Tim Peake's launch to the International Space Station (ISS) on 15 December 2015. This was sponsored by Edwina Hart AM at the Senedd. Techniquet invited three schools to the event, the highlight of which was the live launch. Techniquet asked representatives from the UK's space industry and organisations that specialise in public engagement in space, to bring their interactive activities to the celebration. Techniquet also had an all-day presence in central Cardiff and ran a free evening of interactive activities to coincide with the arrival of Tim Peake at the ISS.

For the third year running, Techniquet displayed the 20 winning photographs from the Wellcome Trust's 'Wellcome Image Awards' in its exhibition.

During the summer Techniquet ran the Switched On show which was developed in-house with funding from the Royal Academy of Engineering. It ran special themed events - the *Animals Weekend* and *Science of Me*. Younger visitors enjoyed Techniquet's Toddler Days and Techniquet ran After Hours for adult audiences. Wherever possible these were scheduled to tie in with external events such as, British Science Week and Tim Peake's mission and this helped widen media coverage of Techniquet.

Partnerships and projects

Techniquet continued its strategic partnership with the Techniquet Glyndŵr science centre at Glyndŵr University in Wrexham. In addition to providing Techniquet outreach services to schools in the area, the centre offers public and school visitors the chance to enjoy exhibits and programmes many of which are provided by Techniquet.

Techniquet maintains strong links with Cardiff University and there was collaboration during the year on a range of initiatives including the Wales Gene Park and engagement with academics and researchers. Techniquet also worked with Swansea University, the University of South Wales and other Higher Education Institutions (HEIs). Throughout the year it worked with 140 (2015: 97) members of staff from 50 (2015: 43) departments in Welsh HEIs.

Techniquet was invited to sit on the expert panel for the Welsh Government's Chief Scientific Advisor for Wales' Women in STEM task and finish group. It also sits on the Welsh Government's Science Working Group. For the second year running Techniquet worked with the Institute of Physics Cymru to provide its Stimulating Physics Network for teachers in Wales.

Techniquet continues to operate the Nuffield Research Placements in Wales for the Nuffield Foundation. Under this scheme, A-level students receive bursaries to undertake research projects with practising researchers for periods of 4–6 weeks during the summer holidays. Techniquet placed 71 students on the scheme in 2015/16 (2014/15: 68).

Techniquet is an active member of the Association for Science and Discovery Centres (ASDC), which represents the network of science centres and museums across the UK that collectively reach over 20 million people per year. Techniquet was one of the member science centres that was funded to deliver ASDC's astronaut programme. This comprised the delivery of a new interactive show, *Destination Space*, in Techniquet's science theatre and a range of initiatives to celebrate Tim Peake's mission to the ISS. Techniquet ran the *Destination Space* show for 13 weekends for its public audiences from December 2015 to March 2016. It also ran a *Destination Space* workshop in schools, reaching over 4,500 pupils in South East Wales.

Techniquet continued to run Science Alliance Cymru meetings for science communicators in Wales to share ideas and best practice.

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Techniquet worked with 118 staff from 26 Welsh companies on initiatives such as the Nuffield Research Placements, Science of Me, Animal Weekend and its schools' numeracy workshops, including GE, the Office of National Statistics, Airbus, Tidal Lagoon Swansea Bay and GE Healthcare.

International activities

Techniquet maintains a strong overseas reputation for its in-house expertise to develop and manufacture science exhibits for other science centres, for the quality of its STEM education kits and programmes for schools and for its consultancy and training services.

The organisation's profile was maintained by its membership of science centre networking bodies in Europe, the Middle East, Far East and Australasia and its participation at conferences in Italy and the Philippines. This work not only promotes Welsh expertise overseas, but provides an excellent source of new ideas and collaboration across cultural boundaries. Several delegations were hosted at Techniquet for a range of international visitors from these regions, and significant discussions were held with potential international partners and clients throughout the year.

The continuing strength of the sterling (GBP) was not helpful to international sales during the year, though design and consultancy projects were undertaken and the charity provided services to the Far East, Middle East and Europe. Outreach kits were supplied to science centres in China and Malaysia, exhibit sales were secured to clients in Norway and China, and a major consultancy contract commenced with a longstanding client in Kuwait. The comparatively lower level of international commercial activity in 2015/16 was offset by significantly increased work in the UK during this period.

Financial review

A summary of the financial results and the work of the charity is set out below.

Results

The results for the year ending 31 March 2016 are set out in the Statement of Financial Activities on page 16. A surplus of £224,605 resulted for the year, which is comparable with the prior year surplus of £211,034. The main reasons for this surplus are public admissions income, which is derived from both ticket price and public visitor numbers and has increased during the year primarily due to an increase in overall numbers during the first quarter of 2016 and also a decrease in expenditure due to lower salary costs due to vacant positions during the year as well as lower levels of spend in operational activity. This is now the sixth successive year that Techniquet has made a positive transfer to reserves. The overall reserves position as at 31 March 2016 amounted to £2,025,482 (2014/15: £1,800,877).

The Welsh Government provide significant funding to Techniquet to help with the delivery of its educational objectives for which the Council is most grateful. Other sources of income include funding from additional grants and sponsorship from various sources, admission charges for the Cardiff Bay site and commercial income from retail and exhibit sales activities.

Reserves

The reserves policy has been developed based on the premise that a major funder withdraws their funding from Techniquet. The reserves policy reflects the amount of free reserves required for the organisation to operate for 12-18 months, which results in a range of between £1.1m to £1.6m. Techniquet's current level of free reserves is £1.3m, which is total reserves less net book value of fixed assets and the designated "exhibition renewal" reserve. The policy has been reviewed by the Finance Director, Trustees and Chief Executive Officer during the course of the Council of Management and Finance Committee meetings.

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Designated reserves

Exhibition renewal

The designated fund relating to exhibition renewal enables a more strategic approach to be taken to exhibition renewal by enabling suites of related exhibits to be developed together. This in turn offers advantages in terms of technical innovation and can help attract more match funding. Techniquet plans to build a designated reserve of some £250,000 over a period of 2/3 years for this purpose.

Business development

It is important that the charity maximises its income, and therefore developing new income streams or strengthening existing ones is a priority. Whilst some activity is included within the annual budget, in order to meet the costs of larger or more long-term initiatives it is helpful to build a designated reserve for this purpose. These costs may include research as well as the development and implementation of plans which will enhance and improve the overall Techniquet product and visitor experience. Techniquet has increased this reserve to £300,000 for this purpose.

Book value of grant funded fixed assets

The designated fund relating to the book value of grant funded fixed assets is set up to reflect the book value of the assets, and reduces over the useful economic life of the assets in line with their depreciation.

Investment Policy

The organisation maintains cash balances to support the reserves policy. Cash balances are invested with major banking institutions so as to maximise interest receivable within a low-risk environment.

Dividend

The payment of a dividend or any other distribution to members is not permitted under the terms of Techniquet's Memorandum of Association.

Supplier Payment Policy

The company does not follow any standard codes of payment but aims to settle supplier accounts in accordance with their individual terms of business. The number of days' purchases outstanding at the year-end in respect of the company was 38 (2015: 37).

Tax Status

Techniquet is a registered charity and, therefore, no provision has been made for taxation.

Employees

Techniquet recognises the importance of its staff and values very highly the skills and experience they bring to its many activities. Staff are kept informed of developments within the organisation by a range of measures including a staff newsletter, intranet and meetings. As far as possible, young people joining Techniquet to work with visitors on the exhibition floor are given opportunities to take roles in the wider organisation, providing a valuable source of new talent.

Staff pay is subject to an annual review process which includes consideration of a range of factors including cost of living and benchmarking with other relevant sectors. Staff at lower pay levels are subject to additional review criteria and awards for this group may differ from those of other staff. Guidelines are applied to the alignment of pay scales for new staff and for changes to existing staff, and a control process is in place to ensure appropriate authorisation.

Disabled Persons

Techniquet has a policy of encouraging the employment of disabled persons wherever this is practicable and makes reasonable adjustments to working conditions or to physical features of its premises where disabled persons are placed at a substantial disadvantage in comparison with people who are not disabled.

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Structure, governance and management

Governing document

Techniquet is a company limited by guarantee and is a registered charity. Its governing documents are its Memorandum and Articles of Association as adopted on incorporation in 1986 and as subsequently amended by Special Resolution.

The charitable company has one wholly owned subsidiary, Techniquet Enterprises Limited. This company is now dormant, but will be reactivated if and when it is decided to engage in trading that falls outside of the objects of the company.

The members of the Council of Management and the company's advisers

The Council of Management and other advisers who served the company during the year, and up to the date of signing, together with other administrative details of the company, can be found on page 3.

Board and governance structure

Members of the Council of Management are appointed or removed by resolution of the Members of the company in a General Meeting. Members of the Council of Management retire by rotation at the Annual General Meeting and may be re-elected. The Council has been constituted so that finance, legal, education and science fields are well represented. New members undergo an induction programme to ensure that they are acquainted with all aspects of the organisation including an opportunity to meet key employees. In addition, they are fully briefed on their legal obligations under charity and company law. The Council is responsible for the company's strategy and policy framework. Council meets quarterly and there are separate sub-committees covering finance and audit, which have three co-opted members; two in audit and one in finance, independent from the Council. A third sub-committee - the Strategic Review Committee was established by the Council of Management in March 2016. The purpose of this task and finish group is to advise Council on the business development options open to Techniquet in the event of significant reductions in Welsh Government funding over a 3-5-year time period. The membership of this group comprises five Council members and one co-opted member.

The Council has overall responsibility for ensuring that the company has appropriate systems of controls, financial and otherwise. The Chief Executive Officer advises Council on strategic issues and manages day-to-day operations with certain restrictions. The Chief Executive appoints certain senior executives to the senior management team, which meets formally on a fortnightly basis.

Risk management

The Council has responsibility for the formal risk management process and regularly reviews the current risks the company faces and the controls in place to mitigate these risks. The senior management team maintains and monitors an up to date register of risks prioritised in terms of potential impact and likelihood of occurrence. All risks within the risk register are reviewed regularly by the Audit Committee.

The Council seeks to minimise levels of risk wherever possible, but acknowledges that some risk is unavoidable when operating within its chosen environment. The four highest risk areas identified in the Techniquet risk register are:

- Welsh Government core funding
- Dependency on income sources
- High staff turnover
- Loss or absence of key staff

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Welsh Government core funding and dependency on income sources

Techniquet is grateful for the consistent annual grant support it has received from the Welsh Government since 1998. However, in the autumn of the financial year Techniquet was informed by the Welsh Government that a reduction in the grant level would be applied from the next financial year commencing April 2016. This was subsequently confirmed as a 16% reduction to £1,095K, and that the grant would likely reduce to zero by April 2019. As the grant has represented 40% of Techniquet's income, the Council is fully aware of the consequences and urgent need to redesign its operating model and undertake a repositioning exercise to determine new income streams.

A new Chief Executive Officer was appointed in February 2016 with this repositioning initiative as main strategic priority, and supporting resources were put in place including a Council Subcommittee formed to investigate and recommend on business review. Work is ongoing and a number of options have been identified for fuller evaluation, including extending the existing facility at Stuart Street, and a potential new science centre within Cardiff Bay. As these are major projects requiring significant planning and evaluation time, Techniquet has submitted an indicative five year transition plan to the Welsh Government and has proposed that the 2016/17 grant level is maintained for a further year followed by a phased reduction to 2020/21. Techniquet is in discussion with the Welsh Government but at the time of writing the Annual Report it is not known when a response will be received.

Techniquet also acknowledges that it needs to redesign its operating model and review the range and costs of its current activity, whilst delivering operational business efficiencies. During the year ahead employment and other efficiency savings amounting to £100k have been identified and this initiative will continue.

The CEO has prioritised the appointment of a qualified and experienced Fundraising Manager and successful recruitment to this post was completed in May 2016. The focus of this post is to identify and secure new income streams from a range of trusts, foundations and corporate sponsorship, whilst investigating the potential of any public sector opportunities such as the Lottery.

High staff turnover and loss or absence of key staff

The new CEO along with the Council is in the process of developing new and ambitious income streams as described above. These plans are building confidence around the charity's future, helping to retain staff. (Nevertheless, an element of staff turnover is anticipated during a period of significant change.)

Health and Safety

A robust approach is taken to Health and Safety with a monitoring and oversight committee chaired by the Director of HR which meets six times a year. The Chief Executive Officer also attends this meeting.

Building

Techniquet's land and buildings in Cardiff Bay are held principally freehold with a small leasehold element. The land and buildings are recorded in the financial statements at cost. The land and buildings were valued at 31 March 2008 by an independent professional firm of chartered surveyors on a depreciated replacement cost (DRC) basis at £7.5 million and on an alternative use basis at £1.2 million. The Council has chosen not to include the property at a valuation.

Public benefit

The Council can confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission. Significant activities undertaken during the year that demonstrate public benefit are set out within the content of this annual report.

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Plans for future periods

Key objectives for the 2016/17 financial year include:

- Developing and implementing a long term strategic plan which includes the reconfiguration and extension of the existing site at Stuart Street and also investigating the potential to develop a new, bespoke facility in Cardiff Bay, which includes additional and significant income generating opportunities for the charity;
- Continuing to deliver STEM enrichment activity for the public and school audiences at our Cardiff Bay discovery centre;
- Delivering our outreach programmes to primary and secondary schools in priority areas across Wales;
- Establishing new partnerships with business and universities to inspire more young people, and particularly girls, into STEM careers;
- Securing new income streams from trusts, foundations and corporate sponsorship; and
- Identifying and implementing business efficiencies aimed at reducing operational costs.

Techniquet

Statement of the responsibilities of the members of the Council of Management

The members of the Council of Management (who are also directors of Techniquet for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

Company law requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the members of the Council of Management are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The members of the Council of Management are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 members of the Council of Management are aware:


- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the members have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The members of the Council of Management are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Small Company Provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

By order of the Board

 01.09.16

T C Marsh
Secretary

Techniquet

Independent auditor's report to the members of Techniquet

REPORT ON THE FINANCIAL STATEMENTS

Our opinion

In our opinion, Techniquet's financial statements (the financial statements"):

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 and of its incoming resources and application of resources, including its income and expenditure and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 March 2016;
- the statement of financial activities and the summary income and expenditure account for the year then ended;
- the cash flow statement for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the members of the Council of Management have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Council of Management's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

Adequacy of accounting records and information and explanation received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Trustee remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of Trustees' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the members were not entitled to: prepare financial statements in accordance with the small companies' regime; and take advantage of the small companies exemption from preparing a Strategic Report. We have no exceptions to report arising from this responsibility.

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Independent auditor's report to the members of Techniquet

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Our responsibilities and those of the members

As explained more fully in the Statement of Responsibilities, the members 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 and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the members; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the members' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Kevin Williams (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

Date: 1 September 2016

(a) The maintenance and integrity of the Techniquet website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

(b) Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Techniquet

Company no. 01955696 / Charity no. 517722

Statement of financial activities for the year ended 31 March 2016

		Unrestricted funds £	Restricted funds £	Total funds for the year to 31 March 2016 £	Unrestricted funds £	Restricted funds £	Total Funds for the year to 31 March 2015 (restated) £
Income from:							
Other trading activities	2	576,213	-	576,213	605,891	-	605,891
Other income	3	12,286	-	12,286	32,513	-	32,513
Charitable activities:							
Grants receivable	4	1,315,000	-	1,315,000	1,315,000	-	1,315,000
Provision of on-site educational services	4	868,046	89,440	957,486	799,387	81,923	881,310
Provision of off-site educational services	4	139,918	239,250	379,168	140,003	379,097	519,100
Total		2,911,463	328,690	3,240,153	2,892,793	461,020	3,353,814
Expenditure on:							
Raising funds	5	467,709	-	467,709	467,737	-	467,737
Charitable activities:							
Provision of on-site educational services	6	1,717,859	30,825	1,748,684	1,629,555	-	1,629,555
Provision of off-site educational services	6	607,184	191,971	799,155	695,165	350,323	1,045,488
Total charitable activities		2,325,043	222,796	2,547,839	2,324,720	350,323	2,675,043
Total		2,792,752	222,796	3,015,548	2,792,457	350,323	3,142,780
Net income		118,711	105,894	224,605	100,336	110,697	211,034
Transfer between funds		105,894	(105,894)	-	110,697	(110,697)	-
Net movement in funds		224,605	-	224,605	221,033	-	211,034
Reconciliation of funds:							
Total funds brought forward		1,800,877	-	1,800,877	1,589,843	-	1,589,843
Total funds carried forward		2,025,482	-	2,025,482	1,800,876	-	1,800,877

The statement incorporates the Income and Expenditure account.

All recognised gains and losses have been included in the Statement of Financial Activities and the amounts included are derived from the continuing activities of Techniquet.

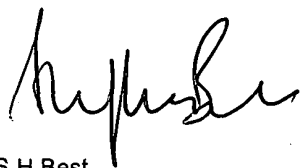
Techniquet

Company no. 01955696 / Charity no. 517722

Balance sheet as at 31 March 2016

	Note	2016 £	2015 £
Fixed assets:			
Tangible assets	8	590,182	626,525
Total fixed assets		590,182	626,525
Current assets:			
Stock	9	125,079	32,453
Debtors	10	221,825	264,220
Cash at bank and in hand		1,678,710	1,536,098
Total current assets		2,025,614	1,832,771
Liabilities:			
Creditors: amounts falling due within one year	11	530,881	569,435
Net current assets or liabilities		1,494,733	1,263,336
 Total assets less current liabilities		 2,084,915	 1,889,861
 Creditors: Amounts falling due after more than one year		 -	 -
Provisions for liabilities and charges	12	59,433	88,984
Net assets or liabilities		2,025,482	1,800,877
 The finds of the charity			
Unrestricted funds	13	2,025,482	1,800,877
Restricted funds:	13	-	-
Total funds		2,025,482	1,800,877

These financial statements on pages 16 to 29 were approved by the members of the Council of Management on 01.09.2016 and are signed on their behalf by:



S H Best
Council member

The notes on pages 19 to 29 form part of these financial statements.

Techniquet

Company no. 01955696 / Charity no. 517722

Cash Flow Statement for the year ended 31 March 2016

	Note	2016 £	2015 £
Reconciliation of net income to net cash provided by operating activities:			
Net income		224,605	211,034
Adjustments for:			
Depreciation charges		84,530	53,122
Movement in provisions		(29,551)	-
Add:			
(Increase)/decrease in stocks	9	(92,626)	100,102
(Increase)/decrease in debtors	10	42,395	22,368
Increase/(decrease) in creditors	11	(38,554)	52,291
Net cash provided by operating activities		190,799	438,917
Statement of cash flows:			
Cash flows from operating activities:		190,799	438,917
Net cash provided by operating activities		190,799	438,917
Cash flows from investing activities:			
Capital expenditure	8	(48,187)	(466,226)
Net cash provided (used in) investing activities		(48,187)	(466,226)
Change in cash and cash equivalents		142,612	(27,309)
Cash and cash equivalents at 1 April		1,536,098	1,563,407
Cash and cash equivalents at 31 March		1,678,710	1,536,098

Techniquet

Notes to the financial statements for the year ended 31 March 2016

1 Principal Accounting Policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, on a going concern basis and in accordance with applicable United Kingdom Accounting Standards, as modified by the inclusion of the Council of Management's estimated valuation of certain exhibits of machinery and equipment, which have been donated by supporters of Techniquet. The financial statements have been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities 2015 (SORP 2015), FRS 102 and in accordance with the Companies Act 2006 and the Charities Act 2011, using consistently applied accounting policies.

The prior year financial statements have been restated to comply with SORP 2015.

Transition to FRS 102

This is the first year Techniquet has presented its results under FRS 102 and the Charities SORP (2015). The last financial statements prepared under previous UK GAAP were for the year ended 31 March 2015. The date of transition to FRS 102 was 1 April 2015.

The accounting policies meet the requirements of FRS 102 and the new Charities SORP 2015. Following transition, the opening balances were reviewed and the only material impact on the financial statements has been to their presentation and disclosure (see note 17)

The analysis of our income and expenditure has been revised to provide a more relevant and transparent view of the activities undertaken by Techniquet (see notes 4 and 6).

Company status

Techniquet is a company limited by guarantee. The members of the company are the Council of Management named on page 3. 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.

The particular accounting policies adopted, which have been applied consistently throughout the current and prior financial year, are described below.

Techniquet is a public benefit entity.

Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Such purposes are within the overall aims of the organisation. Expenditure for those purposes is charged to the fund, together with a fair allocation of overheads and support costs.

Unrestricted funds are donations and other incoming resources received or generated for expenditure on the general objectives of the company.

Designated funds are unrestricted funds which have been designated for specific purposes by the members of the Council of Management, for necessary work in connection with the ongoing provision of services.

Incoming Resources

Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Techniquet

Notes to the financial statements for the year ended 31 March 2016

Grants receivable

Revenue grants are credited as incoming resources when they are receivable provided conditions for receipt have been complied with, unless they relate to a specified future period, in which case they are deferred.

Grants for fixed assets are credited to restricted incoming resources when receivable.

All other income is included in the statement of financial activities when the company is legally entitled to the income.

Resources expended

Grants payable

Grants payable are accounted for in the period in which the performance conditions attaching to the grant payment are met or, where no performance conditions apply, when a legal or constructive obligation arises.

Other expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising;
- Charitable expenditure comprises those costs incurred by the company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them;
- Governance costs include those costs associated with meeting constitutional and statutory requirements of the company and include the audit fees and costs linked to the strategic management of the company;
- All costs are allocated between the expenditure categories of the Statement of Financial Activity on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

Operating leases

Rental payments under operating leases are charged on a straight line basis over the term of the lease.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is calculated to write down the cost less estimated residual value on a straight line basis as follows:

Freehold buildings	depreciated over a period of 15 years
Plant and machinery	20% - 33% per annum
Fixtures, fittings and equipment	20% - 33% per annum
Exhibits	6.66% - 20% per annum
Motor vehicles	25% per annum

Freehold land and assets under construction are not depreciated.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Techniquet

Notes to the financial statements for the year ended 31 March 2016

Work in progress

Work in progress is valued on the basis of direct costs incurred. Provision is made for any foreseeable losses where appropriate.

Pension costs

The company operates defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the company. The annual contributions payable are charged to the Statement of Financial Activities.

Taxation

The company has no liability for corporation tax due to its charitable status.

2 Other trading activities

	Unrestricted funds £	Restricted funds £	31 March 2016 Total £	31 March 2015 Total £
Shop and café	290,842	-	290,842	204,150
Product sale and hire	285,371	-	285,371	401,741
	576,213	-	576,213	605,891

3 Other income

	Unrestricted funds £	Restricted funds £	31 March 2016 Total £	31 March 2015 Total £
Bank deposit interest	6,647	-	6,647	8,740
Gain on disposal	-	-	-	13,550
Other	5,639	-	5,639	10,223
	12,286	-	12,286	32,513

Techniquet

Notes to the financial statements for the year ended 31 March 2016

4 Charitable activities

a) Income donations and legacies

	Unrestricted funds £	Restricted funds £	31 March 2016 Total £	31 March 2015 Total £
Core funding	1,315,000	-	1,315,000	1,315,000

b) Income from other charitable activities

	31 March 2016 Total £	31 March 2015 Total £
Unrestricted		
Provision of on-site educational services:		
Admissions	852,446	773,727
Support from Welsh Government or public authority and other parties	15,600	25,660
	868,046	799,387
Provision of off-site educational services:		
Primary school outreach	33,675	33,695
Support from Welsh Government or public authority and other parties	106,243	106,308
	139,918	140,003
Total unrestricted	1,007,964	939,390
	31 March 2016 £	31 March 2015 £
Restricted		
Provision of on-site educational services:		
Support from Welsh Government or public authority and other parties	89,440	81,923
	89,440	81,923
Provision of off-site educational services:		
Primary school outreach	9,858	1,350
Secondary school outreach	25,100	88,605
Support from Welsh Government or public authority and other parties	204,292	289,142
	239,250	379,097
Total restricted	328,690	461,020
Total	2,651,654	2,715,410

Techniquest

Notes to the financial statements for the year ended 31 March 2016

All grants received during the year have been utilised in the year on charitable activities. The grants received during the year were as follows:

Purpose of grant	Source	31 March 2016	March 2015
		Received £	Received £
Restricted:			
	Nuffield Foundation	37,936	36,618
	Fundraising	73,729	76,655
	Welsh Government	114,888	194,580
	The Waterloo Foundation	-	14,999
	Science and Technology Facilities Council (STFC)	5,000	33,666
	The Ernest Cook Trust	4,983	-
	BT	-	16,667
	The Prince's Trust	4,000	1,349
	National Science Learning Centre (NSLC)	54,883	86,487
	The Equitable Charitable Trust	19,500	-
	The Association for Science and Discovery Centres (ASDC)	13,771	-
Unrestricted:			
	Welsh Government	1,315,000	1,315,000
	Techniquest Glyndwr	93,275	95,286

5 Cost of raising funds

	Shop and café £	Product sales and hire £	31 March 2016 Total £	31 March 2015 Total £
Wages & salaries	103,814	139,233	243,047	253,765
Materials	142,325	82,337	224,662	213,972
Total	246,139	221,570	467,709	467,737

Techniquet

Notes to the financial statements for the year ended 31 March 2016

6 Expenditure on charitable activities

	Staff costs £	Support and governance costs £	Property costs £	31 March 2016 Total £	31 March 2015 Total £
Unrestricted:					
Provision of on-site educational services:					
Admissions	1,125,561	234,852	357,446	1,717,859	1,629,555
Provision of off-site educational services:					
Primary school outreach	238,672	69,810	61,142	369,624	422,066
Secondary school outreach	157,093	28,731	51,736	237,560	273,159
Total unrestricted	1,521,326	333,393	470,324	2,325,043	2,324,780
Restricted:					
Provision of on-site educational services:					
Admissions	21,479	9,346	-	30,825	-
Provision of off-site educational services:					
Primary school outreach	15,263	9,858	-	25,121	-
Secondary school outreach	89,143	77,707	-	166,850	350,263
Total restricted	125,885	96,911	-	222,796	350,263
Total 2016	1,647,211	430,304	470,324	2,547,839	
Total 2015	1,764,953	494,165	415,925	2,675,043	

Staff and support costs are allocated using the number of 'hourly' paid staff who work across the activities:

Support costs

	31 March 2016 £	31 March 2015 £
Office costs	239,552	245,002
Exhibition costs	58,259	62,620
Professional & consultancy costs	132,493	186,543
	430,304	494,165

Under the Charities SORP (FRS 102), governance costs are no longer disclosed separately and therefore the 31 March 2015 comparatives have been restated. Included in professional & consultancy costs are audit fees of £14,600 (2015: £12,360).

Techniquet

Notes to the financial statements for the year ended 31 March 2016

7 Council of Management and employee information

a) Council of Management Information

No member of the Council or person with a family or business connection with a member of the Council, received remuneration directly or indirectly, from either the charitable company or an institution or company controlled by the charitable charity. Trustees expenses of £274 were paid in the year (2015: £nil)

b) Employee information

	31 March 2016	31 March 2015
The average number of persons employed by the company during the year was as follows:		
Management	4	4
Administration	5	5
Operational	108	121
	117	130

The aggregate payroll cost of these persons was as follows:

	31 March 2016	31 March 2015
Wages and salaries	1,710,695	1,828,947
Social security costs	137,726	144,331
Pension costs	46,756	52,260
	1,895,177	2,025,538

The number of employees whose emolument (salary and bonuses excluding pension contribution and redundancy), for the year were greater than £60,000 was as follows:

	For the year to 31 March 2016	For the year to 31 March 2015
£60,000 - £69,999	1	1
£70,000 - £79,999	-	-
£80,000 - £89,999	-	1

In addition, the company paid £83,779 (2015: £31,569) as redundancy and compensation for loss of office, which is recognised when a legal or constructive obligation arises.

Employment costs of £33,390 (2015:£Nil) are included in the wages and salaries, within note 5, that relate to the work in progress held within stock at the year end.

The company operates a defined contribution pension scheme. The pension charge for the period represents contributions payable by the company to the scheme and amounted to £46,756 (2014: £52,620).

Techniquet

Notes to the financial statements for the year ended 31 March 2016

8 Tangible fixed assets

	Exhibits £	Plant and machinery £	Fixtures, fittings & equipment £	Motor vehicles £	Freehold land and buildings £	Assets under construction £	Total £
Cost or valuation							
At beginning of the year	1,697,685	614,327	478,105	36,879	920,737	24,442	3,772,175
Additions	27,895	-	20,292	-	-	-	48,187
Transfer	-	-	24,442	-	-	(24,442)	-
Disposals	-	-	-	-	-	-	-
At end of the year	1,725,580	614,327	522,839	36,879	920,737	-	3,820,362
Depreciation							
At beginning of the year	1,387,639	519,558	423,880	13,252	801,321	-	3,145,650
Charge for the year	45,511	17,670	6,638	5,452	9,259	-	84,530
On disposals	-	-	-	-	-	-	-
At end of the year	1,433,150	537,228	430,518	18,704	810,580	-	3,230,180
 Net book value at 1 April	 310,046	 94,769	 54,225	 23,627	 119,416	 24,442	 626,525
Net book value at 31 March	292,430	77,099	92,321	18,175	110,157	-	590,182

All fixed assets are held for direct charitable purposes.

Freehold land and buildings includes land with a cost of £15,000.

Techniquet's land and buildings in Cardiff Bay are held as principally freehold with a small leasehold element. The land and buildings are recorded in the accounts at cost as permitted by FRS 102.

9 Stock

	31 March 2016 £	31 March 2015 £
Work in progress	50,484	2,158
Finished goods – Shop	38,426	25,341
Part Built Kits	36,169	4,954
	125,079	32,453

Techniquest

Notes to the financial statements for the year ended 31 March 2016

10 Debtors

	31 March 2016	31 March 2015
	£	£
Trade debtors	155,962	164,823
Other debtors	35,802	60,895
Prepayments	30,061	38,502
	221,825	264,220

11 Creditors: Amounts falling due within one year

	31 March 2016	31 March 2015
	£	£
Trade creditors	132,763	112,702
Taxation and social security	53,175	93,226
Other creditors	11,471	54,183
Accruals and deferred income	333,472	309,324
	530,881	569,435

12 Provisions for liabilities and charges

	Contracts	Dilapidation	Total
	£	£	£
At 1 April	88,984	-	88,984
(Release) in year / Additional provision	(88,984)	59,433	(29,551)
At 31 March	-	59,433	59,433

The provision established in 2013 which related to contracts completed but not yet confirmed as closed by the counterparty has been released during the year following an audit which led to no follow up evidence being requested. A new provision has been included which relates to the Bessemer Road lease obligations and future costs that will probably be incurred when either the break clause to the lease occurs in November 2018 or the lease ends in November 2020.

Techniquest

Notes to the financial statements for the year ended 31 March 2016

13 Movement in funds

	Restricted funds £	General unrestricted funds £	Designated unrestricted funds £	Total £
Fund balances at 1 April	-	1,474,438	326,439	1,800,877
Income	328,690	2,911,463	-	3,240,153
Expenditure	(222,796)	(2,792,752)	-	(3,015,548)
Transfers	(105,894)	(142,076)	247,970	-
Fund balances at 31 March	-	1,451,073	574,409	2,025,482

An analysis of grant receivable as Restricted funds is shown in note 4.

An analysis of Designated Funds is as follows:

	Fund balance at 1 April £	Income £	Expenditure £	Transfers £	Fund balance at 31 March £
Designated funds					
Exhibition renewal	150,000	-	-	-	150,000
Business Development	50,000	-	-	250,000	300,000
Book value of grant funded fixed assets	126,439	-	-	(2,030)	124,409

Purpose of Designated Funds

The designated fund relating to exhibition renewal enables a more strategic approach to be taken to exhibition renewal by enabling suites of related exhibits to be developed together. This in turn offers advantages in terms of technical innovation and can help attract more match funding. Techniquest plans to build a designated reserve of some £250,000 over a period of 2/3 years for this purpose.

It is important that the charity maximises its income, and therefore developing new income streams or strengthening existing ones is a priority. Whilst some activity is included within the annual budget, in order to meet the costs of larger or more long-term initiatives it is helpful to build a designated reserve for this purpose. These costs may include research as well as the development and implementation of plans which will enhance and improve the overall Techniquest product and visitor experience. Techniquest has increased this reserve to £300,000 for this purpose.

The designated fund relating to the book value of grant funded fixed assets has been set up to reflect the book value of the assets and will be reduced over the useful economic life of the assets in line with their depreciation.

14 Capital commitments

The company had capital commitments of £nil at 31 March 2016 (31 March 2015: £14,558).

15 Related party transactions

The charitable company has a wholly owned subsidiary in Techniquest Enterprises Limited, a company incorporated in England and Wales. Techniquest Enterprises Ltd is dormant and is carried at £nil value in these accounts.

Techniquet

Notes to the financial statements for the year ended 31 March 2016

The company paid £60,625 (2015: £nil) to former senior management as redundancy and compensation for loss of office.

16 Operating Leases

The total of future minimum lease payments under non-cancellable operating leases in relation to the rental of workshop units:

	2016 £	2015 £
Not later than one year	52,248	52,248
Later than one year and not later than five years	191,576	0

17 Transition to FRS 102

There are a number of changes between SORP 2005 and the Charities SORP (FRS 102) for charities preparing their accounts in accordance with the Financial Reporting Standard (FRS 102) applicable in the UK and Republic of Ireland. Below summaries the key presentation and disclosure changes:

<u>2005 SORP – SOFA</u>	<u>FRS 102 SORP – SOFA</u>
Total incoming resources	Total income
Resources expended on charitable activities Governance costs	Net income/(expenditure)
Net incoming resources/outgoing resources before transfers	Net income/(expenditure)

Income:

- The main heading 'incoming resources' is renamed 'income from'
- 'Other' income line headings remain unchanged from SORP 2005.

Expenditure:

- The main heading 'resources expended' is renamed 'expenditure on'.
- 'Charitable activities' is retained as expenditure on 'charitable activities'
- The heading of 'governance costs' is dropped altogether with these costs being included in expenditure on 'charitable activities'