

**THE PRE-RETIREMENT ASSOCIATION**  
(limited by guarantee)

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2004**

**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 2004**

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## **THE PRE-RETIREMENT ASSOCIATION**

### **Legal and Administrative Information**

#### **BOARD OF TRUSTEES**

R H Bridges (Chair) – (appointed 5.8.2003)  
M H Oldfield (Vice-Chair)  
D G Hancock (Vice-Chair)  
A J Bennet  
P R Brew  
A K Burkin (resigned 4 .7.2004)  
R Collinge  
S M Howlett  
Prof. R A Lawrenson  
T H Taylor

#### **SECRETARY**

A W Hook (resigned 30.6.2004)  
S N Martin (appointed 30.6.2004)

#### **CHIEF EXECUTIVE**

Dr M A Davies

#### **REGISTERED OFFICE**

9 Chesham Road  
GUILDFORD  
Surrey GU1 3LS

#### **AUDITORS**

C M B Partnership  
Chartered Accountants  
Chapel House  
1 Chapel Street  
GUILDFORD  
Surrey GU1 3UH

#### **SOLICITORS**

Gregory Rowcliffe & Milners  
1 Bedford Row  
LONDON WC1R 4BZ

#### **PRINCIPAL BANKERS**

HSBC  
168 High Street  
GUILDFORD  
Surrey GU1 3YU

**THE PRE-RETIREMENT ASSOCIATION**

**STANDING COMMITTEES**

**PROFESSIONAL INSTITUTE BOARD**

W Tyler (Chair)  
M Bloomfield  
P M Cattley  
H D Gilbert  
B King  
W J Kloch  
Dr C H A Syms (appointed 10.12.2003)  
A Withnall

**NATIONAL REGIONAL REPRESENTATIVE COMMITTEE**

D G Hancock (Chair)  
D Angel (resigned 31.3.2004)  
M Bloomfield  
P R Brew (ex officio)  
A Fowlis  
T Gauntlett

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

The Trustees present their report and the audited financial statements of the charity for the year ended 31 March 2004.

#### **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.

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 their 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 2000 (SORP) for reporting by charities.

#### **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 work.

#### **ORGANISATION**

A Board of Trustees, of up to ten members, meets quarterly to administer the charity. There are sub-committees containing members other than trustees for educational services, national regional representatives and finance. A Chief Executive (the Director) is appointed by the trustees to manage the day to day operations of the charity.

## **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. There has been a recovery in the market value of the investments during the year reflecting a similar improvement in the UK Share Index.

#### **RELATED PARTIES**

There are a number of affiliated Local Associations, who are members of this Association. They are independent organisations governed by their own constitutions. The National Regional Representative Council recommends one of its members to serve as a Trustee of this Association, subject to the approval of this Association's Annual General Meeting. The charity has links with Surrey University which validates some of the charity's educational courses. It also is in receipt of funding from the Department for Education and Skills to raise and maintain standards in life long learning.

#### **REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS**

During the past year the PRA continued to provide both in-house and open courses on Pre-Retirement and to train pre-retirement tutors.

Work has continued over the year on the Financial Awareness Project, in conjunction with a number of major companies and with the Department of Work and Pensions. As part of this programme, work books for both individuals and tutors have been designed and produced. A website was launched in March 2003 at [www.learnaboutmoney.org](http://www.learnaboutmoney.org), and its contents have been developed and expanded during the course of the year. Further funding is being sought to increase the scope of the project.

In the process of widening participation in Life Long Learning, the PRA has developed a distance learning programme around the study of life planning. The programme has been validated by the University of Surrey and the initial group of students started their work in October 2003.

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

#### **REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS (continued)**

A separate project under the title "Strategies to Overcome Barriers to Employment for the over 50's" has been jointly developed with the University of Surrey and NIACE, a project which is supported by European Commission funding within the Leonardo da Vinci Programme. This research involves participants from four other European countries. The project management has been undertaken by the University of Surrey; it is scheduled to be completed over two years.

#### **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 of Education and Skills for the training and development activities; this grant is subject to a review by them each year.

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

On Unrestricted Funds there was a surplus for the year of £13,129, after taking account of an unrealised gain on investments of £2,523. In accordance with the SORP, the amount on the Designated Reserve for Fixed Assets has been increased by a transfer of £13,919 from the General Fund to provide a total reserve of £85,880. The amount remaining to be carried forward on the General Fund becomes £37,424.

For Restricted Funds, after taking account of net outgoings for the year of £20,665 the balance of restricted funds to be carried forward is £12,874.

With regard to the Endowment Fund, whilst there was no expenditure in the year, after taking account income of £344 and unrealised gains on the investments held of £6,241, the amount to be carried forward becomes £24,879.

#### **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

## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

#### **RESERVES POLICY (continued)**

then to have cover for some six to nine months operating expenses. In April 2004 a Review of the PRA activities was undertaken by Trustees and staff. Matters raised will be followed up during the course of the forthcoming year.

#### **TRUSTEES**

The directors of the Charitable Company are its Trustees for the purpose of Charity Law. If continuing in office, the Trustees come forward every third year for re-election at the Annual General Meeting. Apart from the nominee of the National Regional Representative Committee, 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 1 of these Financial Statements.

Mr A Burkin retired as a Trustee with effect from 4 July 2004 and Mr P Brew has decided to retire as a Trustee with effect from the date of the Annual General Meeting. The Trustees wish to place on record their appreciation for their support and their services over the years, especially Mr P Brew during his period as Chairman of the charity.

The Trustees retiring by rotation are Mr D Hancock and Mr M Oldfield, 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**

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the Company and of the income, and expenditure 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;
- follow applicable accounting standards 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 business.



## **THE PRE-RETIREMENT ASSOCIATION**

### **REPORT OF THE TRUSTEES**

#### **RESPONSIBILITIES OF THE TRUSTEES (continued)**

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 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **AUDITORS**

The auditors, C M B Partnership, Chartered Accountants, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

#### **SMALL COMPANY DISCLOSURE**

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

Approved on behalf of the Board



Secretary

Date.....10<sup>th</sup> August 2004

## **THE PRE-RETIREMENT ASSOCIATION**

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

We have audited the financial statements on pages 10 to 19 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002) under the historical cost convention (as modified to include the revaluation of certain investments) and accounting policies set out on pages 12 and 13.

The report is made solely to the charity's members, 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 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 company and the company's members as a body, for the audit work, for this report, or for the opinions we have formed.

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

As described on pages 6 and 7 the directors, who also act as trustees for the charitable activities of the Pre-Retirement Association, are responsible for the preparation of the financial statements.

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' Report is not consistent with the financial statements, if the company 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 company is not disclosed.

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 misstatement or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

#### **Basis of opinion**

We conducted our audit in accordance with United Kingdom Audit 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 by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

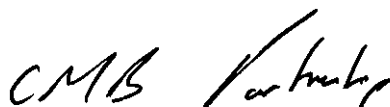
**THE PRE-RETIREMENT ASSOCIATION**

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

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 charitable company's affairs as at 31 March 2004 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.



C M B Partnership  
Chartered Accountants  
Registered Auditors

Chapel House  
1 Chapel Street  
Guildford  
Surrey GU1 3UH

Date 10 August 2004

THE PRE-RETIREMENT ASSOCIATION

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2004**

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Fund £	Total Funds 2004 £	Total Funds 2003 £
<b><u>INCOMING RESOURCES</u></b>						
Activities to further the Charity's objects						
Training and Development						
-Government Grant		0	79,550	0	79,550	79,550
Financial Awareness project						
-Donations and Grants		0	63,864	0	63,864	89,000
Training Courses, Projects and						
Other Income		98,077	16,358	0	114,435	108,691
General Donations		555	0	0	555	0
Investment Income		646	441	344	1,431	1,267
<b>Total Incoming resources</b>	<b>2</b>	<b>99,278</b>	<b>160,213</b>	<b>344</b>	<b>259,835</b>	<b>278,508</b>
<b><u>RESOURCES EXPENDED</u></b>						
Cost of activities in furtherance of Charity's objects:						
Training courses and projects		27,394	152,159	0	179,553	165,946
Support costs		28,077	28,719	0	56,796	43,991
Management and administration		33,201	0	0	33,201	29,090
<b>Total resources expended</b>	<b>3</b>	<b>88,672</b>	<b>180,878</b>	<b>0</b>	<b>269,550</b>	<b>239,027</b>
<b>Net income/expenditure for the year</b>		<b>10,606</b>	<b>-20,665</b>	<b>344</b>	<b>-9,715</b>	<b>39,481</b>
<b>Unrealised gains (losses) on investments</b>	<b>9</b>	<b>2,523</b>	<b>0</b>	<b>6,241</b>	<b>8,764</b>	<b>-10,657</b>
<b>Net incoming/(outgoing) resources for the year</b>		<b>13,129</b>	<b>-20,665</b>	<b>6,585</b>	<b>-951</b>	<b>28,824</b>
<b>Fund balances brought forward at 1st April</b>		<b>110,175</b>	<b>33,539</b>	<b>18,294</b>	<b>162,008</b>	<b>133,184</b>
<b>Fund balances carried forward at 31st March</b>	<b>16 &amp; 17</b>	<b>123,304</b>	<b>12,874</b>	<b>24,879</b>	<b>161,057</b>	<b>162,008</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 12 to 19 form part of these financial statements.

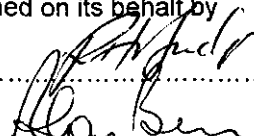
# THE PRE-RETIREMENT ASSOCIATION

## BALANCE SHEET AS AT 31 MARCH 2004

	Notes	2004 £	2003 £
<b>FIXED ASSETS</b>			
Intangible asset	7	5,000	0
Tangible assets	8	170,464	170,323
Investments	9	32,294	23,247
		<u>207,758</u>	<u>193,570</u>
<b>CURRENT ASSETS</b>			
Stocks	10	3,640	0
Debtors	11	27,319	21,312
Short term deposits		60,093	59,819
Cash at bank and in hand		11,057	26,434
		<u>102,109</u>	<u>107,565</u>
Creditors: Amounts falling due within one year	12	-68,176	-49,079
<b>NET CURRENT ASSETS</b>		<u>33,933</u>	<u>58,486</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>241,691</u>	<u>252,056</u>
Creditors: Amounts falling due after more than one year	14	-80,634	-90,048
<b>NET ASSETS</b>		<u><u>161,057</u></u>	<u><u>162,008</u></u>
<b><u>FUNDS</u></b>			
Unrestricted funds:			
Designated Fund-Fixed Assets		85,880	71,961
General Fund		37,424	38,214
	16	<u>123,304</u>	<u>110,175</u>
Restricted Funds	16	12,874	33,539
Expendable Endowment Fund	16	24,879	18,294
<b>TOTAL FUNDS</b>	17	<u><u>161,057</u></u>	<u><u>162,008</u></u>

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and with the Financial Reporting for Smaller Entities (effective June 2002)

The financial statements were approved by the Board of Trustees on 10<sup>th</sup> Aug 2004 and signed on its behalf by

  
 ..... )  
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Trustees

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**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 investments and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002). The accounts are prepared in accordance with applicable Statements of Standard Accounting Practice and with the Statement of Recommended Practice for Charities.

**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 ISIS Stewardship Growth Accumulation Fund (formerly the Friends Provident Stewardship Growth 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 2004, none of the Fund was utilised. After investment income of £344 and unrealised gains of £6,241, the balance carried forward on the fund was £24,879.

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

1. Designated Reserve - Fixed Assets. This is comprised of the net book value of the intangible and tangible assets, held in goodwill, property and equipment, less the total sum outstanding at the balance sheet date on the mortgage for the property.
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.

Subscriptions from members are accounted for on an accruals basis.

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.

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**1 ACCOUNTING POLICIES - continued**

**1.4 RESOURCES EXPENDED**

Cost of activities in furtherance of the Charity's objects 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 'Management and administration' 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. Management and administration, 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 - GOODWILL**

The PRA acquired on 19 December 2003 the rights to the educational clients database held by The Transition Associates partnership. The database relates to pre-retirement course participants. The partnership has ceased its operations. In recompense for passing over the database, the partnership received £4,000 on the day of transfer and over the subsequent two years will receive 15% of the directly related course income, with a minimum of £2,000 in year one. The goodwill payments are being amortised over two years from December 2003.

**1.6 TANGIBLE FIXED ASSETS**

The freehold premises gross book value is held at its original cost as acquired in 1997.

The Trustees do not consider the cost of a professional valuation of the property can be justified at this moment in time. The matter will be kept under review.

All fixed assets are stated at cost.

**1.7 DEPRECIATION**

Depreciation is charged at the following rates:-

Freehold land and buildings	2% on a straight line basis
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.

Staff on secondment from Surrey University come within that University's own pension scheme.

**1.9 UNPAID VOLUNTEERS**

The Trustees and the Secretary 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 2004 was £1,050 (2003 £1,050).

**1.11 INVESTMENTS**

The investments are those listed on the UK Stock Exchange and are stated at their market value.

**1.12 STOCKS**

Stocks are stated at the lower of cost and net realisable value.

THE PRE-RETIREMENT ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**2 INCOMING RESOURCES**

**2.1 Restricted Funds**

The following Grants, Donations and Other Income were received during the year:

	2004 £	2003 £
Department for Education and Skills	79,550	79,550
Financial Awareness Project	64,425	89,392
NIACE Project	8,570	0
PRA History Fund	550	0
Leonardo da Vinci Project	7,118	4,017
	<u>160,213</u>	<u>172,959</u>

**2.2 Unrestricted Funds**

The Income for the year on unrestricted fund was:

	2004 £	2003 £
Training courses	78,579	70,618
Projects	0	8,750
Publications	9,515	10,462
Subscriptions	7,946	9,453
Sundries	2,037	4,999
	<u>98,077</u>	<u>104,282</u>

**2.3 Investment Income**

Interest receivable  
Dividends received from Unit Trusts

	2004 £	2003 £
Interest receivable	765	699
Dividends received from Unit Trusts	666	568
	<u>1,431</u>	<u>1,267</u>

The investment income comprised:

	2004	2003
Restricted Fund - Financial Awareness Project	441	536
Endowment Fund - A Heron	344	223
General Fund	646	508
	<u>1,431</u>	<u>1,267</u>



THE PRE-RETIREMENT ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**3 RESOURCES EXPENDED**

	2004 £	2003 £
3.1 The expenditure for the year is stated after charging:		
Auditors remuneration	1,700	1,625
Depreciation	6,068	4,420
Amortisation - Goodwill	1,000	0
Mortgage interest	5,693	6,560
Equipment hire	360	1,620

**3.2 Analysis of expenditure**

	Training courses & Projects £	Support costs £	Management & Administration £	Total 2004 £	Total 2003 £
Staff Costs	74,573	29,537	14,359	118,469	106,057
Directly chargeable costs	104,980	0	0	104,980	95,333
Building costs	0	6,127	1,830	7,957	5,126
Post, telephone, printing & stationery	0	12,077	3,607	15,684	13,981
Professional charges	0	0	2,115	2,115	1,640
Mortgage interest	0	0	5,693	5,693	6,560
Depreciation/amortisation	0	4,774	2,294	7,068	4,420
Other costs	0	4,281	3,303	7,584	5,910
	<u>179,553</u>	<u>56,796</u>	<u>33,201</u>	<u>269,550</u>	<u>239,027</u>

The basis of allocation of costs is explained in note 1.4

**4**

**Trustees Remuneration**

The Trustees received no remuneration in the year

	2004 £	2003 £
Out of pocket expenses were reimbursed to Trustees for travel costs incurred on the PRA's activities		
3 Trustees in 2004 (2 Trustees in 2003)	<u>1,688</u>	<u>886</u>

**5**

**5.1 Staff Costs**

	2004 £	2003 £
Wages & Salaries	65,240	57,267
Social Security Costs	5,926	4,577
Pension Costs	<u>1,151</u>	<u>1,162</u>
	<u>72,317</u>	<u>63,006</u>
Charges for seconded staff	<u>46,152</u>	<u>43,051</u>
	<u>118,469</u>	<u>106,057</u>

No employees received remuneration of more than £50,000

Average number of employees for the year (excluding seconded staff) was 3 (2003 was 3)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**5.2 Staff on secondment**

The PRA's Training staff includes members of Surrey University academic staff, who are on long term secondment from the University for a major share of their working time. The PRA is charged for the full cost, including social security and pension costs, of its due proportion of such time on its activities.

**5.3 Pension Costs**

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. Seconded staff are members of Surrey University's own pension scheme.

**6 Taxation**

Owing to its charitable status the PRA is not liable to income or corporation tax on its income under the Income and Corporation Taxes Act 1988.

**7 INTANGIBLE FIXED ASSETS**

	Goodwill £
<u>Cost</u>	
Acquisition during year	6,000
At 31 March 2004	<u>6,000</u>
<u>Amortisation</u>	
Amortisation charge for year	-1,000
At 31 March 2004	<u>-1,000</u>
Net book value at 31 March 2004	<u>5,000</u>

**8 TANGIBLE ASSETS**

	Freehold premises 9 Chesham Road Guildford £	Plant and Machinery etc £	Total £
<u>Cost</u>			
At 1 April 2003	188,416	18,564	206,980
Additions	0	6,209	6,209
Disposals	0	-6,936	-6,936
At 31 March 2004	<u>188,416</u>	<u>17,837</u>	<u>206,253</u>
<u>Depreciation</u>			
At 1 April 2003	20,712	15,945	36,657
Charged for the year	3,768	2,300	6,068
Disposals	0	-6,936	-6,936
At 31 March 2004	<u>24,480</u>	<u>11,309</u>	<u>35,789</u>
<u>Net book value at 31 March 2004</u>	<u>163,936</u>	<u>6,528</u>	<u>170,464</u>
<u>Net book value at 31 March 2003</u>	<u>167,704</u>	<u>2,619</u>	<u>170,323</u>

A number of old and obsolete computers previously written down to nil value were disposed of during the year.

THE PRE-RETIREMENT ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**9 INVESTMENTS**

	2004 £	2003 £
At 1 April 2003	23,247	33,756
Additions	283	148
Revaluation	8,764	-10,657
At 31 March 2004	<u>32,294</u>	<u>23,247</u>

Comparable amounts under the historical cost convention are:

At 1 April 2003 and 31 March 2004	<u>34,398</u>	<u>34,115</u>
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The investments are all listed on the UK Stock Exchange.  
An analysis of the investments at 31 March 2004 is as follows:

Foreign and Colonial Pacific Investment Trust plc	2,645	1,701
Murray International Trust plc	3,899	2,945
The City of London Trust plc	4,528	3,903
ISIS Stewardship Growth Accumulation Fund	21,222	14,698
	<u>32,294</u>	<u>23,247</u>

**10 STOCKS**

Publications	<u>3,640</u>	<u>0</u>
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**11 DEBTORS**

Trade debtors	21,089	14,410
Other debtors	4,012	5,430
Prepayments and accrued income	2,218	1,472
	<u>27,319</u>	<u>21,312</u>

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

Bank loans and overdrafts	8,950	8,314
Trade creditors	14,362	10,286
Other creditors	14,681	160
Accruals	8,912	19,527
Deferred income (note 13)	21,271	10,792
	<u>68,176</u>	<u>49,079</u>

**Note: Related Parties**

There is included in the figure of £14,681 for Other Creditors, an amount of £10,000 in respect of an interest free loan (unsecured) from Mr P Brew, a trustee, for the purpose to meet certain expenses in respect of the acquisition of the database referred to in note 1.5.

THE PRE-RETIREMENT ASSOCIATION

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004**

**13 DEFERRED INCOME**

	2004 £	2003 £
Balance at 1 April 2003	10,792	10,593
Course fees and project income receivable during the year	89,058	79,567
Released to the Statement of Financial Activities	-78,579	-79,368
Balance at 31 March 2004	<u>21,271</u>	<u>10,792</u>

**14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

Bank loan repayable at £1,205.91 per month	<u>80,634</u>	<u>90,048</u>
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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:

Within -

One year

2 - 5 years

More than 5 years

8,950	8,314
35,800	33,256
44,834	56,792
<u>89,584</u>	<u>98,362</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.

**16 STATEMENT OF FUNDS**

	Balance 1 April 2003 £	Incoming resources £	Outgoing resources £	Transfers £	Balance 31-Mar 2004 £
<b>Unrestricted Funds:</b>					
Designated Fund - fixed assets	71,961	0	0	13,919	85,880
General Fund	<u>38,214</u>	<u>101,801</u>	<u>88,672</u>	<u>-13,919</u>	<u>37,424</u>
	<u>110,175</u>	<u>101,801</u>	<u>88,672</u>	<u>0</u>	<u>123,304</u>
<b>Restricted Funds:</b>					
Department for Education and Skills	0	79,550	79,550	0	0
Financial Awareness	33,539	64,425	88,140	0	9,824
Leonardo da Vinci	0	7,118	7,118	0	0
National Institute of Adult and Continuing Education	0	8,570	6,070	0	2,500
PRA History Fund	<u>0</u>	<u>550</u>	<u>0</u>	<u>0</u>	<u>550</u>
	<u>33,539</u>	<u>160,213</u>	<u>180,878</u>	<u>0</u>	<u>12,874</u>
<b>Endowment Fund:</b>					
Alastair Heron Research	<u>18,294</u>	<u>6,585</u>	<u>0</u>	<u>0</u>	<u>24,879</u>

# THE PRE-RETIREMENT ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2004

### 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 - fixed assets represents the net book value of the intangible and tangible fixed assets, 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	5,000	0	0	5,000
Tangible fixed assets	170,464	0	0	170,464
Investments	11,072	0	21,222	32,294
Stocks	3,640	0	0	3,640
Debtors	23,307	4,012	0	27,319
Cash on deposit, at bank and in hand	49,304	18,189	3,657	71,150
Creditors due less than one year	-58,849	-9,327	0	-68,176
Creditors due in more than one year	-80,634	0	0	-80,634
	<u>123,304</u>	<u>12,874</u>	<u>24,879</u>	<u>161,057</u>