

THE CEED (CHARITY) LTD
FINANCIAL STATEMENTS
31 MARCH 2001

Company Registration Number 2134522

Charity Number 298844



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COMPANIES HOUSE **04/10/01**

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THE CEED (CHARITY) LTD

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

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THE CEED (CHARITY) LTD

LEGAL AND ADMINISTRATIVE INFORMATION

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:

M Takolia
M Cole
R Griffith
L Goodridge
U Onyechi
P Brookes (resigned - 23 November 2000)
K Smart
B Nwaokobia
A Garnett (resigned - 23 November 2000)
K Rowe (resigned - 23 November 2000)
R Butterworth
B Wallen (resigned - 23 November 2000)
A H Giama
A Wahab (resigned - 23 November 2000)
A Jama (resigned - 23 November 2000)
H Nandwani
M Yazdani
D Dravie-John (appointed - 23 November 2000)
D Mlewa (appointed - 23 November 2000)
E Brooks (appointed - 23 November 2000)
E Maburutse (appointed - 23 November 2000)

Company secretary

R Sefia

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) LTD

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2001

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2001.

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. The Trustees meet bi-monthly as a council of management. The day-to-day affairs of the charity 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.

Regular bi-monthly meetings of the finance/personnel committee headed by the Treasurer, provide full finance reports to the council of management.

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.

Review of developments, activities and achievements

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

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 £275,000 to £549,000 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 £498,443. This is currently at the target level.

THE CEED (CHARITY) LTD

TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2001

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on page 7, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to 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.

Auditors

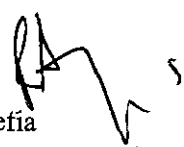
A resolution to re-appoint Burton Sweet as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Signed by order of the trustees


R Sefia
Company secretary

Approved by the trustees on 25/9/01

THE CEED (CHARITY) LTD

AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2001

We have audited the financial statements on pages 5 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

As described on pages 2 to 3, the trustees (who also act as Trustees for the charitable activities of the company) are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with 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 judgements made 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.

OPINION

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 March 2001 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Burton Sweet

Thornton House
Richmond Hill
Clifton Bristol
BS8 1AT

BURTON SWEET
Chartered Accountants
& Registered Auditors

27.4.01

THE CEED (CHARITY) LTD

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 MARCH 2001

| | Note | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2001 £ | Total Funds 2000 £ |
|--|------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOMING RESOURCES | | | | | |
| Grants receivable | 2 | 456,177 | 34,921 | 491,098 | 449,057 |
| <i>Activities in furtherance of the charity's objects:</i> | | | | | |
| Traineeships | | 378,135 | - | 378,135 | 257,716 |
| Income generation | | 128,805 | - | 128,805 | 136,177 |
| Interest receivable | | 8,586 | - | 8,586 | 10,417 |
| Other income | | 96,326 | - | 96,326 | 85,374 |
| TOTAL INCOMING RESOURCES | | <u>1,068,029</u> | <u>34,921</u> | <u>1,102,950</u> | <u>938,741</u> |
| RESOURCES EXPENDED | | | | | |
| <i>Costs of generating funds:</i> | | | | | |
| Fundraising and publicity | 3 | 10,107 | - | 10,107 | 10,575 |
| <i>Charitable expenditure:</i> | | | | | |
| Costs of activities in furtherance of charity's objects | 4 | 728,521 | 34,921 | 763,442 | 603,888 |
| Support costs | 5 | 116,322 | - | 116,322 | 67,566 |
| Management and administration | 6 | 171,160 | - | 171,160 | 92,343 |
| TOTAL RESOURCES EXPENDED | 7 | <u>1,026,110</u> | <u>34,921</u> | <u>1,061,031</u> | <u>774,372</u> |
| NET INCOME FOR THE YEAR | | 41,919 | - | 41,919 | 164,369 |
| Balances brought forward | | 646,350 | 396,085 | 1,042,435 | 878,066 |
| Balances carried forward | | <u>688,269</u> | <u>396,085</u> | <u>1,084,354</u> | <u>1,042,435</u> |

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 7 to 12 form part of these financial statements.

THE CEED (CHARITY) LTD

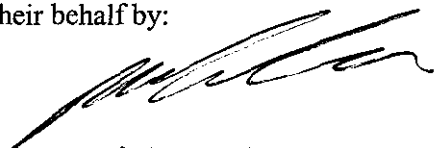
BALANCE SHEET

31 MARCH 2001

| | Note | 2001 £ | 2000 £ |
|---|------|------------------|------------------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 585,911 | 563,887 |
| CURRENT ASSETS | | | |
| Stocks | 11 | 10,167 | 6,178 |
| Debtors | 12 | 254,712 | 332,985 |
| Cash at bank and in hand | | 294,082 | 216,067 |
| | | <u>558,961</u> | <u>555,230</u> |
| CREDITORS: Amounts falling due within one year | 13 | <u>(60,518)</u> | <u>(76,682)</u> |
| NET CURRENT ASSETS | | 498,443 | 478,548 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>1,084,354</u> | <u>1,042,435</u> |
| FUNDS | | | |
| Unrestricted | | 688,269 | 646,350 |
| Restricted | 15 | 396,085 | 396,085 |
| | | <u>1,084,354</u> | <u>1,042,435</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 20/9/01 and are signed on their behalf by:


Martin Cole.

A-H Giama

The notes on pages 7 to 12 form part of these financial statements.

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

1. Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities issued in October 2000.
- b) Income from donations is included in 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-conditions have been met.
- c) Grants are recognised within the accounts as they become receivable/payable. All material grants are disclosed in accordance with the Statement of Recommended Practice.
- d) Resources expended are recognised in the period in which they are incurred.
- e) 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% |

- f) 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:

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.

- g) 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.
- h) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.
- i) Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- j) 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.
- k) Stock is included at the lower of cost and net realisable value

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

2. Grants receivable

| | 2001 £ | 2000 £ |
|--|----------------|----------------|
| SRB Funding | 388,800 | 383,327 |
| National Lottery Charities Board | 34,921 | 45,315 |
| Neighbourhood Support Fund | 20,152 | - |
| Gateway Fund | 47,225 | - |
| Equalities & Community Development Committee (BCC) | - | 6,071 |
| Audio Dynamo | - | 14,344 |
| | <u>491,098</u> | <u>449,057</u> |

3. Fundraising and publicity

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2001 £ | Total Funds 2000 £ |
|---------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Training | 1,809 | - | 1,809 | 2,572 |
| Marketing and advertising | 8,298 | - | 8,298 | 8,003 |
| | <u>10,107</u> | <u>-</u> | <u>10,107</u> | <u>10,575</u> |

4. Costs of activities in furtherance of charity's objects

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2001 £ | Total Funds 2000 £ |
|-------------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Salaries and wages | 265,570 | 34,921 | 300,491 | 239,994 |
| College fees and training resources | 58,000 | - | 58,000 | 32,570 |
| Training | 5,639 | - | 5,639 | 6,443 |
| Allowances for trainees | 382,154 | - | 382,154 | 310,942 |
| Travel and car parking | 9,459 | - | 9,459 | 7,979 |
| Child care | 1,245 | - | 1,245 | 1,885 |
| Resources | 6,454 | - | 6,454 | 4,075 |
| | <u>728,521</u> | <u>34,921</u> | <u>763,442</u> | <u>603,888</u> |

5. Support costs:

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2001 £ | Total Funds 2000 £ |
|--------------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| Telephone | 10,679 | - | 10,679 | 12,143 |
| Postage, stationery & printing | 18,551 | - | 18,551 | 12,868 |
| Consultancy fees | 78,473 | - | 78,473 | 38,579 |
| Heat & light | 8,447 | - | 8,447 | 3,102 |
| Rates and water | 172 | - | 172 | 874 |
| | <u>116,322</u> | <u>-</u> | <u>116,322</u> | <u>67,566</u> |

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

6. Management and administration

| | Unrestricted Funds | Restricted Funds | Total Funds 2001 | Total Funds 2000 |
|-----------------------------|-----------------------|---------------------|---------------------|---------------------|
| | £ | £ | £ | £ |
| Office costs | 153,503 | - | 153,503 | 71,052 |
| Audit fees | 4,176 | - | 4,176 | 2,938 |
| Costs of trustees' meetings | - | - | - | 5,727 |
| Interest payable | 2,184 | - | 2,184 | 2,086 |
| Other | 11,297 | - | 11,297 | 10,540 |
| | <u>171,160</u> | <u>-</u> | <u>171,160</u> | <u>92,343</u> |

7. Net incoming resources for the year

This is stated after charging:

| | 2001 | 2000 |
|--------------------------------------|----------|----------|
| | £ | £ |
| Depreciation | 17,739 | 13,900 |
| Audit fees | 4,176 | 2,938 |
| Trustees' remuneration | - | - |
| Payment of trustees' travel expenses | - | - |
| | <u>-</u> | <u>-</u> |

8. The aggregate payroll costs were:

| | 2001 | 2000 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 274,325 | 219,750 |
| Social security costs | 26,166 | 20,244 |
| | <u>300,491</u> | <u>239,994</u> |

Particulars of employees:

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

The average number of staff employed by the charity during the financial year amounted to:

| | 2001 | 2000 |
|--------------------------------|-----------|----------|
| | No. | No. |
| Number of administrative staff | 5 | 3 |
| Number of management staff | 3 | 3 |
| Number of technical staff | 3 | 2 |
| | <u>11</u> | <u>8</u> |

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

9. Taxation

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

10. Tangible fixed assets

| | Land and buildings £ | Other plant & machinery etc. £ | Total £ |
|-------------------------|----------------------------|--------------------------------------|----------------|
| COST | | | |
| At 1 April 2000 | 479,383 | 165,968 | 645,351 |
| Additions | 1,106 | 38,657 | 39,763 |
| At 31 March 2001 | <u>480,489</u> | <u>204,625</u> | <u>685,114</u> |
| DEPRECIATION | | | |
| At 1 April 2000 | - | 81,464 | 81,464 |
| Charge for the year | - | 17,739 | 17,739 |
| At 31 March 2001 | <u>-</u> | <u>99,203</u> | <u>99,203</u> |
| NET BOOK VALUE | | | |
| At 31 March 2001 | <u>480,489</u> | <u>105,422</u> | <u>585,911</u> |
| At 31 March 2000 | <u>479,383</u> | <u>84,504</u> | <u>563,887</u> |

11. Stocks

| | 2001 £ | 2000 £ |
|-------|---------------|--------------|
| Stock | <u>10,167</u> | <u>6,178</u> |

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

12. Debtors

| | 2001 £ | 2000 £ |
|------------------------------------|----------------|----------------|
| Trade debtors | 146,516 | 163,786 |
| Amounts owed by group undertakings | 51,117 | 36,866 |
| Grants receivable | 24,851 | 48,956 |
| Other debtors | 32,228 | 83,377 |
| | <u>254,712</u> | <u>332,985</u> |

Included in other debtors is a figure of £21,724 (2000: £69,578) relating 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.

13. Creditors: Amounts falling due within one year

| | 2001 £ | 2000 £ |
|--------------------------|---------------|---------------|
| Trade creditors | 858 | 20,200 |
| PAYE and social security | 6,150 | 6,838 |
| Other creditors | 178 | 4,799 |
| Deferred income | 45,120 | 37,108 |
| Accruals | 8,212 | 7,737 |
| | <u>60,518</u> | <u>76,682</u> |

14. Commitments under operating leases

At 31 March 2001 the charity had annual commitments under non-cancellable operating leases as set out below.

| | Assets other than land and buildings | |
|---------------------------------------|---|--------------|
| | 2001 £ | 2000 £ |
| Operating leases which expire: | | |
| Within 2 to 5 years | <u>1,708</u> | <u>1,708</u> |

15. Restricted funds

| | £ |
|------------------|----------------|
| Restricted Funds | <u>396,085</u> |

There have been no movements on restricted funds during the year ended 31 March 2001. Restricted funds represent grants from the National Lottery Charities Board.

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2001

16. Analysis of net assets between funds

| | Tangible fixed assets | Other net assets | Total |
|--------------------|--------------------------|---------------------|------------------|
| | £ | £ | £ |
| Restricted funds | 396,085 | - | 396,085 |
| Unrestricted funds | 189,826 | 498,443 | 688,269 |
| | <u>585,911</u> | <u>498,443</u> | <u>1,084,354</u> |

17. Related party transactions

Centre for Employment and Enterprise Development Limited, a company limited by guarantee, forms the trading arm for the charity. The managing director and two of the Trustees serve on the Board of Directors of the trading company. The charity was charged by the trading company £16,848 (2000: £16,848) in respect of property rent during the year and charged the trading company management charges of £nil (2000: £nil). At the balance sheet date Centre for Employment and Enterprise Development Limited owed the charity £51,117 (2000: £36,866).

18. Company limited by guarantee

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