

REGISTERED COMPANY NUMBER 3407624 (England and Wales)  
REGISTERED CHARITY NUMBER. 1130616

**Report of the Trustees and  
Financial Statements for the year ended 20 July 2010  
for  
ETEC Development Trust**



TTR Barnes Limited  
Chartered Accountants and Registered Auditors  
3-5 Grange Terrace  
Stockton Road  
Sunderland  
Tyne & Wear  
SR2 7DG

ETEC Development Trust  
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for the year ended 20 July 2010

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## ETEC Development Trust

### Report of the Trustees for the year ended 20 July 2010

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 20 July 2010. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

#### REFERENCE AND ADMINISTRATIVE DETAILS

##### Registered Company number

3407624 (England and Wales)

##### Registered Charity number

1130616

##### Registered office

90 Coronation Street  
Hendon  
Sunderland  
Tyne and Wear  
SR1 1HE

##### Trustees

D L Fallon	
K W Yardley	- resigned 1/9/10
Mrs A Martin	
Rev S Hazlett	- resigned 12/11/10
Mrs M H Clark	- appointed 11/1/10
P Monaghan	- appointed 11/1/10
G D Nokes	- appointed 12/11/10

##### Company Secretary

D Milburn - appointed 1/11/10  
KW Yardley - resigned 1/9/10

##### Auditors

TTR Barnes Limited  
Chartered Accountants and Registered Auditors  
3-5 Grange Terrace  
Stockton Road  
Sunderland  
Tyne & Wear  
SR2 7DG

##### Bankers

The Royal Bank of Scotland plc  
64 Fawcett Street  
Sunderland  
Tyne and Wear  
SR1 1BB

##### Chief Executive Officer

David Milburn - appointed 1/9/10  
RJ Ellison - resigned 31/8/10

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

##### Recruitment and appointment of new trustees

The company has a board of directors who are trustees of the charity, elected by the members at the Annual General Meeting where existing trustees may be re-elected.

##### Induction and training of new trustees

On appointment trustees are given induction information and training as appropriate, including the latest annual accounts and charity commission guidance.

**Report of the Trustees**  
for the year ended 20 July 2010

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

The company has a board of directors who meet on a monthly basis

The Chief Executive is appointed by the trustees to manage the operations of the charity

**Related parties**

**YWCA (Sunderland) Limited (YWCA)**

K W Yardley and D L Fallon are directors of YWCA. No intercompany transactions were entered into during the year. YWCA ceased to trade during the year under review and YWCA donated its assets to ETEC Development Trust when the company stopped trading. This donation totalled £124,000 and is shown within the Statement of Financial Activities.

Etec Development Trust owed YWCA £588 (2009 - £588) at the balance sheet date, relating to an overpayment of rent in a previous year.

**HQ Construction LLP**

Etec Development Trust has an interest in HQ Construction LLP.

HQ Construction LLP was dissolved via a voluntary strike-off on 27 October 2009.

**Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have examined the major strategic, business and operational risks which the charity face and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

The objectives of the charity are to relieve persons who are in conditions of need, hardship or distress by reason of their social and economic circumstances. To provide the advancement of education and learning, including training in skills relevant to securing employment. To develop the capacity and skills of the members of the disadvantaged community (primarily in Sunderland), in such a way that they are better able to identify and help meet their needs and to participate more fully in society. To provide facilities for public recreation or other leisure time occupation in the interest of social welfare with the object of improving their conditions of life. To provide such other purpose for the general benefit of the public or sections of the public as the company shall think fit.

## ETEC Development Trust

### Report of the Trustees for the year ended 20 July 2010

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

The charity operates from buildings in Hendon, Sunderland to fulfil its objectives through activities

The charity provides training and education activities to its beneficiaries

##### Significant Activities

This financial year has been highly significant in terms of the organisation having seen the completion of its first year as a Development Trust with Charitable status, coupled with a leadership change. RJ Ellison, the long standing Chief Executive stepped down after a long and illustrious career being replaced by David Milburn, previously Executive Director of Amble Development Trust. David Milburn's appointment was effective from 1 July 2010 with operational control being assumed on 1 September 2010.

The key activities undertaken by the Trust continue to focus on education, learning, training and skills development, delivered across a range of funding regimes incorporating local, regional and national initiatives. Many are time limited and will be subject to change given the recent change of government and ETEC has sought to provide opportunity for those both within and outside our immediate community. Details of individual initiatives are detailed below -

Future Jobs Fund - this provides training and education to individuals who are unemployed for over nine months. Six month contracts are undertaken with the individuals to increase their likelihood of finding employment.

Work Based Learning & Entry into Employment - training programmes to broaden individual skills in their chosen skill area (including construction, information technology, key skills and NVQ's).

Toy Library - sessions workers are provided for educational sessions and toys are borrowed for various sessions to aid with delivery.

People Into Employment (PIE) - training is undertaken to encourage carers into work.

Construction Training - apprentices are educated in this chosen area to increase their likelihood of employment in this field.

The support of partners and staff has been paramount in contributing to a positive financial result this year and ETEC will seek to continue to build on that result in the coming financial year. Whilst acknowledging that the economic climate locally, regionally and nationally will present many challenges there is confidence that our new Chief Executive, Senior Management Team and Trustees with the full support of staff and partners can continue to develop the organisation to meet its established aims and objectives and become sustainable in the long term whilst maintaining its values and ethos.

##### Public Benefit

The trustees have complied with their duty in Section 4 of the 2006 Charities Act and have had regard to the Charity Commission's guidance on their legal duty on public benefit, and are satisfied that the charity delivers public benefit, and due regard is paid to the guidance on public benefit when deciding on what new projects the charity should undertake.

#### FINANCIAL REVIEW

##### Reserves policy

The policy of the trustees is to ensure all activities are fully funded to cover expenditure for six months. The reserves policy is reviewed annually and amended by the trustees if necessary. The trustees have the power to invest in such assets as they see fit.

##### Review of the Year

Incoming resources totalled £1,897,214 with expenditure totalling £1,840,766. A surplus of £56,448 has been generated this year which includes a donation paid from YWCA totalling £124,000.

A prior year adjustment has been made during the year to reflect the treatment of deferred capital grants, under Charity accounting rules, which resulted in grants totalling £717,893 being released to income. Further details can be found in note 11 to the accounts. This results in a surplus of £634,158 being reported.

Reserves at the balance sheet date stand at £690,606 (2009 restated £634,158).

The trustees have reviewed the position of the organisation and are happy that the organisation can continue as a going concern.

#### FUTURE DEVELOPMENTS

The charity's key objective for the future is to continue to fulfil its charitable objectives. New bids have been tendered and a tight control over costs placed.

ETEC Development Trust

**Report of the Trustees**  
for the year ended 20 July 2010

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of ETEC Development Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

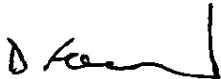
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information

**AUDITORS**

The auditors, TTR Barnes Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

ON BEHALF OF THE BOARD



D L Fallon - Trustee

Date 13 / 1 / 11

**Report of the Independent Auditors to the Members of  
ETEC Development Trust**

We have audited the financial statements of ETEC Development Trust for the year ended 20 July 2010 on pages six to fifteen. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's trustees 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 charitable company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out on page four.

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, are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and are prepared in accordance with the Companies Act 2006. We also report to you whether, in our opinion, the information given in the Report of the Trustees is consistent with those financial statements.

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

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

**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 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 trustees 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.

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 state of the charitable company's affairs as at 20 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Trustees is consistent with the financial statements.



David J Cook (Senior Statutory Auditor)  
for and on behalf of TTR Barnes Limited  
Chartered Accountants and Registered Auditors  
3-5 Grange Terrace  
Stockton Road  
Sunderland  
Tyne & Wear  
SR2 7DG

Date

14/01/11

ETEC Development Trust

**Statement of Financial Activities**  
for the year ended 20 July 2010

		Unrestricted funds	Restricted funds	Year ended 20/7/10 Total funds	Period 1/8/08 to 20/7/09 Total funds as restated £
	Notes	£	£	£	
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	124,000	-	124,000	-
Investment income	3	-	-	-	179
<b>Incoming resources from charitable activities</b>					
Training & Education	4	1,553,273	213,122	1,766,395	2,177,418
<b>Other incoming resources</b>	5	<u>6,819</u>	<u>-</u>	<u>6,819</u>	<u>2,530</u>
<b>Total incoming resources</b>		1,684,092	213,122	1,897,214	2,180,127
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Training & Education	6	1,533,554	133,934	1,667,488	1,455,035
<b>Governance costs</b>	7	<u>153,197</u>	<u>20,081</u>	<u>173,278</u>	<u>165,911</u>
<b>Total resources expended</b>		1,686,751	154,015	1,840,766	1,620,946
<b>NET INCOMING/(OUTGOING) RESOURCES</b>					
		(2,659)	59,107	56,448	559,181
<b>RECONCILIATION OF FUNDS</b>					
Funds as previously reported		(83,735)	-	(83,735)	74,977
Prior year adjustment	11	<u>717,893</u>	<u>-</u>	<u>717,893</u>	<u>-</u>
<b>As Restated</b>		634,158	-	634,158	74,977
<b>TOTAL FUNDS CARRIED FORWARD</b>					
		<u>631,499</u>	<u>59,107</u>	<u>690,606</u>	<u>634,158</u>

The notes form part of these financial statements



ETEC Development Trust

**Balance Sheet**  
At 20 July 2010

		Unrestricted funds	Restricted funds	2010 Total funds	2009 Total funds as restated
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	12	991,853	47,045	1,038,898	1,028,984
<b>CURRENT ASSETS</b>					
Debtors amounts falling due within one year	13	251,563	-	251,563	185,034
Cash at bank		<u>166</u>	<u>-</u>	<u>166</u>	<u>166</u>
		251,729	-	251,729	185,200
<b>CREDITORS</b>					
Amounts falling due within one year	14	(399,105)	12,062	(387,043)	(356,885)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(147,376)</u>	<u>12,062</u>	<u>(135,314)</u>	<u>(171,685)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		844,477	59,107	903,584	857,299
<b>CREDITORS</b>					
Amounts falling due after more than one year	15	(212,978)	-	(212,978)	(223,141)
<b>NET ASSETS</b>		<u>631,499</u>	<u>59,107</u>	<u>690,606</u>	<u>634,158</u>
<b>FUNDS</b>	18				
Unrestricted funds				631,499	634,158
Restricted funds				<u>59,107</u>	<u>-</u>
<b>TOTAL FUNDS</b>				<u>690,606</u>	<u>634,158</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Board of Trustees on 13/1/11 and were signed on its behalf by



D L Fallon -Trustee

The notes form part of these financial statements

**Notes to the Financial Statements**  
for the year ended 20 July 2010

**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

The company is limited by guarantee in that every member undertakes to contribute to the charity in that every member undertakes to contribute to the charity in the event of the same being wound up during the time that they are a member, or within one year afterwards, in payment of debts and liabilities and the costs of winding up, such amounts as may be required not exceeding £1

**Exemption from preparing a cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the charitable company qualifies as a small charitable company

**Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy

Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor specifies it is to be expended in future years. Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specified future period, in which case they are deferred

Interest is included when receivable by the charitable company

Voluntary income received by way of legacies, donations and gifts to the charitable company is included in full in the Statement of Financial Activities when received

Gifts in kind are valued and brought in as income and the appropriate expenditure is charged in the Statement of Financial Activities

**Resources expended**

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities and the space occupied

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life

Freehold property	-2% on cost
Plant and machinery	-50% on cost
Fixtures and fittings	-20% on reducing balance
Computer equipment	-25% on cost

**Taxation**

The charity is exempt from corporation tax on its charitable activities

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

**2 VOLUNTARY INCOME**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated £
Donations	<u>£ 124,000</u>	<u>£ -</u>

**3 INVESTMENT INCOME**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated £
Deposit account interest	<u>£ -</u>	<u>£ 179</u>

**4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

	Activity	Year ended 20/7/10 £	Period 1/8/08 to 20/7/09 as restated £
Programmers fees & community activity	Training & Education	893,186	1,130,147
Skills for life	Training & Education	5,000	5,500
People's Wall	Training & Education	-	1,747
Children's Essential Services			
- Toy Library	Training & Education	182,379	147,408
Community Decorators	Training & Education	92,707	101,828
PIE Project funding	Training & Education	133,127	55,394
Future Jobs Fund	Training & Education	459,996	-
Building grant income released	Training & Education	<u>-</u>	<u>735,394</u>
		<u>1,766,395</u>	<u>2,177,418</u>

**5 OTHER INCOMING RESOURCES**

	Year ended 20/7/10 £	Period 1/8/08 to 20/7/09 as restated £
Sundry income	<u>6,819</u>	<u>2,530</u>

**6 CHARITABLE ACTIVITIES COSTS**

	Direct costs £	Totals £
Training & Education	<u>1,667,488</u>	<u>1,667,488</u>

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

**7 GOVERNANCE COSTS**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated
	£	£
Directors' remuneration etc	-	47,921
Hire of office equipment	6,091	6,099
Professional fees	12,883	2,899
Bank charges	20,645	8,539
Auditors' remuneration	8,291	8,366
Repairs and renewals	39,107	23,921
Post and stationery	16,123	14,889
Advertising and promotions	11,921	11,752
Subscriptions and journals	4,389	2,685
Depreciation	53,828	42,398
Loss on sale of assets	-	(3,558)
	<u>173,278</u>	<u>165,911</u>

**8 NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting)

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated
	£	£
Auditors' remuneration	8,291	8,366
Depreciation - owned assets	53,828	42,398
Hire of plant and machinery	6,091	6,099
Other operating leases	10,165	16,158
Surplus on disposal of fixed asset	-	(3,558)
Pension costs	<u>20,737</u>	<u>28,064</u>

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

**9 TRUSTEES' REMUNERATION AND BENEFITS**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated
	£	£
Directors' salaries	-	39,528
Directors' social security	-	4,328
Directors' pension contributions to money purchase schemes	-	4,065
	<u>-</u>	<u>47,921</u>

The number of trustees to whom retirement benefits were accruing were as follows -

Money Purchase Schemes nil (2009 - 1)

Trustee's received no remuneration during the year

**Trustees' Expenses**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated
	£	£
Trustees' expenses	<u>550</u>	<u>-</u>

One Trustee received travel expenses during the year

**10 STAFF COSTS**

	Year ended 20/7/10	Period 1/8/08 to 20/7/09 as restated
	£	£
Wages and salaries	988,444	987,839
Social security costs	77,862	72,165
Other pension costs	<u>20,737</u>	<u>28,064</u>
	<u>1,087,043</u>	<u>1,088,068</u>

The average monthly number of employees during the year was as follows

	Year ended 20/7/10	Period 1/8/08 to 20/7/09
Training & Education	<u>54</u>	<u>54</u>

No employee earned more than £60,000 in the current or prior year

40 Employees earned remuneration within the £10,000 - £60,000 band

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

**11 PRIOR YEAR ADJUSTMENT**

The accounts have been restated to reflect the treatment of capital asset grants in accordance with the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP)

The SORP permits Charities to recognise a grant to purchase a tangible fixed asset, in full, when the Charity is entitled to the asset

Long term deferred grants were provided specifically for the purchase of the acquisition of the building

Summary of the Impact of the Prior Year Adjustment -

	£
Deferred building grants at 1 August 2008	735,394
Grant amortised for period ended 20 July 2009	17,501
Building grants at 21 July 2009 to be released in full	<u>717,893</u>

**12 TANGIBLE FIXED ASSETS**

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>					
At 21 July 2009	1,120,944	26,763	77,846	106,095	1,331,648
Additions	<u>-</u>	<u>3,903</u>	<u>937</u>	<u>58,901</u>	<u>63,741</u>
At 20 July 2010	<u>1,120,944</u>	<u>30,666</u>	<u>78,783</u>	<u>164,996</u>	<u>1,395,389</u>
<b>DEPRECIATION</b>					
At 21 July 2009	137,166	25,867	67,137	72,493	302,663
Charge for year	<u>22,419</u>	<u>2,847</u>	<u>2,329</u>	<u>26,233</u>	<u>53,828</u>
At 20 July 2010	<u>159,585</u>	<u>28,714</u>	<u>69,466</u>	<u>98,726</u>	<u>356,491</u>
<b>NET BOOK VALUE</b>					
At 20 July 2010	<u>961,359</u>	<u>1,952</u>	<u>9,317</u>	<u>66,270</u>	<u>1,038,898</u>
At 20 July 2009	<u>983,778</u>	<u>896</u>	<u>10,709</u>	<u>33,602</u>	<u>1,028,985</u>

**13 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010 £	2009 as restated £
Trade debtors	231,837	161,177
Sundry debtors	-	2,530
Prepayments	<u>19,726</u>	<u>21,327</u>
	<u>251,563</u>	<u>185,034</u>

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

**14 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2010	2009 as restated
	£	£
Bank loans and overdrafts	209,038	185,452
Advance funding	31,002	102,073
Trade creditors	46,286	17,446
Social security and other taxes	73,192	20,098
Other creditors	1,000	1,000
Accruals and deferred income	26,525	30,816
	<u>387,043</u>	<u>356,885</u>

**15 CREDITORS AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2010	2009 as restated
	£	£
Bank loans - 1-2 years	26,857	17,956
Bank loans - 2-5 years	68,534	61,767
Bank loans more 5 yr by instal	<u>117,587</u>	<u>143,418</u>
	<u>212,978</u>	<u>223,141</u>

Amounts falling due in more than five years

Repayable by instalments		
Bank loans more 5 yr by instal	<u>117,587</u>	<u>143,418</u>

**16 OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year

	2010	2009 as restated
	£	£
Expiring		
Within one year	5,043	6,594
Between one and five years	<u>2,461</u>	<u>7,504</u>
	<u>7,504</u>	<u>14,098</u>

**17 SECURED DEBTS**

The following secured debts are included within creditors

	2010	2009 as restated
	£	£
Bank overdrafts	169,617	126,921
Bank loans	<u>252,399</u>	<u>281,672</u>
	<u>422,016</u>	<u>408,593</u>

The bank borrowing is secured by a legal charge and fixed and floating debenture over the assets of the company. In addition there is a first legal charge over the properties owned by the company.

ETEC Development Trust

Notes to the Financial Statements - continued  
for the year ended 20 July 2010

18 MOVEMENT IN FUNDS

	At 21/7/09 £	Prior year adjustment £	Net movement in funds £	At 20/7/10 £
<b>Unrestricted funds</b>				
General fund	(83,735)	717,893	(2,659)	631,499
<b>Restricted funds</b>				
WNF PIE Project	-	-	12,062	12,062
Eguide grant	-	-	1,575	1,575
LIG Laptop grant	-	-	45,470	45,470
	-	-	59,107	59,107
<b>TOTAL FUNDS</b>	<u>(83,735)</u>	<u>717,893</u>	<u>56,448</u>	<u>690,606</u>

Net movement in funds, included in the above are as follows

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,684,092	(1,686,751)	(2,659)
<b>Restricted funds</b>			
WNF PIE Project	145,396	(133,334)	12,062
Skills for Life	5,000	(5,000)	-
Eguide grant	2,100	(525)	1,575
LIG Laptop grant	60,626	(15,156)	45,470
	213,122	(154,015)	59,107
<b>TOTAL FUNDS</b>	<u>1,897,214</u>	<u>(1,840,766)</u>	<u>56,448</u>

**General Unrestricted Fund**

This fund is unrestricted money received for use within the charitable company at the trustees discretion

**WNF / PIE Project**

This is the Working Neighbourhoods Fund and People into Employment Fund which is funded by City of Sunderland council and to 31 March 2010, it was also funded by Northern Rock Foundation

It is money to provide training to individuals to encourage them back into employment

**Skills for Life**

This fund is to provide skills training to individuals during the year

**Eguide**

This fund was to enable the company to purchase new laptops

**LIG Laptop grant**

This fund was to enable the company to purchase new laptops

19 CONTINGENT LIABILITIES

Once the Units at 11, 15, 16 Lombard Street, Sunderland, are returned to the landlord's control, the company will be required to return the properties to their original state. The associated costs cannot be quantified until that time



**20 RELATED PARTY DISCLOSURES**

**YWCA**

KW Yardley and DL Fallon are directors of YWCA

YWCA ceased trading during the year under review and transferred it's assets to ETEC Development Trust which totalled £124,000 by way of a donation

ETEC Development Trust  
**Detailed Statement of Financial Activities**  
for the year ended 20 July 2010

	Year ended 20/7/10 £	Period 1/8/08 to 20/7/09 as restated £
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations	124,000	-
<b>Investment income</b>		
Deposit account interest	-	179
<b>Incoming resources from charitable activities</b>		
Programmers fees & community activity	893,186	1,130,147
Skills for life	5,000	5,500
People's Wall	-	1,747
Children's Essential Services		
- Toy Library	182,379	147,408
Community Decorators	92,707	101,828
PIE Project funding	133,127	55,394
Future Jobs Fund	459,996	-
Building grant income released	-	735,394
	1,766,395	2,177,418
<b>Other incoming resources</b>		
Sundry income	6,819	2,530
<b>Total incoming resources</b>	1,897,214	2,180,127
<b>RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Trustees' expenses	550	-
Wages	988,444	948,311
Social security	77,862	67,837
Pensions	20,737	23,999
Hire of vehicle	10,165	16,158
Insurance	26,467	30,257
Light and heat	14,118	35,530
Telephone	22,746	27,797
Sundries	29,450	25,376
PLP Costs	6,997	5,150
Life Skills - Bonus	1,990	5,663
E2E - Costs	21,482	26,496
PIE Project - Costs	9,965	10,536
Life Skills - Travel	13,256	9,791
Play together - project costs	30,500	70,155
Life skills - Training	51,191	41,289
Materials	17,092	25,473
Protective clothing	9,513	6,616
Project payments - Training	5,028	3,038
Rent, rates and water	25,415	50,929
Motor expenses	5,471	4,112
Donations	-	660
Carried forward	1,388,439	1,435,173

This page does not form part of the statutory financial statements

ETEC Development Trust

**Detailed Statement of Financial Activities**  
for the year ended 20 July 2010

	Year ended 20/7/10 £	Period 1/8/08 to 20/7/09 as restated £
<b>Charitable activities</b>		
Brought forward	1,388,439	1,435,173
Software licence costs	1,976	2,653
Community cafe refreshments	17,476	-
Future jobs fund projects	6,951	-
Future jobs fund wages	232,529	-
Future jobs fund social security	7,445	-
Bank interest	4,588	4,935
Bank loan interest	8,084	12,274
	<u>1,667,488</u>	<u>1,455,035</u>
<b>Governance costs</b>		
Directors' salaries	-	39,528
Directors' social security	-	4,328
Directors' pension contributions	-	4,065
Hire of office equipment	6,091	6,099
Professional fees	12,883	2,899
Bank charges	20,645	8,539
Auditors' remuneration	8,291	8,366
Repairs and renewals	39,107	23,921
Post and stationery	16,123	14,889
Advertising and promotions	11,921	11,752
Subscriptions and journals	4,389	2,685
Freehold property	22,419	22,419
Plant and machinery	2,847	895
Fixtures and fittings	2,329	2,677
Computer equipment	26,233	16,407
Loss on sale of tangible fixed assets	-	(3,558)
	<u>173,278</u>	<u>165,911</u>
<b>Total resources expended</b>	<u>1,840,766</u>	<u>1,620,946</u>
<b>Net income</b>	<u>56,448</u>	<u>559,181</u>