

**Company Number: 3465914**

**The Council for Industry and Higher  
Education**

**A company limited by Guarantee**

**Report and Financial Statements**

**31 December 2005**



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# **The Council for Industry and Higher Education**

## **Report of the directors**

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# **The Council for Industry and Higher Education**

## **Report and financial statements 2005**

### **Officers and professional advisers**

#### **Directors and Trustees**

Dr Geoffrey Copland  
Mr Richard Greenhalgh  
Mr Rob Margetts CBE FEng  
Sir Tom McKillop  
Mr James Ross (appointed 23/08/2005)  
Ms Ruth Silver CBE (resigned 05/10/2005)  
Professor Eric Thomas (appointed 28/07/2005)  
Sir David Watson (resigned 20/07/2005)  
Professor Dianne Willcocks (appointed 22/02/2006)

#### **Chief Executive**

Mr Richard A Brown

#### **Secretary**

Ms Barbara M Blake

#### **Registered office**

Studio 11  
Tiger House  
Burton Street  
London  
WC1H 9BY

#### **Bankers**

Barclays Bank PLC  
Bedford Square Branch  
27 Soho Square  
London W1A 4WA

CAF Bank Limited  
25 Kings Hill Avenue  
Kings Hill  
West Malling  
Kent ME19 4JQ

#### **Solicitors**

Bates, Wells & Braithwaite  
Scandinavian House  
2-6 Cannon Street  
London EC4M 6YH

#### **Auditors**

Deloitte & Touche LLP  
Chartered Accountants  
London

# **The Council for Industry and Higher Education**

## **Report of the Trustees**

The Trustees are pleased to submit their report and accounts for the year ended 31 December 2005.

The Charity is registered with the Charity Commission and is a company limited by guarantee governed by its Memorandum and Articles of Association. The Charity registration number is 1066956 and the company registration number is 3465914.

Legal and administrative information is set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, and Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities, issued in October 2000.

### **Structure, Governance & Management**

The Directors of the charitable company (the Charity) are its Trustees for the purposes of charitable law and throughout this report are collectively referred to as the Trustees. As set out in the Articles of Association one third of the Trustees who are subject to retirement by rotation shall retire from office. The Trustees to retire by rotation shall be those who have been longest in office since their last appointment or reappointment. If the Company, at the meeting at which a Trustee retires by rotation, does not fill the vacancy the retiring Trustee shall, if willing to act, be deemed to have been reappointed unless at the meeting it is resolved not to fill the vacancy or unless a resolution for the reappointment of the Trustee is put to the meeting and lost. The Trustees serving during the year and since the year end are given on page 1.

The Charity is administered by a board of up to seven members. The Board meets three times a year.

A Chief Executive is appointed by the Board to manage the day-to-day operation of the Charity.

### **Trustee-selection, appointment and competence**

Trustees are selected for appointment from the "members of the Council" by general agreement of the Board of Trustees.

New trustees receive a copy of the Memorandum and Articles of Association, together with recent audited accounts and advice on what is expected of them under charity law, with particular reference to Charity Commission guidance publications.

The Board does not conduct a formal annual review of board members although discussions are held on the approaching retirement of current members.

### **Investment powers**

Under the Memorandum and Articles of Association, the Charity has the power to make any investments which the Trustees see fit.

### **Subsidiary Trusts**

There are no subsidiary trusts.

### **Aims, Objectives and Activities**

#### **Objects**

The advancement of education, training, research and all kinds of learning by the fostering and promotion of mutual understanding, co-operation and support both in the UK and overseas between educational institutions and industry and commerce.

#### **Aims**

To lead in developing an agreed agenda on the higher level learning issues that affect our global competitiveness, social cohesion and individual development.

# **The Council for Industry and Higher Education**

## **Report of the Trustees (continued)**

### **Strategy and key Objectives**

The Board's strategy for achieving these aims is to:

- lead in developing an agreed agenda on the higher level learning issues that affect our global competitiveness, social cohesion and individual development;
- commission research so that policy can be better based on evidence;
- debate our agenda and research with government and its agencies; and
- work with them and other organisations to effect change.

We aim for our policy papers to be strategic, rigorous and accessible.

### **Activities**

The Board has determined that our activities should be focused on six key themes. Our main actions under each of these is summarised below.

#### ***Help Higher Education to be internationally Competitive***

With funding from all the UK higher education funding councils and with the involvement of the key government departments we are seeking business views on the international competitiveness of UK higher education as evidenced by their purchasing and investment decisions. The resulting report will be launched at the May Council meeting and then publicly across the UK. The launch will be followed up by a few working groups that will develop some of the key themes.

We will make a submission to the Government's spending review arguing the case for additional resources for UK higher education.

#### ***Press for the Expansion of Higher Education to meet business needs***

We issued a series of reports on work-force development and work-based learning; have a group considering these issues and are working with the DfES and Higher Education Funding Council for England (HEFCE) as they develop their policies in this area.

We responded to several consultations on degree awarding powers, credit frameworks and the funding of learning.

#### ***Encourage the Development of Employability and Entrepreneurship***

Our report describing the employability capabilities that students develop in a range of courses has been well received and we are completing the review of all subject areas for 2006.

With others we are part funding reviews of how the higher education experience can develop an entrepreneurial disposition in graduates and how those studying the creative industries can best bring their ideas to the market.

With the Association of Business Schools we have brought Deans of Business Schools and business leaders together to consider how knowledge can be better shared and programmes developed to meet what businesses need.

#### ***Encourage an Improved Dialogue on R&D and Knowledge Transfer***

With Richard Lambert and others we have helped develop a range of IPR protocols to help smaller businesses and universities develop research partnerships. We continue to work with the DTI/OST to help them develop appropriate metrics for the allocation of knowledge transfer funds and will work on future metrics for the Research Assessment Exercise (RAE) post 2008.

# **The Council for Industry and Higher Education**

## **Report of the Trustees (continued)**

### ***Encourage the Development and Application of Leadership and Values***

Our consultation at St George's House Windsor considered the nature of the student experience and argued that it should be about more than just getting a degree. A working group is developing ideas on what are the fundamental values of higher education.

We successfully developed and launched a report on why universities and colleges should develop their own guides on handling ethical issues. We are following that through by supporting (again with HEFCE support) five pathfinder institutions to develop their own guides and will research change across the sector as a result of our work.

We continue to work with the Leadership Foundation on mentoring senior academics and on other issues.

### ***Support a Widening of Participation in Higher Education***

With support from UCAS we distributed some 35,000 copies of a report for all schools on the value of higher education.

With the Institute for Employment Studies (IES) we published a report helping employers recruit from a wider range of students and thereby support diversity.

### **Networks and other relationships**

Our web-site [www.cihe-uk.com](http://www.cihe-uk.com) remains an important channel of communication and information to businesses, academics and policy makers in the UK and overseas.

We remain closely networked with a variety of organisations (including the key higher education organisations: Universities UK, SCOP and the CUC) who appreciate the additional influence our partnership approach can offer. We remain a founder member of a European Economic Interest Group with partners in France, Germany, Spain, Belgium and Hungary. We have close and valued relationships with our USA sister organisation, the Business-Higher Education Forum, and attend their meetings and have contacts with similar organisations in Japan and Australia.

The authority and influence of the Charity derive from the support and involvement of all Council members, their representatives and other invited experts on our Policy Forum. Their insights add tremendous value to our work.

We would also like to thank the executive team for their continued dedication and effectiveness and wish to give particular thanks to Sir David Watson and Ruth Silver CBE who retired from the Board in 2005. We are indebted to them for their invaluable advice and guidance.

### **Achievement and performance**

Our reports and submissions have been welcomed by the Government and its agencies which continue to seek our views and be involved in our groups. We continue to influence their policies and the actions and attitudes of universities and businesses. Our Council meetings have been well attended and we have held a couple of informal lunch/dinner discussions with them at which an issue can be developed in more depth. We continue to report regularly to our members and seek their views on our priorities.

### **Fundraising activities**

We achieved the budget we had set in terms of members' contributions and also recovered some of our central costs on projects we have undertaken. We will continue to charge an element of central costs wherever appropriate.

# **The Council for Industry and Higher Education**

## **Report of the Trustees (continued)**

### **Fundraising activities (continued)**

Factors outside of the control of the charity may impact on our ability to achieve the objectives set. For instance a funding company might be acquired or the current member may retire and the new person may be less interested in our agenda. We seek to minimise the risk through securing generally three year funding commitments from our member companies.

### **Financial Review and Results**

The year saw a sound financial result. Donations were similar to the previous year and project income and expenditure was considerably higher than anticipated reflecting increased research and publishing activity in the period. There was income to support this activity from various organisations (including the Government and funding councils). Funding commitments from member organisations for 2006 are reassuringly good although, as always, further commitments will be sought.

The financial position of the charity is summarised in the Statements of Financial Activities and Balance Sheet set out on pages 9 and 10. Total incoming resources on the Statement of Financial Activities for the year amounted to £456,103 (2004: £337,629) less totals outgoing resources of £ 464,903 (2004: £317,248) which resulted in reserves carried forward falling to £238,042 (2004: £246,840) at 31 December 2005. The reduction balanced the increase the previous year and reflected delayed expenditure on the move from Gray's Inn Road to the current address.

Our major project on International Competitiveness showed a small deficit of £2,743 in the year. The deficit has arisen due to the fact that expenditures incurred in the year were in excess of income received, in accordance with 2005 budget. However, this deficit will be recovered by income of £28,000 due in 2006.

The final total fund position of this project in 2006 is expected to be nil.

### **Investment Policy**

Our policy is to invest the majority of our funds with the CAF Bank which provides both security and flexibility of access, we have no other investments.

### **Funding Sources**

The major element of our funding comes from the annual donations that our supporting companies and other organisations make to our charity. In addition we recover some of our overheads and costs on the projects we undertake. We have some income from the publications we sell and earn interest on the funds we have on deposit notably at the CAF bank.

### **Reserves Policy**

Trustees are conscious of their responsibility to ensure that CIHE remains on a sound financial grounding and aware of the growing pressure on business to make hard decisions on where they place financial support for educational initiatives suggested a desired level of free reserves (that is those funds not tied up in fixed assets, and designated and restricted funds) of £250,000.

### **Risk Management**

The major risks facing the charity are:

- failing to meet the expectations of members (e.g. through not addressing the major issues or being taken seriously by Government) and hence their withdrawing their involvement and financial support. *We aim to mitigate this through undertaking work that is at the forefront of thinking, influencing through the power of partnership and in other ways ensuring that the Council performs a valued role that complements others;*

# The Council for Industry and Higher Education

## Report of the Trustees (continued)

### Risk Management (continued)

- failing to attract new members from a suitable range of major organisations when existing members retire or move on. *We aim to mitigate this through the quality of our policy proposals and the analysis that underpins these so that we earn the respect of external organisations who thereby want to be part of our unique partnership;*
- failing to harness the knowledge of member organisations and gain their commitment to work in partnership and offer guidance and resources. *We aim to mitigate this through regular dialogue with our members including through personal contacts from the CEO and informal discussions. Our Policy Forum of practitioners helps keep supporting businesses involved in our work and enables them to influence what we say and write;*
- misrepresenting the views of members, failing to get their endorsement to major policy statements, not being transparent and not acting in the best general interests of the organisation. *We aim to mitigate this through clearing our major policy proposals with our members and ensuring our views command as wide support as possible without diluting the pronouncements the overwhelming majority might want to make;*
- trying to cover too broad a range of activities either to satisfy members or respond to external invitations. *We have set clear priorities and keep these under regular review to ensure they reflect current major policy areas;*
- failure of our IT systems, serious loss of data with financial and operational implications. *We mitigate this through regular back-up of our systems and through our accountant having data off-site; the CEO's PA has increased our IT capabilities through his knowledge and interest; and*
- illness or lack of motivation of the core team that thereby undermines our effectiveness and team working. *Our small core team has been chosen partly because of their capacity to work together, be flexible and be committed to the cause that we espouse. Our CEO and Company Secretary have considerable experience in the Charity and of the issues with which we deal. This helps ensure the credibility and respect in which our work is held*

### Trustees' responsibilities in relation to the financial statements

United Kingdom company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity at the end of the financial year and of its surplus or deficit for the Charity for the period. In doing so the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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



# **The Council for Industry and Higher Education**

## **Report of the Trustees (continued)**

### **Auditors**

A resolution will be proposed at the Annual General Meeting that Deloitte & Touche LLP be re-appointed as auditors to the Charity for the ensuing year.

By order of the Trustees



Mr Richard Greenhalgh, Chair of Trustees

16 May 2006

## **Independent auditors' report to the members of The Council for Industry and Higher Education**

We have audited the financial statements of The Council For Industry and Higher Education for the year ended 31 December 2005 which comprise the statement of financial activities, the balance sheet and the related notes 1 to 14, which have been prepared under the accounting policies set out therein.

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

### **Respective responsibilities of directors and auditors**

As described in the statement of trustees' responsibilities, the trustees, who are also the directors of the Charity for the purposes of company law, are responsible for the preparation of the financial statements, which are required to be prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and international auditing standards (UK and Ireland).

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 if, in our opinion, the trustees' report is not consistent with the financial statements, if the Charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding the trustees' remuneration and transactions with the company is not disclosed.

We read the trustees' report for the above year and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the charitable company as at 31 December 2005 and of its outgoing resources and application of resources, including its income and expenditure, in the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche LLP *Deloitte & Touche LLP*  
Chartered Accountants and Registered Auditors  
London *16 May* 2006

# The Council for Industry and Higher Education

## Statement of Financial Activities Year ended 31 December 2005

|                                                       | Note | Unrestricted<br>funds<br>£ | Restricted<br>income<br>funds<br>£ | Total<br>funds<br>2005<br>£ | Total<br>Funds<br>2004<br>£ |
|-------------------------------------------------------|------|----------------------------|------------------------------------|-----------------------------|-----------------------------|
| <b>Incoming resources</b>                             |      |                            |                                    |                             |                             |
| Donations and gifts                                   | 2    | 258,800                    | -                                  | 258,800                     | 264,300                     |
| Grants for specific initiatives                       |      | -                          | 175,021                            | 175,021                     | 54,746                      |
| Sales of publications                                 |      | 2,729                      | -                                  | 2,729                       | 496                         |
| Overheads recovered/Other Income                      |      | 10,650                     | -                                  | 10,650                      | 9,316                       |
| Bank and other interest receivable                    |      | 8,903                      | -                                  | 8,903                       | 8,771                       |
| <b>Total incoming resources</b>                       |      | <b>281,082</b>             | <b>175,021</b>                     | <b>456,103</b>              | <b>337,629</b>              |
| <b>Resources expended</b>                             |      |                            |                                    |                             |                             |
| Direct charitable expenditure                         | 3    | (229,231)                  | (175,521)                          | (404,752)                   | (268,700)                   |
| Other expenditure:                                    |      |                            |                                    |                             |                             |
| Fundraising and publicity                             | 4    | (20,694)                   | -                                  | (20,694)                    | (23,994)                    |
| Management and administration                         | 5    | (39,457)                   | -                                  | (39,457)                    | (24,554)                    |
| <b>Total resources expended</b>                       |      | <b>(289,382)</b>           | <b>(175,521)</b>                   | <b>(464,903)</b>            | <b>(317,248)</b>            |
| <b>Net (outgoing) incoming resources for the year</b> |      | <b>(8,300)</b>             | <b>(500)</b>                       | <b>(8,800)</b>              | <b>20,381</b>               |
| <b>Total funds brought forward at 1 January</b>       |      | <b>235,236</b>             | <b>11,606</b>                      | <b>246,842</b>              | <b>226,459</b>              |
| <b>Total funds carried forward at 31 December</b>     | 11   | <b>226,936</b>             | <b>11,106</b>                      | <b>238,042</b>              | <b>246,840</b>              |

All amounts derive from continuing operations.

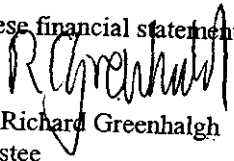
There are no revaluation gains or losses in the year. Accordingly a separate Summary Income and Expenditure Account has not been prepared.

# The Council for Industry and Higher Education

## Balance Sheet 31 December 2005

|                                                       | Notes | 2005<br>£ | 2004<br>£ |
|-------------------------------------------------------|-------|-----------|-----------|
| <b>Fixed assets</b>                                   |       |           |           |
| Tangible fixed assets for use by the charity          | 7     | 5,425     | 1,821     |
| <b>Current assets</b>                                 |       |           |           |
| Debtors                                               | 8     | 85,742    | 45,183    |
| Cash at bank and in hand                              | 9     | 214,197   | 251,551   |
|                                                       |       | 299,939   | 296,734   |
| <b>Creditors: amounts falling due within one year</b> | 10    | (67,322)  | (51,715)  |
| <b>Net current assets</b>                             |       | 232,617   | 245,019   |
| <b>Net assets</b>                                     |       | 238,042   | 246,840   |
| <b>Funds</b>                                          |       |           |           |
| Restricted income funds                               | 11    | 11,106    | 11,606    |
| Unrestricted funds                                    | 11    | 226,936   | 235,234   |
|                                                       |       | 238,042   | 246,840   |

These financial statements were approved by the Trustees on 16 May 2006 and signed on their behalf.

  
Mr Richard Greenhalgh  
Trustee

16 May 2006

# The Council for Industry and Higher Education

## Notes to the accounts

Year ended 31 December 2005

### 1. Accounting policies

The financial statements are prepared in accordance with the 2005 Statement of Recommended Practice "Accounting by Charities" and applicable United Kingdom law and accounting standards. The particular accounting policies adopted have been applied consistently throughout the current and preceding year, as described below.

#### Accounting convention

The financial statements are prepared under the historical cost convention.

#### Fund accounting

##### *Restricted income funds*

Restricted income funds represent grants and donations receivable for the year which are allocated by the donor for a specific purpose.

##### *Unrestricted funds*

Unrestricted funds represents income which is expendable at the discretion of the trustees in the furtherance of the objectives of the charity.

#### Incoming resources

All income is recognised in the Statement of Financial Activities when the conditions of receipt have been met and there is reasonable assurance of receipt. Where a claim for repayment of income tax has or will be made, such income is grossed up for the tax recoverable. The following accounting policies are applied to income:

##### *Donations*

Donations are accounted for gross and on a receivable basis, the related fundraising costs are reported in Other expenditure: Fundraising and publicity.

##### *Grants for specific initiatives*

Grants for specific initiatives are restricted fund grants. They are recognised in the Statement of Financial Activities when the conditions for receipt have been complied with.

##### *Gifts in kind and donated goods*

Assets and services given for use by the charity are recognised as incoming resources at their estimated market value when receivable. Gifts of fixed assets for charity use are accounted for as restricted funds and are included in the balance sheet at the value at which the gift was included in incoming resources.

##### *Sales of publications and conference fees*

Sales of publications and conference fees are accounted for gross and on a receivable basis. Related costs are reported in support costs.

##### *Bank interest*

Bank interest is accounted for on a receivable basis.

# The Council for Industry and Higher Education

## Notes to the accounts

Year ended 31 December 2005

### 1. Accounting policies (continued)

#### Direct charitable expenditure

Direct charitable expenditure includes all expenditure directly related to the objects of the charity and comprises the following:

##### *Grants payable*

Grants payable are accounted for when the trustees have accepted a legal or moral obligation to make the grant.

##### *Research projects*

Research projects comprise the costs of research projects undertaken by or on behalf of the charity on an accruals basis.

##### *Support costs*

Support costs represent the staffing and associated costs of supporting, monitoring and evaluating the research projects of the charity and are accounted for on an accruals basis.

#### Other expenditure

Other expenditure is analysed under the following two sub-headings:

##### *Fundraising and publicity*

Fundraising and publicity costs relate to expenditure incurred in motivating supporters to donate to the work of the charity and consist principally of a proportion of salary costs accounted for on an accruals basis.

##### *Management and administration*

Management and administration costs relate to expenditure incurred in the management of the charity's assets, organisational administration and compliance with constitutional and statutory requirements accounted for on an accruals basis.

#### Basis and allocation of costs

Salaries have been allocated in proportion to the amount of time spent on activities directly relating to the objects of the charity, on fundraising and publicity and on management and administration. Fundraising and publicity reflects a proportion of the direct salary costs of the Director and Secretary to the Council expended on this activity. There are no other significant costs. Management and administration reflect a proportion of direct salary costs expended on these activities and costs directly related to compliance with statutory requirements.

#### Tangible fixed assets

Tangible fixed assets are stated at cost or estimated market value on receipt if donated, less depreciation. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows:

|                    |                       |
|--------------------|-----------------------|
| Office equipment   | 25% of cost per annum |
| Computer equipment | 50% of cost per annum |

#### Cashflow statement

The Charity is defined as a small company for the purposes of sections 246 and 247 of the Companies Act 1985 and has taken advantage of the exemption from preparing a cashflow statement.

#### Pension costs

There is no group pension scheme in operation. The group makes contributions to employees for them to invest in personal pension schemes.

# The Council for Industry and Higher Education

## Notes to the accounts

Year ended 31 December 2005

### 1. Accounting policies (continued)

#### Leases

Rental costs under operating leases are charged to the support costs in equal amounts over the periods of the leases.

### 2. Donations

Donations include gifts in kind valued by the trustees at £8,000 (2004: £3,500). These comprise donated audit services of £8,000 (2004: £3,500) and donated event costs of £nil (2004: £nil).

### 3. Direct charitable expenditure

|                                     | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | Total<br>2005<br>£ | Total<br>2004<br>£ |
|-------------------------------------|----------------------------|--------------------------|--------------------|--------------------|
| Research projects                   | 48,926                     | 162,106                  | 211,032            | 71,433             |
| Support costs                       | 180,305                    | 13,415                   | 193,720            | 197,267            |
|                                     | <u>229,231</u>             | <u>175,521</u>           | <u>404,752</u>     | <u>268,700</u>     |
| Support costs comprise:             |                            |                          |                    |                    |
| Payroll and consultancy costs       | 115,698                    | 13,415                   | 129,113            | 132,593            |
| Rent and office costs               | 36,844                     | -                        | 36,844             | 30,133             |
| Travel and hospitality              | 2,161                      | -                        | 2,161              | 5,244              |
| Rental costs under operating leases | 1,880                      | -                        | 1,880              | 1,880              |
| Publishing and printing             | -                          | -                        | -                  | -                  |
| Other costs                         | 23,722                     | -                        | 23,722             | 27,417             |
|                                     | <u>180,305</u>             | <u>13,415</u>            | <u>193,720</u>     | <u>197,267</u>     |

### 4. Fundraising and publicity

|             | 2005<br>£     | 2004<br>£     |
|-------------|---------------|---------------|
| Staff costs | <u>20,694</u> | <u>23,994</u> |

All fundraising and publicity costs relate to unrestricted funds.

### 5. Management and administration

|                     | 2005<br>£     | 2004<br>£     |
|---------------------|---------------|---------------|
| Staff costs         | 31,457        | 21,054        |
| Donated audit costs | 8,000         | 3,500         |
|                     | <u>39,457</u> | <u>24,554</u> |

All management and administration costs relate to unrestricted funds.

# The Council for Industry and Higher Education

## Notes to the accounts

Year ended 31 December 2005

### 6. Information regarding employees and trustees

|                                    | 2005<br>No.    | 2004<br>No.    |
|------------------------------------|----------------|----------------|
| Average number of persons employed |                |                |
| Project delivery                   | 3              | 3              |
|                                    | <u>3</u>       | <u>3</u>       |
| Staff costs during the year        | £              | £              |
| Wages and salaries                 | 163,235        | 159,538        |
| Social security costs              | 18,029         | 18,103         |
|                                    | <u>181,264</u> | <u>177,641</u> |

The number of employees paid over £50,000 during the year (salary plus taxable benefits) was:

|                    | 2005<br>No. | 2004<br>No. |
|--------------------|-------------|-------------|
| £80,001 - £100,000 | 1           | 1           |
|                    | <u>1</u>    | <u>1</u>    |

No trustee, or person related or connected by business to them, has received any remuneration from the charity during the year. The total expenses reimbursed to trustees amounted to £nil (2004: £nil).

### 7. Tangible fixed assets for use by the charity

|                          | Fixtures,<br>fittings and<br>equipment<br>£ |
|--------------------------|---------------------------------------------|
| Cost                     |                                             |
| At 1 January 2005        |                                             |
| Additions                | 9,656                                       |
|                          | <u>5,416</u>                                |
| At 31 December 2005      | 15,072                                      |
| Accumulated depreciation |                                             |
| At 1 January 2005        |                                             |
| Charge for year          | 7,835                                       |
|                          | <u>1,812</u>                                |
| At 31 December 2005      | 9,647                                       |
| Net book value           |                                             |
| At 31 December 2005      | 5,425                                       |
| At 31 December 2004      | 1,821                                       |



# The Council for Industry and Higher Education

## Notes to the accounts Year ended 31 December 2005

### 8. Debtors

|                      | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2005<br>£     | 2004<br>£     |
|----------------------|----------------------------|--------------------------|---------------|---------------|
| Donations receivable | 33,000                     | 43,300                   | 76,300        | 40,571        |
| Other debtors        | 713                        | -                        | 713           | 1,580         |
| Prepayments          | 8,729                      | -                        | 8,729         | 3,032         |
|                      | <u>42,442</u>              | <u>43,300</u>            | <u>85,742</u> | <u>45,183</u> |

### 9. Cash at bank and in hand

|                          | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2005<br>£ | 2004<br>£ |
|--------------------------|----------------------------|--------------------------|-----------|-----------|
| Cash at bank and in hand | 197,503                    | 16,694                   | 214,197   | 251,551   |

### 10. Creditors: amounts falling due within one year

|                              | Unrestricted<br>funds<br>£ | Restricted<br>funds<br>£ | 2005<br>£ | 2004<br>£ |
|------------------------------|----------------------------|--------------------------|-----------|-----------|
| Accruals and deferred income | 18,935                     | 48,387                   | 67,322    | 51,715    |

# The Council for Industry and Higher Education

## Notes to the accounts

Year ended 31 December 2005

### 11. Movements in funds

| Restricted funds                                                                | Balance<br>1 January<br>2005<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Balance<br>31 December<br>2005<br>£ |
|---------------------------------------------------------------------------------|-----------------------------------|----------------------------|----------------------------|-------------------------------------|
| Research projects:                                                              |                                   |                            |                            |                                     |
| Value of Higher Education                                                       | 699                               | 10,000                     | (10,699)                   | -                                   |
| Developing Guide for Ethics                                                     | 5,701                             | 56,029                     | (56,819)                   | 4,911                               |
| Business Secondment Forum for Business<br>Leaders and Deans of Business Schools | 1,364                             | 5,392                      | (5,724)                    | 1,032                               |
| Ethics: HE more than a degree                                                   | 3,842                             | -                          | (3,842)                    | -                                   |
| International Competitiveness                                                   | -                                 | 24,000                     | (26,743)                   | (2,743)                             |
| St Georges                                                                      | -                                 | 500                        | (42)                       | 458                                 |
| Ethics Phase 2                                                                  | -                                 | 30,600                     | (28,000)                   | 2,600                               |
| Students Employability                                                          | -                                 | 35,000                     | (30,152)                   | 4,848                               |
| Recruiting for Diversity                                                        | -                                 | 1,500                      | (1,500)                    | -                                   |
| Work Based Learning                                                             | -                                 | 12,000                     | (12,000)                   | -                                   |
|                                                                                 | <u>11,606</u>                     | <u>175,021</u>             | <u>(175,521)</u>           | <u>11,106</u>                       |
|                                                                                 | Balance<br>1 January<br>2005<br>£ | Incoming<br>resources<br>£ | Resources<br>expended<br>£ | Balance<br>31 December<br>2005<br>£ |
| Unrestricted funds                                                              | <u>235,234</u>                    | <u>281,082</u>             | <u>(289,382)</u>           | <u>226,936</u>                      |

### 12. Taxation

The Council for Industry and Higher Education is not liable to corporation tax on its income and gains in the current year to the extent that they are applied for charitable purposes.

### 13. Guarantee

The charity is limited by guarantee and has five members. The members have agreed to contribute £1 to the assets of the charity in the event of it being wound up.

### 14. Operating lease commitment

As at 31 December 2005, the charity was committed to making the following payments in respect of operating leases during the next year:

| Leases that expire       | 2005<br>£ | 2004<br>£ |
|--------------------------|-----------|-----------|
| Within one year          | 1,880     | 1,880     |
| Within two to five years | 940       | 470       |