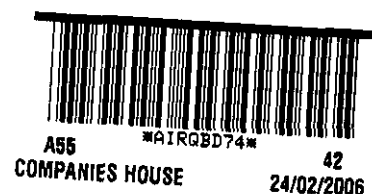


**THE CEED (CHARITY) LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2005**

**Company Registration Number 2134522**

**Charity Number 298844**



**CHARTERED ACCOUNTANTS  
& BUSINESS ADVISERS**

THORNTON HOUSE, RICHMOND HILL, CLIFTON, BRISTOL BS8 1AT TEL: 0117 973 8441 FAX: 0117 973 3781  
CORNERSTONE HOUSE, MIDLAND WAY, THORNBURY, BRISTOL BS35 2BS TEL: 01454 415645 FAX: 01454 261265  
COOPER HOUSE, LOWER CHARLTON ESTATE, SHEPTON MALLET, SOMERSET BA4 5QE TEL: 01749 342265 FAX: 01749 343242  
98 LONG STREET, WOTTON-UNDER-EDGE, GLOUCESTERSHIRE, GL12 7ES TEL: 01453 844721 FAX: 01453 844730

WEB SITE: <http://www.burton-sweet.co.uk>

**THE CEED (CHARITY) LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2005**

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# **THE CEED (CHARITY) LIMITED**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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### **Status**

The legal status of the organisation is that of a charitable company limited by guarantee. The company number is 2134522 and its charity number is 298844.

### **The Directors**

The directors (who are Trustees for the purpose of charity law) who served during the year and since the year end were as follows:

R Griffith  
L Goodridge  
H Nandwani  
M Yazdani  
D Mlewa  
E Maburutse  
Max Kosia  
Verona Vidal  
E Quaynor  
I Curtis  
R Brenchley  
P Mensah  
M Amegashitsi  
S Johnson  
S Elkatip  
M Gournet  
H Ogbu  
V Watkis

### **Company secretary**

S Fubara

### **Registered office**

Ujima House, 97 -107 Wilder Street, St Pauls, Bristol, BS2 8QU

### **Auditors**

Burton Sweet, Chartered Accountants & Registered Auditors, Thornton House, Richmond Hill, Clifton, Bristol BS8 1AT

### **Bankers**

National Westminster Bank plc, 32 Corn Street, Bristol BS99 7UG

**THE CEED (CHARITY) LIMITED**  
**TRUSTEES ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 2005**

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The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2005.

**Objects of the Charity**

The CEED (Charity) Limited seeks to advance education and employment by developing the professional and technical skills of its clients, especially of those who have suffered disadvantage by reason of colour, race, nationality or ethnic or national origins.

**Organisation**

The CEED (Charity) Limited is a registered charity and is limited by guarantee. During the year the trustees reorganized the way they carry out the business. The Trustees still meet bi-monthly as a council of management. As of November 2003, three separate committees, Personnel, chaired by one of the Vice Chairs, Finance and Fundraising, Chaired by the Treasurer and Monitoring, chaired by one of the Vice Chairs. The day to day running are entrusted to the managing director who oversees four departments: Training & Employment; Corporate Support; I.T; Media; and Enterprise Development. Each of these departments is run by a manager who reports to the managing director.

The charity owns a trading company Centre for Employment and Enterprise Development Limited.

**Review of activities and future developments**

A review is contained in the charity's full Annual Report.

**Investment powers and restrictions**

There are no restrictions on the investment powers of the Trustees placed on them by the company's Memorandum and Articles of Association.

**Fund-by-fund analysis of availability of assets**

We confirm that the charity's assets are available and adequate to fulfill the obligations of the charity.

**Reserves policy**

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be between 3 and 6 months of the resources expended, which equates to £450,000 to £900,000 in general funds. At this level, the management committee feels that it would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed accordingly. At the balance sheet date free reserves amounted to £301,886. The trustees are looking at ways to increase free reserves.

# **THE CEED (CHARITY) LIMITED**

## **TRUSTEES ANNUAL REPORT (CONTINUED)**

**YEAR ENDED 31 MARCH 2005**

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### **Risk review**

A strategic review will be carried out in the forthcoming year which will identify the major risks to which the charity is exposed. It is anticipated that the review will result in systems being put in place to mitigate those risks. In future it is anticipated that the Trustees will carry out an annual review of the risks faced and the procedures established to mitigate those risks. Internal risks are minimised by the implementation of effective internal control procedures that ensure both appropriate authorisation of all transactions and projects and consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed for their continuing effectiveness.

### **The Directors**

The Board of Directors, who are Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

### **Responsibilities of the Trustees**

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE CEED (CHARITY) LTD

## TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2005

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### Auditors

Burton Sweet were re-appointed as the Charity's auditors during the year and have expressed their willingness to continue in that capacity.

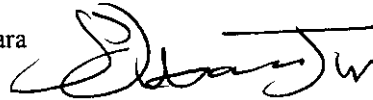
This report and the financial statements have been prepared in accordance with the Companies Act 1985, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities".

Registered office:

Ujima House,  
97 -107 Wilder Street,  
St Pauls,  
Bristol, BS2 8QU

Signed by order of the Trustees

S Fubara



Approved by the Trustees on 17/11/05

# THE CEED (CHARITY) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2005

---

We have audited the financial statements on pages 7 to 19 which have been prepared under the historical cost convention and the accounting policies set out on pages 9 to 10.

This report is made solely to the charity's trustees, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of the Trustees and the auditors**

The Trustees' (who are also directors for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' responsibilities on pages 3 to 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the Charity is not disclosed.

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

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

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the 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 Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the 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.

# THE CEED (CHARITY) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2005

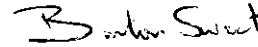
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### Opinion

In our opinion the financial statements give a true and fair view of the Charity's and its subsidiary's state of affairs as at 31 March 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Thornton House  
Richmond Hill  
Clifton  
Bristol BS8 1AT  
15 February 2006

Burton Sweet  
Chartered Accountants & Registered  
Auditors





# THE CEED (CHARITY) LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

YEAR ENDED 31 MARCH 2005

|   | Note | Unrestricted<br>Funds<br>£ | Restricted<br>Funds<br>£ | Total Funds<br>2005<br>£ | Total Funds<br>2004<br>£ |
|---|------|----------------------------|--------------------------|--------------------------|--------------------------|
| <b>Incoming resources</b>                             |      |                            |                          |                          |                          |
| Donations   |      | 979                        | -                        | 979                      | 2,628                    |
| Grants receivable                                     | 2    | -                          | 933,298                  | 933,298                  | 736,509                  |
| <i>Activities in furtherance of charity's objects</i> |      |                            |                          |                          |                          |
| Traineeships  |      | 581,299                    | -                        | 581,299                  | 410,753                  |
| Income generation                                     |      | 5,989                      | -                        | 5,989                    | 7,135                    |
| Private students                                      |      | 160,856                    | -                        | 160,856                  | 157,776                  |
| <i>Income from generating funds</i>                   |      |                            |                          |                          |                          |
| Income from trading subsidiary                        | 3    | 11,259                     | -                        | 11,259                   | 9,808                    |
| Room and rental hire                                  |      | 83,410                     | -                        | 83,410                   | 76,802                   |
| Fundraising income                                    |      | 11,697                     | -                        | 11,697                   | 13,115                   |
| Interest receivable                                   |      | 1,105                      | -                        | 1,105                    | 2,699                    |
| Other income  |      | 2,390                      | -                        | 2,390                    | 2,360                    |
| <b>Total incoming resources</b>                       |      | <b>858,984</b>             | <b>933,298</b>           | <b>1,792,282</b>         | <b>1,419,585</b>         |
| <b>Resources expended</b>                             |      |                            |                          |                          |                          |
| <i>Cost of generating funds</i>                       |      |                            |                          |                          |                          |
| Fundraising and publicity                             | 4    | 16,670                     | 9,285                    | 25,955                   | 35,402                   |
| Cost of sales from trading subsidiary                 | 5    | 25,585                     | -                        | 25,585                   | 27,206                   |
| <i>Charitable expenditure</i>                         |      |                            |                          |                          |                          |
| Costs of activities                                   | 6    | 692,171                    | 744,450                  | 1,436,621                | 1,132,848                |
| Support costs   | 7    | 154,010                    | 36,951                   | 190,961                  | 130,973                  |
| Management and administration                         | 8    | 115,641                    | 5,117                    | 120,758                  | 65,025                   |
| <b>Total resources expended</b>                       |      | <b>1,004,077</b>           | <b>795,803</b>           | <b>1,799,880</b>         | <b>1,391,454</b>         |
| <b>Net incoming/(outgoing) resources</b>              |      |                            |                          |                          |                          |
| <b>- net income/(expenditure) for the year</b>        | 9    | <b>(145,093)</b>           | <b>137,495</b>           | <b>(7,598)</b>           | <b>28,131</b>            |
| <b>Transfer between funds</b>                         |      |                            |                          |                          |                          |
|   |      | (76,418)                   | 76,418                   | -                        | -                        |
|   |      | (221,511)                  | 213,913                  | (7,598)                  | 28,131                   |
| <b>Total funds at 1 April 2004</b>                    |      | <b>583,897</b>             | <b>396,085</b>           | <b>979,982</b>           | <b>951,851</b>           |
| <b>Total funds at 31 March 2005</b>                   |      | <b>362,386</b>             | <b>609,998</b>           | <b>972,384</b>           | <b>979,982</b>           |

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing

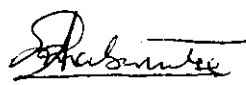
The notes on pages 9 to 19 form part of these financial statements

**THE CEED (CHARITY) LTD**  
**CONSOLIDATED AND CHARITY BALANCE SHEETS**  
**YEAR ENDED 31 MARCH 2005**

|  | Note | 2005<br>Group<br>£ | 2004<br>Group<br>£ | 2005<br>Charity<br>£ | 2004<br>Charity<br>£ |
|--|------|--------------------|--------------------|----------------------|----------------------|
| <b>Fixed assets</b>  |      |                    |                    |                      |                      |
| Tangible assets  | 12   | 961,619            | 988,084            | 509,444              | 530,636              |
| <b>Current assets</b>                                      |      |                    |                    |                      |                      |
| Stock  | 13   | 6,277              | 8,979              | 5,077                | 7,898                |
| Debtors  | 14   | 684,036            | 415,192            | 713,853              | 450,739              |
| Cash at bank   |      | 12,980             | 96,118             | 11,868               | 89,922               |
|  |      | <u>703,293</u>     | <u>520,289</u>     | <u>730,798</u>       | <u>548,559</u>       |
| <b>Creditors : Amounts falling<br/>due within one year</b> | 15   | (272,268)          | (104,445)          | (269,709)            | (101,116)            |
| Net current assets   |      | <u>431,025</u>     | <u>415,844</u>     | <u>461,089</u>       | <u>447,443</u>       |
| <b>Total assets less current liabilities</b>               |      | <u>1,392,644</u>   | <u>1,403,928</u>   | <u>970,533</u>       | <u>978,079</u>       |
| <b>Government grants</b>                                   | 16   | 420,260            | 423,946            | -                    | -                    |
|  |      | <u>972,384</u>     | <u>979,982</u>     | <u>970,533</u>       | <u>978,079</u>       |
| <b>Funds</b>   |      |                    |                    |                      |                      |
| Unrestricted   |      | 362,386            | 583,897            | 360,535              | 581,994              |
| <b>Restricted</b>  | 17   | 609,998            | 396,085            | 609,998              | 396,085              |
|  |      | <u>972,384</u>     | <u>979,982</u>     | <u>970,533</u>       | <u>978,079</u>       |

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the trustees on 17/11/05 and are signed on its behalf by:



E Maburutse

The notes on pages 9 to 19 form part of these financial statements

# THE CEED (CHARITY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

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### 1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities issued in October 2000.

The charity has availed itself of Paragraph 3(3) of Schedule 4 of the companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

- b) These financial statements consolidate the results of the charity and its subsidiary, Centre for Employment and Enterprise Development Limited, on a line by line basis. A separate statement of financial activities is not presented because the charity has taken advantage of the provisions of paragraph 304 of the SORP.

- c) Income from donations is included incoming resources when these are receivable, except as follows:

I) When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.

II) When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-condition has been met.

- d) Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods. All material grants are disclosed in accordance with the Statement of Recommended Practice.

- e) Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT which cannot be recovered.

- f) Resources expended are allocated to direct costs where the costs directly relate to that activity. Certain other costs, which are attributable to more than one category, are apportioned across cost categories as follows:

|                               |     |
|-------------------------------|-----|
| Support costs                 | 80% |
| Management and administration | 20% |

- g) Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Management and administration costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

- h) Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

|   |
|---|
| Leasehold property - Over the term of the lease |
| Fixture & Fittings - 25% reducing balance       |
| Equipment - 15% reducing balance                |

The Trustees consider that the level of repairs and maintenance on buildings will result in the residual value of these assets exceeding the original cost, and therefore have not provided for any depreciation for the year in respect of these assets.

# THE CEED (CHARITY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2005

### 1 Accounting policies (continued)

- i) Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.
- j) Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the asset to which they relate.
- k) The charity has arranged a defined contribution scheme for its staff. Pension costs charged in the SOFA represent the contributions payable by the charity in the period.
- l) Rentals applicable to operating lease agreements where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.
- m) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.
- n) Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- o) Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

### 2 Grants receivable

|                                      | Unrestricted | Restricted | Total Funds<br>2005 | Total Funds<br>2004 |
|--------------------------------------|--------------|------------|---------------------|---------------------|
|                                      | £            | £          | £                   | £                   |
| Bristol C.C - SRB                    | -            | 39,488     | 39,488              | 44,946              |
| Bristol C.C - ESF                    | -            | 29,792     | 29,792              | 28,065              |
| Neighbourhood renewal fund           | -            | 12,750     | 12,750              | -                   |
| Neighbourhood housing - local labour | -            | 35,963     | 35,963              | 26,560              |
| Filton college                       | -            | 54,409     | 54,409              | 27,089              |
| Bristol university                   | -            | 9,500      | 9,500               | -                   |
| Phoenix fund                         | -            | 77,169     | 77,169              | 15,371              |
| Phoenix loan fund                    | -            | 50,730     | 50,730              | 75,000              |
| Learning skills council              | -            | 50,321     | 50,321              | 16,774              |
| Business link                        | -            | -          | -                   | 14,345              |
| Connexions - learn direct            | -            | 14,869     | 14,869              | 4,739               |
| Equality project                     | -            | 531,515    | 531,515             | 450,185             |
| Objective 2 (BMB)                    | -            | 26,792     | 26,792              | 33,435              |
|                                      | -            | 933,298    | 933,298             | 736,509             |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**3 Income from trading subsidiary**

**Centre for Employment  
and Enterprise  
Development Limited  
2005**

**Centre for Employment  
and Enterprise  
Development Limited  
2004**

|                             | £             | £            |
|-----------------------------|---------------|--------------|
| Vending machine & bar sales | 11,259        | 9,808        |
|                             | <u>11,259</u> | <u>9,808</u> |

**4 Cost of generating funds**

|                           | <b>Unrestricted</b> | <b>Restricted</b> | <b>Total Funds<br/>2005</b> | <b>Total Funds<br/>2004</b> |
|---------------------------|---------------------|-------------------|-----------------------------|-----------------------------|
|                           | £                   | £                 | £                           | £                           |
| Marketing and advertising | 13,025              | 8,503             | 21,528                      | 29,362                      |
| Hospitality               | 3,645               | 782               | 4,427                       | 6,040                       |
|                           | <u>16,670</u>       | <u>9,285</u>      | <u>25,955</u>               | <u>35,402</u>               |

**5 Cost of trading subsidiary**

**Centre for Employment  
and Enterprise  
Development Limited  
2005**

**Centre for Employment  
and Enterprise  
Development Limited  
2004**

|                         | £             | £             |
|-------------------------|---------------|---------------|
| Cost of sales           | 8,262         | 8,078         |
| Administrative expenses | 17,323        | 19,107        |
| Interest payable        | -             | 21            |
|                         | <u>25,585</u> | <u>27,206</u> |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**6 Costs of activities in furtherance of charity's objects**

|                                     | Unrestricted   | Restricted     | Total Funds<br>2005 | Total Funds<br>2004 |
|-------------------------------------|----------------|----------------|---------------------|---------------------|
|                                     | £              | £              | £                   | £                   |
| Wages and salaries                  | 286,293        | 407,537        | 693,830             | 612,607             |
| College fees and training resources | 18,629         | 39,253         | 57,882              | 38,680              |
| Training                            | 8,697          | 3,380          | 12,077              | 5,100               |
| Allowances for trainees             | 295,157        | 250,314        | 545,471             | 359,084             |
| Travel and car parking              | 2,259          | -              | 2,259               | 696                 |
| Conferences, membership and subs    | 12,319         | -              | 12,319              | 10,865              |
| Resources                           | 2,121          | 4,174          | 6,295               | 13,381              |
| Room hire                           | 16,913         | 196            | 17,109              | 5,306               |
| Childcare expenses                  | 2,002          | 2,054          | 4,056               | -                   |
| Create partnership                  | 47,781         | 37,542         | 85,323              | 87,129              |
|                                     | <u>692,171</u> | <u>744,450</u> | <u>1,436,621</u>    | <u>1,132,848</u>    |

**7 Support costs**

|                                  | Unrestricted   | Restricted    | Total Funds<br>2005 | Total Funds<br>2004 |
|----------------------------------|----------------|---------------|---------------------|---------------------|
|                                  | £              | £             | £                   | £                   |
| Telephone                        | 9,242          | 858           | 10,100              | 9,942               |
| Postage, printing and stationery | 29,762         | 5,148         | 34,910              | 27,494              |
| Consultancy fees                 | 18,156         | 14,266        | 32,422              | 8,215               |
| Heat and light                   | 12,887         | 703           | 13,590              | 7,564               |
| Rates and water                  | 12,233         | 1,539         | 13,772              | 8,224               |
| Other office costs               | 36,314         | 3,190         | 39,504              | 28,572              |
| Staff travel and subsistence     | 14,395         | 10,303        | 24,698              | 22,803              |
| Depreciation                     | 21,021         | 944           | 21,965              | 18,159              |
|                                  | <u>154,010</u> | <u>36,951</u> | <u>190,961</u>      | <u>130,973</u>      |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**8 Management and administration**

|                                  | Unrestricted   | Restricted   | Total Funds<br>2005 | Total Funds<br>2004 |
|----------------------------------|----------------|--------------|---------------------|---------------------|
|                                  | £              | £            | £                   | £                   |
| Office costs                     | 9,078          | -            | 9,078               | 7,143               |
| Audit fees                       | 8,600          | -            | 8,600               | 7,109               |
| Bank charges                     | 4,188          | 9            | 4,197               | 4,018               |
| Professional fees                | 33,124         | 4,769        | 37,893              | 40,116              |
| Depreciation                     | 5,255          | -            | 5,255               | 4,540               |
| Trustee expenses                 | 432            | -            | 432                 | -                   |
| Bad debts                        | 39,575         | -            | 39,575              | -                   |
| Loss on disposal of fixed assets | 2,242          | -            | 2,242               | -                   |
| Other                            | 13,147         | 339          | 13,486              | 2,099               |
|                                  | <u>115,641</u> | <u>5,117</u> | <u>120,758</u>      | <u>65,025</u>       |

**9 Net incoming resources for the year**

**This is stated after charging:**

|                                   | 2005          | 2004          |
|-----------------------------------|---------------|---------------|
|                                   | £             | £             |
| Depreciation                      | 27,220        | 22,699        |
| Auditors' remuneration            | 8,600         | 7,109         |
| Accountancy fees                  | -             | -             |
| Management committee remuneration | -             | -             |
| Payment of committee expenses     | 432           | 1,597         |
|                                   | <u>36,252</u> | <u>31,405</u> |

11 members of the management committee had expenses reimbursed during the year.

**10 Staff costs and numbers**

The aggregate payroll costs were:

|                       | 2005           | 2004           |
|-----------------------|----------------|----------------|
|                       | £              | £              |
| Wages and salaries    | 615,394        | 557,034        |
| Social security costs | 61,007         | 46,043         |
| Other pension costs   | 17,429         | 9,530          |
|                       | <u>693,830</u> | <u>612,607</u> |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2005**

**10 Staff cost and numbers (*continued*)**

No employee received emoluments of more than £50,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

|                                | 2005<br>No. | 2004<br>No. |
|--------------------------------|-------------|-------------|
| Number of administrative staff | 6           | 6           |
| Number of management staff     | 3           | 3           |
| Number of technical staff      | 16          | 15          |
|                                | <u>25</u>   | <u>24</u>   |

**11 Taxation**

The charity is exempt from corporation tax on its charitable activities.

**12 Tangible fixed assets**

| Consolidated:         | Freehold<br>buildings<br>£ | Office<br>equipment<br>£ | Total<br>£       |
|-----------------------|----------------------------|--------------------------|------------------|
| <b>Cost</b>           |                            |                          |                  |
| At 1 April 2004       | 944,962                    | 296,584                  | 1,241,546        |
| Transfer of assets    | (1,705)                    | 1,705                    | -                |
| Additions             | -                          | 8,271                    | 8,271            |
| Disposals             | -                          | (39,462)                 | (39,462)         |
| At 31 March 2005      | <u>943,257</u>             | <u>267,098</u>           | <u>1,210,355</u> |
| <b>Depreciation</b>   |                            |                          |                  |
| At 1 April 2004       | 11,793                     | 241,669                  | 253,462          |
| Charge for the year   | 3,931                      | 28,562                   | 32,493           |
| Disposals             | -                          | (37,219)                 | (37,219)         |
| At 31 March 2005      | <u>15,724</u>              | <u>233,012</u>           | <u>248,736</u>   |
| <b>Net book value</b> |                            |                          |                  |
| At 31 March 2005      | <u>927,533</u>             | <u>34,086</u>            | <u>961,619</u>   |
| At 31 March 2004      | <u>933,169</u>             | <u>54,915</u>            | <u>988,084</u>   |



**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**12 Tangible fixed assets (continued)**

| Charity:              | Freehold<br>buildings<br>£ | Office<br>equipment<br>£ | Total<br>£     |
|-----------------------|----------------------------|--------------------------|----------------|
| <b>Cost</b>           |                            |                          |                |
| At 1 April 2004       | 481,089                    | 265,780                  | 746,869        |
| Transfer of assets    | (1,705)                    | 1,705                    | -              |
| Additions             | -                          | 8,271                    | 8,271          |
| Disposals             | -                          | (39,462)                 | (39,462)       |
| At 31 March 2005      | <u>479,384</u>             | <u>236,294</u>           | <u>715,678</u> |
| <b>Depreciation</b>   |                            |                          |                |
| At 1 April 2004       | -                          | 216,233                  | 216,233        |
| Charge for the year   | -                          | 27,220                   | 27,220         |
| Disposals             | -                          | (37,219)                 | (37,219)       |
| At 31 March 2005      | <u>-</u>                   | <u>206,234</u>           | <u>206,234</u> |
| <b>Net book value</b> |                            |                          |                |
| At 31 March 2005      | <u>479,384</u>             | <u>30,060</u>            | <u>509,444</u> |
| At 31 March 2004      | <u>481,089</u>             | <u>49,547</u>            | <u>530,636</u> |

**13 Stocks**

|                           | Group<br>2005<br>£ | Group<br>2004<br>£ | Charity<br>2005<br>£ | Charity<br>2004<br>£ |
|---------------------------|--------------------|--------------------|----------------------|----------------------|
| Stock                     | 5,077              | 7,898              | 5,077                | 7,898                |
| Trading stocks for resale | 1,200              | 1,081              | -                    | -                    |
|                           | <u>6,277</u>       | <u>8,979</u>       | <u>5,077</u>         | <u>7,898</u>         |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**14 Debtors**

|                            | <b>Group<br/>2005</b> | <b>Group<br/>2004</b> | <b>Charity<br/>2005</b> | <b>Charity<br/>2004</b> |
|----------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|                            | <b>£</b>              | <b>£</b>              | <b>£</b>                | <b>£</b>                |
| Trade debtors              | 151,298               | 60,415                | 151,298                 | 60,415                  |
| Owed by trading subsidiary | -                     | -                     | 29,817                  | 35,547                  |
| Grants receivable          | 412,310               | 215,813               | 412,310                 | 215,813                 |
| Other debtors              | 118,224               | 112,161               | 118,224                 | 112,161                 |
| Prepayments                | 2,204                 | 26,803                | 2,204                   | 26,803                  |
|                            | <u>684,036</u>        | <u>415,192</u>        | <u>713,853</u>          | <u>450,739</u>          |

Included within the above other debtors falling due after more than one year:

|               | <b>Group<br/>2005</b> | <b>Group<br/>2004</b> | <b>Charity<br/>2005</b> | <b>Charity<br/>2004</b> |
|---------------|-----------------------|-----------------------|-------------------------|-------------------------|
|               | <b>£</b>              | <b>£</b>              | <b>£</b>                | <b>£</b>                |
| Other debtors | <u>59,249</u>         | <u>56,986</u>         | <u>59,249</u>           | <u>56,986</u>           |

Other debtors falling due after more than one year relates to YEDF loans which are repayable over a maximum period of three years and carry interest at a fixed rate of 9% per annum for the duration of the loan.

**15 Creditors: amounts falling due within one year**

|                              | <b>Group<br/>2005</b> | <b>Group<br/>2004</b> | <b>Charity<br/>2005</b> | <b>Charity<br/>2004</b> |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
|                              | <b>£</b>              | <b>£</b>              | <b>£</b>                | <b>£</b>                |
| Bank overdrafts              | 118,490               | 12,076                | 118,490                 | 12,076                  |
| Trade creditors              | 88,939                | 30,718                | 88,939                  | 30,718                  |
| PAYE/NIC liability           | 16,246                | 15,820                | 16,246                  | 15,820                  |
| Other creditors              | 70                    | 57                    | -                       | -                       |
| Accruals and deferred income | 48,523                | 45,774                | 46,034                  | 42,502                  |
|                              | <u>272,268</u>        | <u>104,445</u>        | <u>269,709</u>          | <u>101,116</u>          |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**16 Amounts falling due after more than one year**

**Government grants**

|                                  | <b>2005</b>    | <b>2004</b>    |
|----------------------------------|----------------|----------------|
|                                  | <b>£</b>       | <b>£</b>       |
| <b>Received and receivable</b>   |                |                |
| At 1 April 2004                  | 435,004        | 435,004        |
| At 31 March 2005                 | <u>435,004</u> | <u>435,004</u> |
| <b>Amortisation</b>              |                |                |
| At 1 April 2004                  | 11,058         | 7,372          |
| Credit to profit an loss account | 3,686          | 3,686          |
| At 31 March 2005                 | <u>14,744</u>  | <u>11,058</u>  |
| Net balance at 31 March 2005     | <u>420,260</u> | <u>423,946</u> |

**17 Commitments under operating leases**

At 31 March 2005 the charity had annual commitments under non-cancellable operating lease as set out below.

|                                       | <b>2005</b>                   | <b>2004</b>                   |
|---------------------------------------|-------------------------------|-------------------------------|
|                                       | <b>Land and<br/>Buildings</b> | <b>Land and<br/>Buildings</b> |
|                                       | <b>£</b>                      | <b>£</b>                      |
| <b>Operating leases which expire:</b> |                               |                               |
| Within 2 to 5 years                   | <u>1,708</u>                  | <u>1,708</u>                  |

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**18 Movement in funds**

|                                      | At<br>01-Apr<br>2004<br>£ | Incoming<br>resources<br>£ | Outgoing<br>resources<br>£ | Transfers<br>£  | At<br>31-Mar<br>2005<br>£ |
|--------------------------------------|---------------------------|----------------------------|----------------------------|-----------------|---------------------------|
| <b>Restricted Funds</b>              |                           |                            |                            |                 |                           |
| Restricted donation                  | 346,085                   | -                          | -                          | -               | 346,085                   |
| Training unit development<br>reserve | 50,000                    | -                          | -                          | -               | 50,000                    |
| Media centre                         | -                         | 113,990                    | (112,299)                  | (1,691)         | -                         |
| Enterprise unit                      | -                         | 126,211                    | (123,746)                  | (2,465)         | -                         |
| Local labour project                 | -                         | 35,963                     | (35,963)                   | -               | -                         |
| Training unit                        | -                         | 531,515                    | (436,609)                  | 68,277          | 163,183                   |
| ITU                                  | -                         | 19,712                     | (19,712)                   | -               | -                         |
| CPRU                                 | -                         | 4,856                      | (4,856)                    | -               | -                         |
| Phoenix loan fund                    | -                         | 50,730                     | -                          | -               | 50,730                    |
| Learning skills council (PAX)        | -                         | 50,321                     | (62,618)                   | 12,297          | -                         |
|                                      | <u>396,085</u>            | <u>933,298</u>             | <u>(795,803)</u>           | <u>76,418</u>   | <u>609,998</u>            |
| <b>Unrestricted funds</b>            |                           |                            |                            |                 |                           |
| Charity general funds                | 622,462                   | 847,693                    | (978,492)                  | (76,418)        | 415,245                   |
| Trading subsidiary                   | (38,565)                  | 11,291                     | (25,585)                   | -               | (52,859)                  |
|                                      | <u>583,897</u>            | <u>858,984</u>             | <u>(1,004,077)</u>         | <u>(76,418)</u> | <u>362,386</u>            |
| <b>Total funds</b>                   | <u>979,982</u>            | <u>1,792,282</u>           | <u>(1,799,880)</u>         | <u>-</u>        | <u>972,384</u>            |

The transfer from the charity general funds represents expenditure incurred on the restricted funds during the year.

Restricted donation and training unit development reserve represent amounts donated towards the purchase and development of the freehold property.

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2005**

**19 Analysis of net assets between funds**

|                                      | <b>Tangible<br/>Fixed assets<br/>£</b> | <b>Other<br/>Net assets<br/>£</b> | <b>Total<br/>£</b> |
|--------------------------------------|--|-----------------------------------|--------------------|
| <b>Restricted funds</b>              |  |                                   |                    |
| Restricted donation                  | 346,085                                | -                                 | 346,085            |
| Training unit development<br>reserve | 50,000                                 | -                                 | 50,000             |
| Training unit                        | -                                      | 163,183                           | 163,183            |
| Phoenix loan fund                    | -                                      | 50,730                            | 50,730             |
|                                      | <u>396,085</u>                         | <u>213,913</u>                    | <u>609,998</u>     |
| <b>Unrestricted funds</b>            |  |                                   | -                  |
| Charity general funds                | 113,359                                | 301,886                           | 415,245            |
| Trading subsidiary                   | 452,175                                | (505,034)                         | (52,859)           |
|                                      | <u>565,534</u>                         | <u>(203,148)</u>                  | <u>362,386</u>     |
|                                      | <u>961,619</u>                         | <u>10,765</u>                     | <u>972,384</u>     |

Unrestricted funds of £113,359 are represented by fixed assets. Only £301,886 is therefore available as free reserves.

**20 Company limited by guarantee**

The company is limited by guarantee and as such has no issued share capital. In the event of the event of the company being wound up the liability of the members is limited to £1 each.

**THE CEED (CHARITY) LIMITED**  
**MANAGEMENT INFORMATION**

**YEAR ENDED 31 MARCH 2005**

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The following pages do not form part of the statutory financial statements  
which are the subject of the auditors' report on pages 5 & 6.

**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 MARCH 2005**

| Charity:  | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2005 | Total Funds<br>2004 |
|---|-----------------------|---------------------|---------------------|---------------------|
|   | £                     | £                   | £                   | £                   |
| <b>Incoming resources</b>   |                       |                     |                     |                     |
| Donations   | 979                   | -                   | 979                 | 2,628               |
| <i>Grants Receivable</i>  |                       |                     |                     |                     |
| Bristol C.C - SRB   | -                     | 39,488              | 39,488              | 44,946              |
| Bristol C.C - ESF   | -                     | 29,792              | 29,792              | 28,065              |
| Neighbourhood renewal fund  | -                     | 12,750              | 12,750              | -                   |
| Neighbourhood housing - local labour                                  | -                     | 35,963              | 35,963              | 26,560              |
| Filton college  | -                     | 54,409              | 54,409              | 27,089              |
| Bristol university  | -                     | 9,500               | 9,500               | -                   |
| Phoenix fund  | -                     | 77,169              | 77,169              | 15,371              |
| Phoenix loan fund   | -                     | 50,730              | 50,730              | 75,000              |
| Learning skills council   | -                     | 50,321              | 50,321              | 16,774              |
| Business link   | -                     | -                   | -                   | 14,345              |
| Connexions - learn direct   | -                     | 14,869              | 14,869              | 4,739               |
| Equality project  | -                     | 531,515             | 531,515             | 450,185             |
| Objective 2 (BMB)   | -                     | 26,792              | 26,792              | 33,435              |
| <i>Income from activities in furtherance<br/>of charities objects</i> |                       |                     |                     |                     |
| Traineeships  | 581,299               | -                   | 581,299             | 410,753             |
| Income generation   | 5,989                 | -                   | 5,989               | 7,135               |
| Private students  | 160,856               | -                   | 160,856             | 157,776             |
| <i>Activities in generating funds</i>                                 |                       |                     |                     |                     |
| Room and rental hire  | 83,410                | -                   | 83,410              | 76,802              |
| Other fundraising income  | 11,697                | -                   | 11,697              | 13,115              |
| Bank interest receivable  | 1,073                 | -                   | 1,073               | 2,699               |
| Other income  | 2,390                 | -                   | 2,390               | 2,360               |
| <b>Total incoming resources</b>                                       | <b>847,693</b>        | <b>933,298</b>      | <b>1,780,991</b>    | <b>1,409,777</b>    |

**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 MARCH 2005**

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2005 | Total Funds<br>2004 |
|--|-----------------------|---------------------|---------------------|---------------------|
|  | £                     | £                   | £                   | £                   |
| <b>Resources expended</b>                                    |                       |                     |                     |                     |
| <i>Cost of generating funds</i>                              |                       |                     |                     |                     |
| <b>Fundraising and publicity</b>                             |                       |                     |                     |                     |
| Marketing and advertising                                    | 13,025                | 8,503               | 21,528              | 29,362              |
| Hospitality  | 3,645                 | 782                 | 4,427               | 6,040               |
|  | <u>16,670</u>         | <u>9,285</u>        | <u>25,955</u>       | <u>35,402</u>       |
| <br><i>Charitable expenditure</i>                            |                       |                     |                     |                     |
| <b>Cost of activities in furtherance of charity's object</b> |                       |                     |                     |                     |
| Wages and salaries   | 286,293               | 407,537             | 693,830             | 612,607             |
| College fees and training resources                          | 18,629                | 39,253              | 57,882              | 38,680              |
| Training   | 8,697                 | 3,380               | 12,077              | 5,100               |
| Allowances for trainees                                      | 295,157               | 250,314             | 545,471             | 359,084             |
| Travel and car parking                                       | 2,259                 | -                   | 2,259               | 696                 |
| Conferences, membership and subs                             | 12,319                | -                   | 12,319              | 10,865              |
| Resources  | 2,121                 | 4,174               | 6,295               | 13,381              |
| Room hire  | 16,913                | 196                 | 17,109              | 5,306               |
| Childcare expenses   | 2,002                 | 2,054               | 4,056               |                     |
| Create partnership   | 47,781                | 37,542              | 85,323              | 87,129              |
|  | <u>692,171</u>        | <u>744,450</u>      | <u>1,436,621</u>    | <u>1,132,848</u>    |
| <br><b>Support costs</b>                                     |                       |                     |                     |                     |
| Telephone  | 9,242                 | 858                 | 10,100              | 9,942               |
| Postage, printing and stationery                             | 29,762                | 5,148               | 34,910              | 27,494              |
| Consultancy fees   | 18,156                | 14,266              | 32,422              | 8,215               |
| Heat and light   | 12,887                | 703                 | 13,590              | 7,564               |
| Rates and water  | 26,483                | 1,539               | 28,022              | 26,301              |
| Other office costs   | 36,314                | 3,190               | 39,504              | 28,572              |
| Staff travel and subsistence                                 | 14,395                | 10,303              | 24,698              | 22,803              |
| Depreciation   | 21,021                | 944                 | 21,965              | 18,159              |
|  | <u>168,260</u>        | <u>36,951</u>       | <u>205,211</u>      | <u>149,050</u>      |



**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 MARCH 2005**

|  | Unrestricted<br>Funds | Restricted<br>Funds | Total Funds<br>2005 | Total Funds<br>2004 |
|--|-----------------------|---------------------|---------------------|---------------------|
|  | £                     | £                   | £                   | £                   |
| <b>Management and administration</b>     |                       |                     |                     |                     |
| Office costs                             | 9,078                 | -                   | 9,078               | 7,143               |
| Audit fees                               | 8,600                 | -                   | 8,600               | 7,109               |
| Bank charges                             | 4,188                 | 9                   | 4,197               | 4,018               |
| Professional fees                        | 33,124                | 4,769               | 37,893              | 40,116              |
| Depreciation                             | 5,255                 | -                   | 5,255               | 4,540               |
| Trustee expenses                         | 432                   | -                   | 432                 | -                   |
| Bad debts                                | 39,575                | -                   | 39,575              | -                   |
| Loss on disposal of fixed assets         | 2,242                 | -                   | 2,242               | -                   |
| Other                                    | 13,147                | 339                 | 13,486              | 2,099               |
|  | <u>115,641</u>        | <u>5,117</u>        | <u>120,758</u>      | <u>65,025</u>       |
| <b>Total resources expended</b>          | <u>992,742</u>        | <u>795,803</u>      | <u>1,788,545</u>    | <u>1,382,325</u>    |
| <b>Net incoming/(outgoing) resources</b> | <u>(145,049)</u>      | <u>137,495</u>      | <u>(7,554)</u>      | <u>27,452</u>       |

# THE CEED (CHARITY) LIMITED

## KEY PERFORMANCE INDICATORS

YEAR ENDED 31 MARCH 2005

|   | 2005         | 2004         | 2003         | 2002         | 2001         |
|---|--------------|--------------|--------------|--------------|--------------|
| Total Income  | 1,780,991.00 | 1,409,776.84 | 1,180,380.00 | 1,102,950.00 | 938,741.00   |
| Total Funds   | 970,532.84   | 978,078.69   | 950,627.00   | 1,084,354.00 | 1,042,435.00 |
| Total Investments                                     | n/a          | n/a          | n/a          | n/a          | n/a          |
| Return on investments                                 | n/a          | n/a          | n/a          | n/a          | n/a          |
| Management & administration as % of total income      | 6.78         | 4.61         | 6.00         | 15.52        | 9.84         |
| Management & administration as % of total expenditure | 6.75         | 4.70         | 6.00         | 16.13        | 11.92        |
| Fundraising costs as % of total expenditure           | 1.45         | 2.56         | 1.60         | 0.95         | 1.37         |
| Fundraising costs as % of voluntary income            | 204.76       | 224.87       | 187.67       | #DIV/0!      | #DIV/0!      |
| Number of employees                                   | 18.00        | 18.00        | 18.00        | 11.00        | 8.00         |
| Average salary  | 0.00         | 27,937.67    | 22,497.33    | 24,938.64    | 27,468.75    |
| Payroll costs as % of total income                    | 30.82        | 34.31        | 34.31        | 27.21        | 25.57        |
| Payroll costs as % of total expenditure               | 30.69        | 38.08        | 38.08        | 28.32        | 30.99        |