

**THE PRE-RETIREMENT ASSOCIATION**  
(Limited by guarantee and operating as Life Academy)

**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2010**

**Company Number: 2194800**  
**Charity Number: 801246**

**CMB Partnership**  
**Chartered Accountants**  
**Chapel House**  
**1 Chapel Street**  
**Guildford**  
**Surrey GU1 3UH**

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**THE PRE-RETIREMENT ASSOCIATION**

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**ENDED 31 MARCH 2010**

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## **THE PRE-RETIREMENT ASSOCIATION**

### **Legal and Administrative Information**

#### **BOARD OF TRUSTEES**

A M Pickering, CBE (Chairman)  
S H C Baynes  
A J Bennet  
R H Bridges  
R Collinge  
T B J Crossley  
P A Green (Retired 17 11 09)  
A J Munro  
P J Scales, OBE  
T H Taylor  
T M Yudin (appointed 20 01 10)

#### **SECRETARY**

S N Martin, RD

#### **CHIEF EXECUTIVE**

G S Royston

#### **REGISTERED OFFICE**

9 Chesham Road  
GUILDFORD  
Surrey GU1 3LS

#### **AUDITORS**

Paul Martin – Senior Statutory Auditor  
C M B Partnership  
Statutory Auditors  
Chapel House  
1 Chapel Street  
GUILDFORD  
Surrey GU1 3UH

#### **SOLICITORS**

Thomas Eggar  
76 Shoe Lane  
LONDON EC4A 3JB

#### **BANKERS**

HSBC  
12A North Street  
GUILDFORD  
Surrey GU1 4AF

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## **THE PRE-RETIREMENT ASSOCIATION**

### **STANDING COMMITTEE**

#### **PROFESSIONAL INSTITUTE BOARD**

W Tyler (Chair)  
M Bloomfield  
P M Cattley  
H D Gilbert  
B King  
W J Koch  
A M Pickering  
Dr C H A Syms  
A Withnall

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

The Trustees present their report and the audited financial statements for the charity for the year ended 31 March 2010

#### **CONSTITUTION**

The Pre-Retirement Association (PRA) is a registered charity under the Charities Act 1993 and a company limited by guarantee. It is governed by its Memorandum and Articles of Association. Charity registration number 801246. Company registration number 2194800.

In November 2005 the charity adopted the working title of 'Life Academy'.

On a winding up of the company, every member of the company can be required to contribute an amount not exceeding £1.

Legal and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements and with the requirements of the Memorandum and Articles of Association of the charity. The Trustees have adopted the provisions set forth in the Statement of Recommended Practice for Charities (SORP 2005) issued in March 2005.

#### **OBJECT OF THE CHARITY**

The principal object of the charity is the provision of education, planning and support services for those preparing for retirement from full time employment and to act as the national focus for the development of this pre-retirement education, mid-life planning and life planning work.

#### **ORGANISATION**

A Board of Trustees, of up to twelve members, meets quarterly to administer the charity. The Board approved the 5 year Business Plan and vision for the charity. The Board also approves the annual Budget and activities for the coming year and receives a quarterly report on performance and achievements. The Board determines the financial strategy and takes major financial decisions. A Chief Executive is appointed by the Trustees to manage the operations of the charity.

#### **APPOINTMENT OF TRUSTEES**

The Board of Trustees is responsible for the appointment of new Trustees. The Board identifies the knowledge and experience required of a new Trustee and makes an appropriate search for an appropriate individual who meets the criteria. The person identified joins the Board at the invitation of the Board of Trustees and submits himself/herself for election by the members at the next Annual General Meeting. During the year the Board of Trustees invited Tim Yudin to join the Board and he will submit himself for election at the Annual General Meeting. Penny Green retired from the Board in November 2009.

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

#### **INVESTMENT POWERS**

Under the Memorandum of Association, the Board of Trustees has power to make investments as may be thought fit, subject to conditions laid down by law. The Endowment Fund investment was made in compliance with the donor's wishes and will not be varied unless very strong reasons to change were to prevail.

For other investments it is the policy to maintain value in "real" terms over a medium term period, yet recognising market movements in the UK All Share Index. A spread of risk over three Unit Trusts is considered adequate for the sum involved, whilst the level of income is subordinate to the main purpose. The market value of the investments increased during the year reflecting a similar improvement in the UK Share Index.

#### **RELATED PARTNERS**

There are a number of affiliated Local Associations, who are members of the Association. They are independent organisations governed by their own constitutions. During the year the charity was an Associated Institution of the University of Surrey. The University validated some of the charity's educational courses. In February 2010 Kingston University accredited our MSc programme as part of our planned transfer of accreditation from University of Surrey to Kingston University. The accreditation by University of Surrey expires on 31 August 2010. The charity is in receipt of funding from the Department for Business, Innovation and Skills to raise and maintain standards in life and retirement planning.

#### **OBJECTIVES AND ACTIVITIES; ACHIEVEMENTS AND PERFORMANCE**

In April 2004 the Trustees conducted a strategic review of the charity. They concluded that the need for the provision of education, planning and support services for those preparing for retirement had never been greater and the charity had knowledge and expertise that should be made available more widely. The Trustees approved the Business Plan in February 2005 that used the Trustee's review as the basis and recognised the demographic drivers of change and the changing nature of retirement, retirement planning, pensions and work for older workers.

The Business Plan set out a strategy to broaden the range of activities in which the charity was engaged to reflect these changes, to raise the profile and reach of the charity so that more individuals would benefit from its knowledge and expertise, and to achieve the necessary increase in income to provide financial stability for the charity. 2009/2010 was the fifth year of the new strategy.

In order to reflect the broader range of work on which the charity was engaged the Trustees determined the charity should adopt the new working title of Life Academy. The new working title was adopted in November 2005.

The Trustees reviewed the Business Plan and overall strategy in November 2006 and February 2007. The Trustees concluded that the broad strategy and philosophy of the Business Plan remain valid and intact and that going forward the key activity was to raise the brand awareness and profile of Life Academy and continue to grow our activities and income. For 2009/10 the Trustees set a Budget that sought to retain a neutral cash position over the year.

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

The long term financial objective of the 2005 Business Plan was to increase unrestricted income fourfold over a three to five year period so that total income reached some £1½ million. This objective was achieved in 2008/09. At that stage the "credit crunch" had not seriously impacted on the charity. During 2009/10 however we felt the impact of the recession. Employers reduced discretionary expenditure and the financial services sector with which we have strong relationships was particularly under pressure. Never was the need for our services greater and never was the ability of clients to pay for it lower. In addition to the pressures from the recession we also felt the impact of reductions in government expenditure. These reductions have of course continued at an increased pace in the current financial year as the Coalition Government addressed the public sector deficit. It was not surprising the income of the charity fell back during 2009/10 and it was against this background that the Board of Trustees held a strategic "away day" in January 2010 to consider the strategic direction of the charity. A sub group of Trustees volunteered to specifically help with the consideration of our strategic options and this work continues.

During the year we continued to deliver the post graduate programme in Mid Life, Pre-Retirement and Life Planning and we were grateful to the Department for Business, Innovation, and Skills for their continued support. We also delivered open and in-house pre-retirement and retirement planning courses. In addition to meeting the needs of our own expanding client base we worked in partnership with Friends Provident, Standard Life, Punter Southall, Aon Consulting and Farnham Castle. We were pleased to extend our relationship to include AXA who are to introduce a programme of seminars in 2010/11, and Hays Career Transitions with whom we shall also be working in 2010/11.

As a result of our involvement with the Department of Business, Innovation and Skills learning Revolution we have arranged to deliver pre-retirement courses through Kent Adult Education Services and Morley College. These are included in the 2010/11 academic year and we hope these courses will enable us to deliver to individuals who would not otherwise benefit. At the end of the 2009/10 financial year the development with Friends Provident of an on-line pre-retirement course was completed. This is an exciting development that opens up the possibility for more individuals to benefit from pre-retirement education. It is particularly suitable for very large employers who are not able to provide face to face courses and employers with dispersed workforce. Early indications are that the course has been well received in the market place.

Our relationship with The Oddfellows has grown. We had a positive response to the holistic retirement concept during the testing phase in 2009/10. A trade association and pension provider are piloting the service with the intention of including it as a part of their portfolio of services to their members.

We were pleased to win funding from HMRC to continue the development of the electronic tax support network for guidance and advice staff in the voluntary sector and to run tax workshops for a further 160 staff and volunteers in the voluntary sector providing advice and guidance to their end users. The outcome of the tax workshops was very satisfactory. The evaluation again showed there was a lack of knowledge and understanding of tax issues and only a very small minority of advisers believing they could provide effective support to their end users on taxation issues. As a result of the workshops the knowledge and understanding of participants increased significantly. Before the workshops 24% had a good or very good understanding of the 10 taxation issues whereas after the workshops 87% had a good or very good understanding and 85% felt well or very well equipped to support their end users compared with 19% at the commencement of the workshop.

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

We completed the first stage of the commission from BIS to take forward the pre-retirement work from the two 2009 White Papers "The Learning Revolution" and "Building a Society for all Ages"

During the year we started work with Careers Development Group to enhance the resilience, self esteem and status of long term unemployed adults so that they were better able to approach the labour market This went well and has now become a regular ongoing input

At the end of 2009/10 we learned that a bid to the European Social Fund was successful We will be working on a project with Polish and Italian partners to export our knowledge of the difficulties faced by workers aged 50+ in finding work and how they can more effectively approach the labour market The project is based in the Greater Poland region where the unemployment rate for 50+ workers is 30%

We worked with the social services professionals at the Royal Borough of Kensington and Chelsea to research and develop a financial education workbook for those in receipt of personal budgets This task is continuing into 2010/11 and should be finished in the Autumn of 2010 A project we started with Standard Life will also come to fruition later in 2010 This is entitled "Everyone needs a Plan" and illustrates the need for everyone to have a life and financial plan

### **RISK MANAGEMENT**

The Board of Trustees undertakes periodic reviews of the major risks which face the charity A major part of the General Fund is required to finance the premises from which the charity conducts its affairs, so the level of its remaining free General Funds calls for regular review A major source of its funds is from the Department for Business, Innovation and Skills for the training and development activities, this grant is subject to a review by them each year

### **FINANCIAL REPORT FOR THE YEAR**

The financial outcome for the year reflected the recessionary headwinds that the charity experienced and the tighter financial conditions in Government funding for the voluntary sector and in the financial services sector Our income fell back some 20% and this resulted in an excess of expenditure over income The deficit however was contained and broadly within our amortisation and depreciation so that we were broadly cash neutral

The investments of the charity made gains following the rise in the stock market and there was an unrealised gain for the year on investments of £6,134 on Unrestricted Funds and there was an unrealised gain for the year on investments of £7,705 on Restricted Funds In accordance with the SORP, the amount of the Designated Reserve for Fixed Assets has been increased by a transfer of £2,118 from the General Fund to provide a total deficit of £5,787 The amount remaining to be carried forward on the General Fund becomes a surplus of £8,088



## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

It is with sadness that we record the death of Professor Alastair Heron who made a generous bequest to the charity during this lifetime. The Board of Trustees decided that the amount available from the Alastair Heron Endowment Fund should be used as part of the "matched funding" for the European projects to research intergenerational working amongst nurses in the health sector and to research an age diversity tool-kit programme.

On restricted funds there was no balance to be carried forward.

### **RESERVES POLICY**

The Board of Trustees has reviewed its policy on reserves to be held. In broad terms it wishes to generate reserves firstly to cover the capital payment terms, over time, of its property mortgage and then to have cover for some six to nine months operating expenses. However during the strategic review it was recognised that the value of the property was an asset which could support the funding of the increased level of activity and the Trustees subsequently adopted the policy.

### **TRUSTEES**

The directors of the Charitable Company are its Trustees for the purpose of Charity Law. The Trustees Report is therefore also a Directors Report under Section 417 of the Companies Act 2006. If continuing in office, the Trustees come forward every third year for re-election at the Annual General Meeting. New trustees are nominated by the existing Board of Trustees, though there is a right for two members of the Association to propose a person as a Trustee, having given due notice thereof.

The members of the Board of Trustees for the period under review are listed on Page 2 of these Financial Statements.

The Trustees retiring by rotation are Mr S Baynes, Mr A Bennet, Mr T Crossley and Ms A Munro who, being eligible, offer themselves for re-election.

The Trustees received no remuneration other than expenses incurred on the business of the Charity. Expenses reimbursed to Trustees are reported in Note 4 to the accompanying Financial Statement.

### **RESPONSIBILITIES OF THE TRUSTEES**

The Charity's Trustees are responsible for preparing the Annual Report and financial Statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

## **THE PRE-RETIREMENT ASSOCIATION**

**Company number: 2194800**

### **REPORT 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 Company and its financial activities for that period. In preparing financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards and statement of recommended practice have been followed subject to any material departures disclosed and explained in the accounts,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company 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 Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **PUBLIC BENEFIT STATEMENT**

The Trustees are satisfied that they have complied with the duty in section 4 of the Charities Act 2006 to have regard to the public benefit guidance published by the Charity Commission.

### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**


The Trustees confirm that so far as they are aware, there is no relevant audit information of which the Charity's auditors are unaware. They have taken all the steps they ought to have taken as Trustees to make themselves aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

### **AUDITORS**

The auditors, C M B Partnership, Chartered Accountants, will be proposed for re-appointment in accordance with the Companies Act 2006.

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies.

Approved on behalf of the Board



Secretary

Date 11 August 2016

## **THE PRE-RETIREMENT ASSOCIATION**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRE-RETIREMENT ASSOCIATION**

We have audited the financial statements of The Pre-Retirement Association for the year ended 31 March 2010 on pages 12 to 21. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's members, as a body, in accordance with Sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

The trustees (who are also the directors of The Pre-Retirement Association for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all of the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read other information contained in the Trustees' Annual Report, and 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.

**THE PRE-RETIREMENT ASSOCIATION**

**Company number: 2194800**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE PRE-RETIREMENT ASSOCIATION (continued)**

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland), issued by the Auditing Practices Board. An audit includes an 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.

**Opinion**

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure for the year then ended,
- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

*CMB Partnership*

Paul Martin – Senior Statutory Auditor  
For and on behalf of CMB Partnership – Statutory Auditors  
Chapel House  
1 Chapel Street  
Guildford  
Surrey GU1 3UH

Date 11 August 2010

THE PRE-RETIREMENT ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2010 £	Total Funds 2009 £
<b><u>INCOMING RESOURCES</u></b>						
Voluntary income						
Training and Development			78,000		78,000	78,000
-Government Grants					216	75
General Donations		216				
Incoming resources from charitable activities						
Training courses projects and other income		312,412			312,412	422,934
Investment Income		964		437	1,401	1,608
<b>Total incoming resources</b>	<b>2</b>	<b>313,592</b>	<b>78,000</b>	<b>437</b>	<b>392,029</b>	<b>502,617</b>
<b><u>RESOURCES EXPENDED</u></b>						
Charitable activities						
-Training courses and projects		164,454	78,000		242,454	316,226
-Support costs		110,654			110,654	114,839
Governance costs		55,102			55,102	70,529
<b>Total resources expended</b>	<b>3</b>	<b>330,210</b>	<b>78,000</b>	<b>0</b>	<b>408,210</b>	<b>501,594</b>
<b>Net income /(expenditure) for the year</b>		<b>-16,618</b>	<b>0</b>	<b>437</b>	<b>-16,181</b>	<b>1,023</b>
Other recognised gains/(losses)						
Unrealised gains /(losses) on investments	<b>9</b>	6,134	0	7,705	13,839	-15,553
<b>Net incoming /(outgoing) resources for the year before transfers</b>		<b>-10,484</b>	<b>0</b>	<b>8,142</b>	<b>-2,342</b>	<b>-14,530</b>
<b>Transfers between funds</b>	<b>16</b>	<b>7,322</b>	<b>0</b>	<b>-7,322</b>	<b>0</b>	<b>0</b>
<b>Net incoming /(outgoing) resources for the year after transfers</b>		<b>-3,162</b>	<b>0</b>	<b>820</b>	<b>-2,342</b>	<b>-14,530</b>
<b>Fund balances brought forward at 1st April</b>		<b>164,063</b>	<b>0</b>	<b>22,057</b>	<b>186,120</b>	<b>200,650</b>
<b>Fund balances carried forward at 31st March</b>	<b>16 &amp; 17</b>	<b>160,901</b>	<b>0</b>	<b>22,877</b>	<b>183,778</b>	<b>186,120</b>

The Statement of Financial Activities gives the equivalent information to an Income and Expenditure Account and, accordingly, no separate Income and Expenditure Account has been produced

All the Incoming Resources and Resources Expended were from continuing operations

The Charity has no recognised gains and losses other than those dealt within the Statement of Financial Activities

The notes on pages 14 to 21 form part of these financial statements

THE PRE-RETIREMENT ASSOCIATION

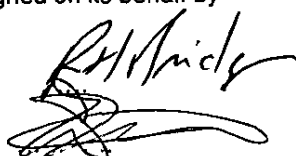
Company number: 2194800

**BALANCE SHEET AS AT 31 MARCH 2010**

	Notes	2010 £	2009 £
<b>FIXED ASSETS</b>			
Intangible assets	7	5,337	16,017
Tangible assets	8	317,882	318,998
Investments	9	45,650	31,374
		<u>368,869</u>	<u>366,389</u>
<b>CURRENT ASSETS</b>			
Debtors	11	58,308	60,689
Short term deposits		142	7,147
Cash at bank and in hand		15,913	34,274
		<u>74,363</u>	<u>102,110</u>
<b>CURRENT LIABILITIES</b>			
Creditors Amounts falling due within one year	12	-101,437	-114,665
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>-27,074</u>	<u>-12,555</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>341,795</u>	<u>353,834</u>
Creditors Amounts falling due after more than one year	14	-158,017	-167,714
<b>NET ASSETS</b>		<u>183,778</u>	<u>186,120</u>
<b><u>FUNDS</u></b>			
<b>Unrestricted funds</b>			
Designated Fund - Revaluation Reserve		158,600	158,600
Designated Fund - Fixed Assets		-5,787	-7,905
General Fund		8,088	13,368
	16	<u>160,901</u>	<u>164,063</u>
Restricted Funds	16	0	0
Expendable Endowment Fund	16	22,877	22,057
<b>TOTAL FUNDS</b>	17	<u>183,778</u>	<u>186,120</u>

The financial statements have been prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved  
by the Board of Trustees on 11 August 2010 and  
signed on its behalf by



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## THE PRE-RETIREMENT ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

#### **1 ACCOUNTING POLICIES**

##### **1.1 BASIS OF ACCOUNTING**

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of freehold property and investments. Freehold property is now shown at valuation as the Trustees consider that this reflects the current value of the property. The accounts are prepared in accordance with the Statement of Recommended Practice for Charities (SORP 2005) issued in March 2005 and the Companies Act 2006.

##### **1.2 FUNDS**

The PRA received grants towards specific courses and projects which are treated as restricted funds.

The PRA received a donation from Professor Alastair Heron, which now forms the Expendable Endowment "Alastair Heron Research Fund". The donation of £20,000 is held in the F & C Stewardship Growth Accumulation Fund and the Trustees may from time to time realise amounts from income or gains in the valuation of the units, to fund the participation of the PRA in research projects which are not otherwise fully funded. In the year to 31 March 2010, the Fund was utilised in partially funding two European projects for an amount of £7,322 and after investment income of £437 and unrealised gains of £7,705, the balance carried forward on the fund was £22,877.

In accordance with the latest SORP, the balance held in General Funds, is subdivided as follows -

1 Designated Reserve - Fixed Assets and Revaluation. This is comprised of the net book value based on historic costs of the intangible and tangible assets, held in goodwill, re-branding costs, property and equipment. The property is shown at the revaluation less the total sum outstanding at the balance sheet date on the mortgage for the property. The surplus on revaluation is shown in the Revaluation Reserve.

2 General fund. This being the remainder of that fund that has not been utilised for the designated reserve.

The PRA reviews all incoming resources to determine whether any funds should be treated as restricted.

##### **1.3 INCOMING RESOURCES**

Grants are received from Government departments to provide funds for specific purposes and projects. These are accounted for on an accruals basis.

Donations represent income for specific projects and general purposes. This is accounted for on a received basis.

Incoming resources from training courses, projects and the sale of publications is accounted for on an accruals basis.

Annual income on licence fees for the use of our materials is recognised immediately when invoiced, as this reflects the up front work and benefit to the client from the outset.

Subscriptions from members are accounted for on an accruals basis.

Any income received in advance is shown within deferred income.

Investment income represents interest received on cash held on deposit and dividends receivable, including recoverable Income Tax on listed investments. This is accounted for on a receivable basis.

## THE PRE-RETIREMENT ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

#### **1 ACCOUNTING POLICIES - continued**

##### **1.4 RESOURCES EXPENDED**

Costs expended on Charitable activities is analysed as follows

- 1 Training courses and projects, represents the direct costs incurred on running the courses and projects and is accounted for on an accruals basis
- 2 Support costs, representing the cost of the staff supporting the work on training courses and projects, together with the related costs of accommodation and services. Where costs need to be allocated between 'Support' and 'Governance costs' it has been done on the basis of the respective estimated staff time. Support costs allocated to restricted funds has been done in accordance with the terms agreed with the provider of the funds. The expenditure is accounted for on an accruals basis
- 3 Governance costs, represents those costs which can be directly related thereto, together with its share of allocated costs on the basis explained above. The expenditure is accounted for on an accruals basis

##### **1.5 INTANGIBLE FIXED ASSETS -**

###### **Re-branding**

In 2005 the Board of Trustees felt that the current name did not fairly represent the wide range of activities carried out by the Pre-Retirement Association. Approval was given to appoint a firm of marketing consultants to recommend a name more in accordance with the range of activities and to produce a new logo and design templates. The re-branding costs of £53,395 incurred during the year ended 31 March 2006 also included legal costs to protect the title and the design costs of a web site in the new brand. The Trustees agreed to write off the total cost over five years.

##### **1.6 TANGIBLE FIXED ASSETS**

The freehold premises is shown at valuation following a professional valuation given in July 2006 with an estimated market value of £315,000. Other fixed assets are shown at cost less accumulated depreciation.

##### **1.7 DEPRECIATION**

Depreciation is charged at the following rates -

Freehold land and buildings	no charge
Computer equipment	25% and 33% on a straight line basis
Other plant and equipment	10% on a straight line basis

##### **1.8 PENSIONS**

The company operates a defined contribution scheme. Contributions are charged on an accruals basis.

##### **1.9 UNPAID VOLUNTEERS**

The Trustees were all unpaid for their time on PRA's affairs during the year. The Statement of Financial Activities does not include any notional value for their services.

##### **1.10 INDEMNITY INSURANCE**

The PRA has a 'Professional Indemnity' insurance policy which covers trustees, permanent staff, temporary staff and invited speakers in connection with speeches delivered at a meeting or function organised by the PRA. It further covers speakers of the PRA in connection with speeches delivered at a meeting or function not organised by the PRA. It is the firm and clear policy of the PRA not to provide financial advice. The cost of the policy for the year 2010 was £731 (2009 £719).

##### **1.11 INVESTMENTS**

The investments are those listed on the UK Stock Exchange and are stated at their market value. Any change in the market value within the year is included within unrealised gains or losses on investments.



THE PRE-RETIREMENT ASSOCIATION

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

**2 INCOMING RESOURCES**

	2010 £	2009 £
<b>2.1 Restricted Funds</b>		
The following Grants, Donations and Other Income were received during the year		
Department for Innovation, Universities and Skills	78,000	78,000
	<u>78,000</u>	<u>78,000</u>
<b>2.2 Unrestricted Funds</b>		
The Income for the year on unrestricted fund was		
Training courses	123,809	109,102
Projects	171,047	292,490
Publications	9,096	10,770
Subscriptions	8,460	10,140
Sundries	0	432
	<u>312,412</u>	<u>422,934</u>
<b>2.3 Investment Income</b>		
Interest receivable	349	375
Dividends received from Unit Trusts	<u>1,052</u>	<u>1,233</u>
	<u>1,401</u>	<u>1,608</u>
The investment income comprised		
Endowment Fund - A Heron	437	683
General Fund	<u>964</u>	<u>925</u>
	<u>1,401</u>	<u>1,608</u>

THE PRE-RETIREMENT ASSOCIATION

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

3 **RESOURCES EXPENDED**

	2010 £	2009 £
3 1 The expenditure for the year is stated after charging		
Auditors remuneration	2,000	1,950
Depreciation	1,116	1,969
Amortisation - Re-branding	10,680	10,679
Loss on disposal of fixed assets	0	173
Mortgage interest	5,135	11,669
Operating lease	2,164	2,145

3 2 **Analysis of expenditure**

	Training courses & Projects £	Support costs £	Governance costs £	Total 2010 £	Total 2009 £
Staff Costs	87,221	78,572	26,045	191,838	183,837
Directly chargeable costs	155,233	0	0	155,233	235,361
Building costs	0	10,713	3,764	14,477	17,638
Post, telephone, printing & stationery	0	16,193	5,689	21,882	28,727
Professional charges	0	0	2,000	2,000	1,950
Mortgage interest	0	0	5,135	5,135	11,669
Depreciation/amortisation	0	826	10,970	11,796	12,821
Other costs	0	4,350	1,499	5,849	9,591
	<u>242,454</u>	<u>110,654</u>	<u>55,102</u>	<u>408,210</u>	<u>501,594</u>

The basis of allocation of costs is explained in note 1 4

4

**Trustees Remuneration**

The Trustees received no remuneration in the year

	2010 £	2009 £
Out of pocket expenses were reimbursed to Trustees for travel costs incurred on the PRA's activities		
1 Trustee in 2010 (1 Trustee in 2009)	<u>22</u>	<u>44</u>

5

5 1 **Staff Costs**

	2010 £	2009 £
Wages & Salaries	172,762	166,685
Social Security Costs	16,992	15,489
Pension Costs	2,084	1,663
	<u>191,838</u>	<u>183,837</u>

One employee received remuneration within the band of £60,000 to £70,000 (2009 was 1)  
No other employee received remuneration in excess of £60,000

Average number of employees for the year was 5 (2009 was 5)

**Pension Costs**

- 5 2 The PRA operates a defined contribution pension scheme for its staff  
The assets of the scheme are held separately from those of the PRA  
in an independently administered fund. Contributions are as noted in 5 1  
above, and all were paid during the year

**Taxation**

- 6 Owing to its charitable status the PRA is not liable to income  
or corporation tax on its income

THE PRE-RETIREMENT ASSOCIATION

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

**7 INTANGIBLE FIXED ASSETS**

	Re-branding £	Goodwill £	Total £
<u>Cost</u>			
At 1 April 2009	53,395	6,000	59,395
Additions	0	0	0
At 31 March 2010	<u>53,395</u>	<u>6,000</u>	<u>59,395</u>
<u>Amortisation</u>			
At 1 April 2009	37,378	6,000	43,378
Charge for the year	10,680	0	10,680
At 31 March 2010	<u>48,058</u>	<u>6,000</u>	<u>54,058</u>
<u>Net book value at 31 March 2010</u>	<u>5,337</u>	<u>0</u>	<u>5,337</u>
<u>Net book value at 31 March 2009</u>	<u>16,017</u>	<u>0</u>	<u>16,017</u>

**8 TANGIBLE ASSETS**

	Freehold premises 9 Chesham Road Guildford £	Plant and Machinery etc £	Total £
<u>Cost or valuation</u>			
At 1 April 2009	315,000	25,881	340,881
Additions	0	0	0
Disposals	0	0	0
At 31 March 2010	<u>315,000</u>	<u>25,881</u>	<u>340,881</u>
<u>Depreciation</u>			
At 1 April 2009	0	21,883	21,883
Charged for the year	0	1,116	1,116
Disposals	0	0	0
At 31 March 2010	<u>0</u>	<u>22,999</u>	<u>22,999</u>
<u>Net book value at 31 March 2010</u>	<u>315,000</u>	<u>2,882</u>	<u>317,882</u>
<u>Net book value at 31 March 2009</u>	<u>315,000</u>	<u>3,998</u>	<u>318,998</u>

An independent professional valuation of the freehold premises was given in July 2006 with an estimated value of £315,000. If a professional valuation had not been used, the freehold premises would have had an historic cost of £188,416.

The gain on revaluation being the difference between the valuation and the net value of the premises of £158,600 is shown as the Designated Fund - Revaluation Reserve. The Trustees consider that the valuation of £315,000 is not significantly different to the value at 31 March 2010 and therefore no provision for depreciation has been made.

THE PRE-RETIREMENT ASSOCIATION

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

**9 INVESTMENTS**

	2010 £	2009 £
At 1 April 2009	31,374	46,244
Additions	437	683
Revaluation	13,839	-15,553
At 31 March 2010	<u>45,650</u>	<u>31,374</u>

Comparable amounts under the historical cost convention are

At 1 April 2010 and 31 March 2009	<u>36,758</u>	<u>36,321</u>
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The investments are all listed on the UK Stock Exchange  
An analysis of the investments at 31 March 2010 is as follows

Witan Pacific Investment Trust plc	4,217	2,616
Murray International Trust plc	8,768	6,020
The City of London Trust plc	6,211	4,426
F & C Stewardship Growth Accumulation Fund	26,454	18,312
	<u>45,650</u>	<u>31,374</u>

**10 STOCKS**

Publications	<u>0</u>	<u>0</u>
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**11 DEBTORS**

Trade debtors	41,000	36,688
Prepayments and accrued income	17,308	24,001
	<u>58,308</u>	<u>60,689</u>

**12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

Bank loans and overdrafts	12,387	16,606
Trade creditors	25,494	29,701
Other creditors	38,306	15,591
Accruals	9,667	38,345
Deferred income (note 13)	15,583	14,422
	<u>101,437</u>	<u>114,665</u>

THE PRE-RETIREMENT ASSOCIATION

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

13

DEFERRED INCOME

	2010	2009
	£	£
Balance at 1 April 2009	14 422	14 787
Course fees and project income receivable during the year	296 017	401 227
Released to the Statement of Financial Activities	284 856	401 592
Balance at 31 March 2010	<u>15 583</u>	<u>14 422</u>

14

CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2010	2009
	£	£
Bank loan repayable at £1 473 per month	<u>158,017</u>	<u>167,714</u>

The bank loan is a flexible business loan taken out to purchase the property known as 9 Chesham Road Guildford Surrey The loan is secured on the property

The loan is repayable as follows

	2010	2009
	£	£
Within -		
One year	12 387	16 606
2 - 5 years	49 548	66,423
More than 5 years	<u>108,469</u>	<u>101,291</u>
	<u>170,404</u>	<u>184,320</u>

15

SHARE CAPITAL

The company is limited by guarantee and does not have a share capital The liability of each member is limited to a sum not exceeding £1 on the winding up of the company The word 'Limited' is omitted by licence from the Department of Trade as the company has charitable status

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STATEMENT OF FUNDS

	Balance 1 April 2009	Incoming resources	Outgoing resources	Transfers between funds	Balance 31-Mar 2010
	£	£	£	£	£
Unrestricted Funds					
Designated Fund - fixed assets	-7,905	0	0	2 118	-5 787
Designated Fund - revaluation reserve	158 600	0	0	0	158 600
General Fund	13,368	319,726	330,210	5,204	8,088
	<u>164,063</u>	<u>319,726</u>	<u>330,210</u>	<u>7,322</u>	<u>160,901</u>
Restricted Funds					
Department for Education and Skills	0	78 000	78,000	0	0
Endowment Fund					
Alastair Heron Research	22,057	8,142	0	-7,322	22,877

# THE PRE-RETIREMENT ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2010

### STATEMENT OF FUNDS - continued

#### Purpose of Funds

The General Fund represents the free funds of the Charity which have not been designated for particular purposes

The Designated Fund represents the net book value based on historic costs of the intangible and tangible fixed assets plus the revaluation reserve, less the bank facilities secured on those assets. The amount shown as the transfer for the year is the sum required to reflect the movement in fixed assets and bank facilities during the year in order to be in compliance with the guidelines set forth in the latest SORP

The restricted funds are those funds granted to the PRA for the purpose of the projects specified

The Expendable Endowment Fund is for the purpose specified in note 1.2 above

### 17 ANALYSIS OF NET ASSETS BY FUND

	General £	Restricted £	Endowment £	Total £
Intangible fixed assets	5,337	0	0	5,337
Tangible fixed assets	317,882	0	0	317,882
Investments	25,195	0	20,455	45,650
Debtors	58,308	0	0	58,308
Cash on deposit, at bank and in hand	13,633	0	2,422	16,055
Creditors due less than one year	-101,437	0	0	-101,437
Creditors due in more than one year	-158,017	0	0	-158,017
	<u>160,901</u>	<u>0</u>	<u>22,877</u>	<u>183,778</u>