

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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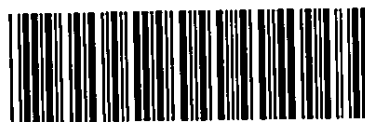
**The Learning Curve  
(Voluntary Sector Development)  
(a company limited by guarantee)**

**Annual Report and Accounts for Year Ended  
31 December 2009**

**Company No 4324686  
Charity No: 1090735**

**Head Office:  
Unit 2  
Challeymead Business Park  
Melksham, Wiltshire  
SN12 8BU  
Tel: 01225 792500**

**WEDNESDAY**



A42      \*A20HINTR\*      288  
29/09/2010  
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**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Legal and Administrative Details of the Charity**

**Registered Company Number** 4324686  
**Registered Charity Number** 1090735

**Bankers:** CAF BANK Limited                      National Westminster Bank Plc  
PO Box 289                                      30 High Street  
West Malling                                    Chippenham  
Kent M19 4TA                                  Wiltshire SN15 3HB

Unity Trust Bank  
Customer Services Centre  
Nine Brindleyplace  
Birmingham B1 2HB

**Solicitor:** Nick Wykeham  
Wykeham & Co  
Trey House  
Lower Seagry  
Chippenham  
Wiltshire SN15 5EP

**Auditors:** Moore Stephens (Appointed January 2010)  
30 Gay Street  
Bath  
BA1 2PA

**Registered Office:** Unit 2, Challeymead Business Park, Melksham, Wiltshire SN12 8BU

**Company Secretary:** Mrs A Tew

**Trustees:**

Trustees who acted during the year were:

Mr C Hewitt  
Mrs C Burt (resigned 14 December 2009)  
Mrs J Charge  
Mr S K Milner  
Mrs G McIntyre  
Mr M C Parker (resigned 22 April 2009)  
Mrs E Hinds  
Mrs A Kinloch  
Mr D Smith (resigned 22 April 2009)

**Chief Executive:** Mr T Ward

## **Annual Report 2009**

The trustees of The Learning Curve (Voluntary Sector Development) are pleased to present their report, together with the audited financial statements for the year ended 31 December 2009

### **Overview**

2009 was successful overall although it included a lot of challenges. There was no manager in the Individual Responsive area for part of the year but a new manager was appointed before the end of 2009. The new manager also took responsibility for Consortia partnerships relating to Individual Responsive delivery and so this change has been reflected in the accounts by combining the previously separate consortia area with the individual delivery area. A number of projects successfully achieved their outcomes although the targets of the LSC Adult Learner Responsive contract unfortunately were not fully achieved. The organisation has continued to work over an increased geographical area undertaking more work in the South East as well as continuing to strengthen the work undertaken in the South West. The result has led to another surplus which has enabled the reserves to be increased to help protect the organisation against the risks already identified for 2010 and 2011.

### **Structure Governance and Management**

#### **The Governing Document**

The organisation is controlled by a set of Articles of Association which were adopted at an extraordinary general meeting in October 2006 and updated with some minor amendments at the subsequent two AGMs.

#### **The Membership of The Learning Curve**

The membership of The Learning Curve is now open to any organisation or individual who supports the aims of the organisation. Most of the members are delivery partners of the organisation as membership is a requirement of becoming a delivery partner. Additionally a small number of other organisations and individuals have also become members. Membership at the end of the year stood at 73 (75, 2008) reflecting a loss of organisational members due to the economic climate and a reduction in trustee members as the number of trustees has reduced.

#### **The Organisational and Decision making Structure**

The current Trustee board consists of 6 Trustees although there were 7 at the end of 2009. The Chairman of the trustee board, Gill McIntyre was appointed as chair on 3 February 2009.

There are four sub committees for Audit, HR, Quality and Remuneration. Each committee has delegated powers laid out in the terms of reference approved by the main board.

The Chief Executive has responsibility for planning, development and management of the organisation within clear guidance and strategies set by the board. The Director of Finance, Governance and HR also has clear delegated authorities as laid down by the trustee board.

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### **Trustees' responsibilities**

Company law requires the board of Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company and of the income and expenditure of the Company for the year. In preparing those financial statements, the board of Trustees has

- Selected suitable accounting policies and applied them consistently
- Made judgements and estimates that are reasonable and prudent
- Followed applicable accounting standards and statements of recommended practice without material departures
- Prepared the financial statements on the going concern basis

The board of Trustees is responsible for keeping a proper accounting record which, at any time, enables them to disclose with reasonable accuracy the financial position of the Company and ensure that the financial statements comply with the Companies Act 2006 and SORP 2005. They are also responsible for safeguarding the assets of the Company and hence for taking all reasonable steps for the prevention of fraud and other irregularities.

### **Trustee Recruitment, Induction and Training**

Trustee development sessions have been run throughout the year on a variety of topics, responding to the governance requirements of the board and to fill knowledge gaps identified by the Trustees themselves. During the year these sessions included 'The Code of Governance', 'The Role of a Trustee', 'Stakeholder and Competitor analysis', 'The Economic Downturn' and the 'Business Plan'.

Trustees are appointed through open advertising using our partnership networks, volunteer web sites and through direct mailings if appropriate. We aim to have a balanced board representing our area and client groups but particular focus is placed on a balance of skills within the board. With this in mind sometimes specific skills which have been identified as missing from the existing board are highlighted in advertising but no other applicants are discouraged. On appointment, each new trustee signs a code of conduct and follows an induction programme including being provided with a full induction pack.

### **Governance Objectives for 2010**

- To develop a buddying scheme between Trustees and senior staff and to identify other opportunities for board skills to be utilised within the organisation
- To recruit a trustee with strong financial skills whilst recruiting additional Trustees to the board

### **Risk Assessment**

The Board and management team have an ongoing process of risk management in line with the organisation's risk policy. The risk register is updated by the senior staff monthly to reflect new risks and changes in risk profile. It also details actions being undertaken to mitigate each risk in line with the organisation risk policy. The risk register is submitted to the Audit Sub Committee for scrutiny as well as to every main board meeting.

The biggest risks faced by the organisation have been identified as a combination of the cessation of the LSC (the organisation's main funder), the change of government and the current financial climate. This combination means the funding environment is very uncertain for the organisation in 2010 and 2011. The transfer process of the LSC responsibilities to the new bodies including the Skills Funding Agency, Young

## **THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT) FOR THE YEAR ENDED 31 DECEMBER 2009**

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Person's Learning Agency and the National Apprenticeship Service together with increased roles in funding and planning learning for local authorities, is now better understood reducing this risk but the other main risks are still considered significant. A number of strategies are being put into place to enable us to capitalise on possible changes in policy and to have sufficient reserves to accommodate a period of change.

### Relationships between the charity and related organisations

The Learning Curve has always worked in collaboration with other voluntary organisations. In 2009 we

- Supported 20 partners (28, 2008) to deliver learning and skills opportunities to disadvantaged individuals and communities, third sector organisations and small businesses with LSC and other funding
- Distributed, with support from our partner SW Foundation, ESF Community Grants to 71 smaller voluntary organisations
- Worked with voluntary sector infrastructure organisations across the SW and SE to support voluntary organisations and enable them to become more effective
- Collaborated with local, regional and national voluntary sector agencies to promote and represent the interests of third sector organisations involved with the learning and skills agenda
- Continued in membership of the Wiltshire Infrastructure Consortium, and also became a member of the newly formed infrastructure consortium for Swindon (Empower Swindon)

### The charity's objects, aims and strategies

#### Charitable Objects

The Charity's Objects as laid out in the Memorandum and Articles for The Learning Curve are 'To promote public education and training and promote the efficiency of charity'.

#### Aim / Mission

Within these Objects, the main aim of the organisation is summarised in our mission statement as follows

'Our Mission is to maximise potential through learning and development'

#### Public Benefit

When reviewing the charities aims and objectives and planning future activities the Trustees have had due regard to the public benefit guidance published by the Charities Commission.

Our main activities focus on delivering teaching, learning and other forms of personal or organisational development and are undertaken to further our charitable purposes for the public benefit

The main groups that benefited from our services are:

- Not for profit organisations including charities and community groups
- Employees and volunteers of Not for Profit organisations
- Hard to reach groups of individuals including learners on probation, young parents and those with other individual requirements
- Those offering or undertaking learning and development in their local communities

In pursuing this mission in 2009 The Learning Curve

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- Provided learning and training to 2,153 individuals (3,298 in 2008) together with 20 partners (28 in 2008)
- Distributed £250K funding (£308,380 in 2008) to third sector partners and other organisations

The reduction in partnership delivery was partly due to the economic climate affecting our partners and partly due to the management gap within the organisation

- Distributed £604K Community Grant funding to a further 71 voluntary organisations to support up to 1200 individuals (0 in 2008)

### Our activities in 2009 by operational area

#### Individual Responsive Learning (including Consortia partnerships)

##### **Key objectives for 2009 outcomes**

- Ensure that all contract targets are met and funding is fully used  
**Outcome:** Funding fully used in all areas with one exception ☹
- Bring in new partner providers to meet changing requirements  
**Outcome:** New partners engaged, but others lost, so net reduction ☹
- Ensure provision meets LSC minimum levels of performance  
**Outcome:** Overall performance levels are high in most subject areas. One incidence of poor outcome has resulted in failure to meet minimum level performance (MLP) in one subject area ☹
- Increase analysis of learner and customer feedback to ensure that high levels of quality are maintained or improved  
**Outcome:** We have implemented a more thorough and systematic analysis of learner and customer feedback ☺
- Obtain alternative funding to allow us to maintain the full range of learning activity  
**Outcome:** Limited additional funding opportunities have been secured ☺
- Increase learner recruitment and retention by adapting probation programmes to meet learners' needs more effectively  
**Outcome:** We made changes in 2009 that went some way to improving the recruitment of probationers to the classes we deliver ☹
- Increase the number of Initial Teacher Training Programmes delivered and investigate a more competitive range of courses  
**Outcome:** We were invited back by several partners to deliver a second and third round of Preparing to Teach in the Lifelong Learning Sector (PTLLS) courses. We have identified a route for modular delivery of Certificate in Teaching in the Lifelong Learning Sector (CTLLS) that allows flexible study options for PTLLS candidate who wish to progress to CTLLS ☺
- Develop courses for learners recently made redundant to ease the path back into work  
**Outcome:** We have delivered Preparation for Work courses, but have not been able to identify a suitable delivery opportunity that allows us to work with redundant learners ☹

##### **Challenges in 2009:**

- Over-achievement of learner numbers due to incorrect assumptions regarding funding year allocations
- Loss of delivery partners through closure, reduction in activities or realignment of funding priorities
- Recruitment and retention of learners on Skills for Life programmes
- Limited availability of suitably qualified Tutors

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- Reduced funding in offender learning

### Key Objectives for 2010:

- Work closely with delivery partners, tutor teams and other external stakeholders to ensure quality of teaching and learning
- Deliver on highly prioritised targets for 2010/2011
- Identify new delivery partners in specific priority areas of delivery
- Ensure provision meets LSC minimum levels of performance
- Identify community needs and gaps for provision for 16-18 year olds
- Sustain the current level of PTLLS delivery
- Introduce modular CTLLS course options
- Increase the volume of Direct Delivery
- Deliver employability programmes
- Extend and adapt delivery of Skills for Life (S4L) to meet changing needs of learners
- Identify a sustainable model of delivery for Probation Learners
- Deliver target recruitment and achievement for the Personal Best programme 2010

### Employer Responsive/ Train to Gain

#### Key objectives for 2009 outcomes

- Increase the delivery of VRQ and taught NVQ programmes to meet employer and learner demand  
**Outcome:** In 2009 we successfully managed to quadruple the total number of NVQ programmes offered and also NVQ taken up by employers and learners ☺  
**Outcome:** Limited scope or funding available in 2009 to support VRQ programme delivery ☹
- Effectively plan for and respond to changes in the funding - for Employer Responsive learning  
**Outcome:** In 2009, monthly funding and a delivery profile was agreed with partner organisations and the LSC. A full cost recovery model was implemented for all NVQ programmes that fell outside of the scope of Train to Gain funding ☺

#### Highlights of 2009

- First year of delivering an LSC Train to Gain contract
- Train to Gain contract successfully delivered in conjunction with a range of new and existing regional partner organisations
- Ensured that all contract targets were met and that funding was fully used
- Successfully delivered on the Third Sector Brokerage Project, which was funded by the LSC and linked to Third Sector employers take up of the Train to Gain (TTG) learning offer

#### Challenges in 2009

- Underachievement of TTG learner numbers, due to the lack of funding available for new learners to start in the final quarter of the academic year
- The demise of Tidworth Trust, a delivery partner organisation offering NVQs in Childcare Learning and Development, resulted in us taking on their learners and a new curriculum area of delivery. We have successfully supported a significant number of learners to achieve qualifications in 2009 with more achievements and learners to start planned for 2010.



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### Key Objectives for 2010

- Successfully deliver 09/10 TTG contract within maximum contract value, maximising learners to start and achievements
- Maximise potential income available through the Business Clusters project by recruiting eligible learners to start
- Maximise income available from the ESF leadership and management project by delivering profiled learners to start and achievements
- Apprenticeships - Identify sources of funding to support delivery that meets the needs of the sector

### Advice, Information and Support

#### Key objectives for 2009 outcomes

- Launch and publicise the new ladder4learning website  
**Outcome:** The new ladder4learning website was launched in May 2009 and has been extensively marketed, resulting in an average of over 800 unique visitors every month ☺
- Raise awareness of the advice service to 4,500 organisations across the South West region and Hampshire so that 850 organisations can access support and advice  
**Outcome:** The service has now been extended across the South East region as well as the South West and to date over 7,000 organisations have benefited from the service with 6018 organisations accessing our services through the website and our telephone helpline ☺
- Work in partnership with 60 infrastructure organisations to promote the service, including taking part in a wide range of events to promote the importance of workforce development to third sector organisations  
**Outcome:** We are now working in partnership with 292 infrastructure organisations across the two regions (South West and South East), and have taken part in events in Bournemouth and Poole, Dorset, Wiltshire, Somerset, Bristol and Gloucestershire ☺
- Work in partnership with Wiltshire colleagues to set up Step-Up, a new project aimed at providing specialist support to third sector organisations in Wiltshire  
**Outcome:** The new Step Up service has been successfully launched, in partnership with Charities Information Bureau and Volunteer Centre Swindon ☺

#### Key Objectives for 2010

- ladder4learning will continue to provide information and support across the South West and South East areas, including support in carrying out Training Needs Assessments to 400 organisations and individuals (1,250 over the three year project) through web-based, telephone, and face-to-face support including four workshop events
- Capacity Building support will be provided to organisations in receipt of Community Grants funding, consisting of one-to-one telephone and email support and up to 3 seminars across the region during April – July 2010
- Step Up project will provide employment and workforce support to 90 organisations in Wiltshire (240 over the three year project) and will develop and publish the 'Guide to Nearly Everything'
- Voluntary value project will provide information and gather intelligence to facilitate third sector organisations' participation in the delivery of ESF funded projects, by providing a minimum of 6 bulletins per year, and holding one event in each of the four sub-regions covered (Wiltshire, Swindon, Dorset, Bournemouth and Poole)
- We will research demand amongst third sector organisations for support with design, marketing and communications support

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- We will research options for continuing the ladder4learning service after the lottery funding ends and produce recommendations for service from April 2011

### Cross Organisation Services

#### **Key objectives for 2009 outcomes**

- Continue to increase the internal and external usage of both Chippenham Training Suites by 25%  
**Outcome:** External usage increased but internal usage did not due to a reduction in courses when no manager was in post that runs most courses ☹
- Continue to improve the quality across the whole organisation by integrating our internal and external quality systems  
**Outcome:** Quality processes were integrated and improvements made but the reduction in the grade achieved at the Ofsted inspection demonstrates there are still a lot of issues ☹

#### **Highlights for 2009**

- New board Quality subcommittee established
- Staff training targets achieved

#### **Challenges in 2009**

- Difficult economic climate for providing other services including rental of the Chippenham Training Suite
- Key vacancy in the quality area slowed down the rate of improvement

#### **Key Objectives for 2010**

- Complete a full Training Needs Analysis (TNA) for the whole organisation
- Fully embed the pay review process agreed in 2009 ensuring appraisals are correctly undertaken and the results are standardised to ensure consistency
- Completion of Investors in People (IIP) reaccreditation
- Review the use of volunteers including the production of a policy and volunteer plan
- Review issues from Ofsted and identify actions for Quality Improvement Plan
- Identify all Management Information Systems (MIS) reporting required to enable monitoring and management of quality
- Use balance scorecard (customer/partner, finance, operations, HR) to identify actions for the management team
- Develop a proposal for improving communication with clear recommendations to implement
- To increase usage of the Chippenham Training Suite over the year by 20%

### Working with local authorities

The recent changes in the skills landscape have given local authorities a leading role in both 16-19 learning and adult informal learning. Learning Curve has always had good working relationships with local authorities, particularly with Wiltshire and Swindon Councils. We have also carried out many joint activities with local authorities in the West of England and Dorset, Bournemouth & Poole. We have recently been invited to join the local 13-19 Strategic Board to represent third sector interests and we look forward to working even more closely with local authorities on this and other agendas.

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### Regional activity

Learning Curve plays an important role in regional developments including

- Development of ladder4learning, an information & advice service around third sector workforce development for the SW and SE regions
- Bidding for, and delivering, contracts involving other voluntary sector partners around the region
- Leading Engage Dorset in collaboration with local partners
- Managing the Involve SE project, working with partners in the SE region to establish local and regional third sector learning networks
- Chairing the SW regional workforce advisory group and working with SW Forum to establish a regional group to work with the new Skills Funding Agency
- Playing an active role in the SW centre for excellence in teacher training (SWITCH)
- Work with South West Foundation to provide support to VCS organisations delivering the Community Grants programme across the SW region (excluding Cornwall)
- Representing the interests of the third sector to the 16-19 Regional Planning Groups in the SW and SE regions

### National developments

Learning Curve continues to be recognised as a leader in its field, leading to requests for support from others around the country developing similar learning consortia. This benefits the organisation in terms of its profile and reputation and creates an additional income stream in terms of consultancy and speaking fees.

Examples of the organisations national involvements include.

- The Learning Curve Chief Executive has played an active role in establishing a national voice for third sector learning providers – the Third Sector National Learning Alliance (TSNLA). He currently chairs the TSNLA and is involved in a number of advisory and consultative committees for the Skills Funding Agency and the Department for Business, Innovation and Skills.
- The Learning Curve is a founder member of Fairtrain a national training association for the Third Sector. We are also a registered member of 3SC the national third sector consortium set up to bid for public contracts.
- The Learning Curve is a member of the Board of the Third Sector European Network.

### Review of Financial Position

The organisation finished the year with a £102K surplus and a closing balance sheet value of £375K. Unrestricted reserves, excluding those which have funded fixed asset expenditure, have increased from £174K at the end of 2008 to a healthy £287K at the end of 2009 (see note 13 to the accounts). This was achieved through good financial monitoring and control together with a robust forecasting system which provides a good basis to deal with risks identified above likely to materialise in 2010/11.

The majority of the organisation's funding comes from the LSC with the main contract covering delivery by both Learning Curve and partner organisations. The organisation has a range of other sources of funding, in particular the European Social Fund, The Big Lottery or various other government funding streams. Some of this funding comes via partnership collaboration.

The main LSC funding contract is split into Employer Responsive and Individual Responsive delivery both of which can either be allocated to delivery partners or reallocated internally to one of the internal delivery activity areas to achieve the delivery objectives set by the LSC. Other funding is allocated directly to the

## **THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT) FOR THE YEAR ENDED 31 DECEMBER 2009**

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appropriate activity area, again to ensure the funding outcomes are achieved. Expenditure is then recorded against the activity area to which it applies as well as the funder for restricted funding to ensure expenditure is appropriate. The majority of expenditure has been used either to provide funds to partner organisations or salaries for our own staff to deliver training or work with groups to develop their organisations. Another significant amount of expenditure has been used to provide accommodation for training and our main office activities. All of these costs support the delivery objectives of The Learning Curve. All activity areas are aligned to the key objectives of the organisation.

The analysis of the four identified activity areas of the organisation, excluding governance, demonstrated that three areas generate surplus funds whilst one area failed to cover all of the direct and indirect costs. Two areas from last year have been combined (Individual Responsive and Consortia) as they now have the same overall objectives.

Individual Responsive delivery consists of a range of community and classroom based courses which covers both its direct and indirect costs for that activity showing a net surplus of £93K. The Employer Delivery area which incorporates the management delivery area made a surplus of £3K. The Advice, Information and Support area which mainly consists of the new ladder4Learning project generated a surplus of £103K.

Other income generating services together with rental income showed a deficit of £30K which relates to the restricted activities. This activity area has increased significantly as it includes restricted funding for the Community Grants project, where the majority of income is paid out as grants. Additionally it includes a grant funded project relating to partner engagement in Dorset. This is the tail end of the Dorset project where the income was shown in 2008 and the expenditure in 2009 which accounts for £9K of the deficit. The remainder of the restricted deficit is due to depreciation where the grant income for the assets was recognised in previous years. The unrestricted activities are mainly made up of consultancy services which do make a surplus and the Chippenham Training Suite which does not cover its cost leading to a net loss on unrestricted funding within Other Services of £13K. There are plans in place to try to increase the letting of the training facility but the current economic climate does make this difficult to achieve.

All areas this year made a surplus except other services which made a deficit. Lastly interest earned dropped to £2K (£15K 2008) and the governance costs increased slightly to £69K (£63K 2008).

Income and expenditure for 'other services' is now the largest proportion because this includes the 'Community Grants' project which includes a significant amount received which is paid straight out again as grants for small community learning projects. 'Consortia support', an activity detailed in the 2008 annual report, has been combined with 'Individual Responsive Learning' to make it more consistent with the approach taken with 'Employer Responsive Learning', which means this segment shows that this is the next largest income and expenditure area now.

In comparing the results over the last three years it shows that the income and direct costs for 2009 are significantly higher than the previous two years which again is due to the 'Community Grants' project, most of which is paid straight back out of the organisation which actually distorts these two figures when compared to previous years. Overhead expenses for 2009 are in line although very slightly lower than in 2008 demonstrating continued cost control. Governance costs totalled £69k slightly increased from 2008.

The overall surplus for the year is less than the previous year but higher than forecast and so still a very positive result. As the restricted balance reduced from the end of 2008 to the end of 2009 the actual surplus amount generated as unrestricted funds to contribute towards reserves was actually only £13K less than last year.

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Reserves Policy

The Trustees have undertaken a detailed review of the risks that the organisation faces and which of those needs to be mitigated by having sufficient reserves. This led to the establishment of a new reserves policy during 2007 which has since been reviewed and updated annually. This policy identified a need to have free reserves of a minimum of 10% and a maximum of 20% of expenditure (both restricted and unrestricted). This is because one of the main risks being covered is potential redundancy costs in the event of closure or additional cover costs in the event of sickness. Both these costs may relate to restricted expenditure if the staff member is being paid out of restricted funds but in fact the redundancy or staff cover costs would usually have to be paid from unrestricted reserves. This sets the ideal level at the end of 2009 using 20% of expenditure at £339K, especially as the organisation's income streams are anticipated to be very unpredictable over the next two years. A £213K target for 2009 was set as this was the maximum considered achievable at the start of the year but in fact this was exceeded as the final reserves balance was £287K.

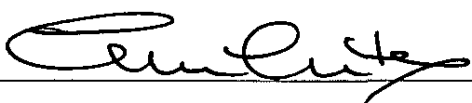
Investment Policy Statement

Previously, due to limited free reserves and the charitable nature of the sector it was considered inappropriate to tie up short term surpluses. Therefore the investment strategy has been to use the charity bank to hold excess funds in accessible accounts. The organisation earns interest on its current account but transfers more significant balances to a higher interest account however currently rates have been very low so interest earned has reduced significantly. As the free reserves being held have now increased significantly the Trustees have agreed that in the current economic climate it is prudent to open further high interest bearing accounts to spread the risk of holding all funds with one financial institution. However, this has proved more difficult than expected and so far only one additional deposit account to hold £50K has been opened. Other options are being considered.

**Statement as to Disclosure of Information to Auditors**

So far as the Trustees are aware, there is no relevant audit information of which the 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 themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

By Order of the Trustees  
Mrs G McIntyre - Chair



Date:

20<sup>th</sup> July 2010

**Independent Auditors' Report to the Members of The Learning Curve (Voluntary Sector Development)**

We have audited the financial statements of The Learning Curve for the year ended 31 December 2009 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

**Respective responsibilities of Trustees and Auditors**

The responsibilities of the Trustees (who are also the directors of The Learning Curve for the purposes of company law) for preparing the Annual Report 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 in the Statement of Trustees' Responsibilities on page 5.

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

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

In addition, we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all 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 Trustees' Annual Report 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.

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FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Opinion**

In our opinion

- the financial statements give a true and fair view, of the state of the charity's affairs as at 31 December 2009 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,
- the financial statements have been prepared in accordance with the Companies Act 2006, and,
- the information provided in the Trustees' Annual Report is consistent with the financial statements



Susan Carter  
Senior Statutory Auditor  
For and on behalf of Moore Stephens, Statutory Auditor  
30 Gay Street  
Bath  
BA1 2PA

Date. 21 SEPTEMBER 2010

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME & EXPENDITURE ACCOUNT)**

				<b>2009</b>	<b>2008</b>
<b>Income</b>	<b>Notes</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	<b>Total</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income resources from generated funds</b>					
<b>Activities for Generating Funds</b>					
Rental income		5,468		5,468	6,565
Interest Income		2,458		2,458	15,115
<b>Income resources from charitable activities</b>					
<b>Advice, Info &amp; Support</b>		129,174	189,549	318,723	153,419
<b>Individual Responsive</b>		410,282	68,001	478,283	630,718
<b>Employer Responsive</b>		274,793	1,540	276,333	396,822
<b>Other Services</b>		86,750	574,780	661,530	44,968
<b>Other Income Resources</b>		<u>205</u>	<u>0</u>	<u>205</u>	<u>150</u>
<b>Total Income</b>	<b>2</b>	<u>909,130</u>	<u>833,870</u>	<u>1,743,000</u>	<u>1,247,757</u>
<b>Resources Expended</b>					
<b>Charitable Activities</b>					
<b>Advice, Info &amp; Support</b>		37,418	178,164	215,582	89,812
<b>Individual Responsive</b>		312,804	72,033	384,837	633,469
<b>Employer Responsive</b>		273,499	229	273,728	230,141
<b>Other Services</b>		105,710	592,045	697,755	67,966
<b>Governance</b>		<u>68,915</u>	<u>0</u>	<u>68,915</u>	<u>62,869</u>
<b>Total Resources Expended</b>	<b>3</b>	<u>798,346</u>	<u>842,471</u>	<u>1,640,817</u>	<u>1,084,257</u>
<b>Net Income / Expenditure for year</b>		110,784	( 8,601)	102,183	163,500
<b>Balance B/F 01.1 2009</b>	<b>12</b>	<u>182,240</u>	<u>91,037</u>	<u>273,277</u>	<u>109,777</u>
<b>Balance C/F 31.12 2009</b>	<b>12/13</b>	<u>293,024</u>	<u>82,436</u>	<u>375,460</u>	<u>273,277</u>

The company has no recognised gains or losses other than the net income for the year and the funds brought forward

The notes on pages 18-27 form part of these accounts



**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Balance Sheet as at 31st December 2009**

		<b>2009</b>	<b>2008</b>
<b>Fixed Assets</b>			
<b>Tangible Assets</b>	<b>7</b>	34,082	42,367
<b>Current Assets</b>			
<b>Debtors</b>	<b>8</b>	128,493	104,842
<b>Cash at Bank and in Hand</b>		<u>385,734</u>	<u>302,758</u>
		514,227	407,600
 <b>Creditors : Amounts falling due within one year</b>	 <b>9</b>	 172,849	 176,690
<b>Net Current Assets / (Liabilities)</b>		<u>341,378</u>	<u>230,910</u>
<b>Total Assets less Liabilities</b>		<u>375,460</u>	<u>273,277</u>
 <b>Capital Funds</b>			
<b>Unrestricted Funds</b>	<b>13</b>	293,024	182,240
<b>Restricted Funds</b>	<b>12/13</b>	<u>82,436</u>	<u>91,037</u>
		<u>375,460</u>	<u>273,277</u>

Approved by the Trustees on and signed on its behalf by:

Mrs Gill McIntyre



Mrs Eunice Hinds



20 July 2010.

The notes on pages 18-27 form part of these accounts

## **NOTES TO THE ACCOUNTS**

### **1. Accounting Policies**

#### *Basis of Preparation*

The accounts have been prepared under the historical cost convention, applicable Accounting Standards, the Companies Act 2006 and the recommendations of the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005

#### *Grant Income*

The treatment of grant income depends on the terms of the funding. Where the grant is not conditional upon specific targets being met, then it is treated as income on receipt. Where grant income received is conditional upon the completion of certain targets being met and is returnable to the grant giver if the targets are not met, the income is credited to the income and expenditure account as the course targets are achieved. Any grants received, where the targets have not yet been achieved, are held as deferred income.

#### *Contract Services and Other Income*

Fees from courses and other services are credited to income in the period in which the course or service is provided, with any balance of monies received held as deferred income.

#### *Resources expended*

Expenditure is recognised on an accrual basis as a liability incurred. Expenditure includes VAT, which cannot be recovered and is reported as part of the expenditure to which it relates.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly; others are apportioned on an appropriate basis as shown in note 3.

#### *Tangible fixed assets*

Fixed assets are stated at original cost, or if donated the value at date of receipt, less accumulated depreciation. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset evenly over its expected useful life. For assets which are acquired for the long term use of the charity, depreciation is charged at 33% per annum on the straight-line method.

Expenditure is only capitalised on individual assets with a cost of at least £100.

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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*Fund accounting*

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

*Pensions*

The company operates a defined contribution pension scheme. Contributions are charged to the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

*Operating Leases*

All operating leases and rental expenses are charged to the Statement of Financial Activities as incurred.

Every member promises, if the Charity is dissolved while he or she is a member or within twelve months after he or she ceases to be a member, to contribute such sum (not exceeding £1) as may be demanded of him or her towards the payment of the debts and liabilities of the Charity incurred before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and the adjustment of the rights of the contributories among themselves.

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTES TO THE ACCOUNTS (continued...)**

**2. Income**

	Unrestricted Funds	Restricted Funds	Total 2009	Total 2008
Funder	£	£	£	£
Grant income and Contract Services				
Avon & Somerset Probation XL			-	5,260
Big Lottery Ladder 4 Learning		143,372	143,372	153,114
Bristol CC Learning Champions			-	5,647
Bristol City Council Observations	5,060		5,060	13,240
Bristol City Council Toolkit · ESOL			-	44,713
Charities Information Bureau · Step Up		12,948	12,948	-
Dorset Community Action			-	17,000
GOSE Involve		33,229	33,229	
Learning South West Embedding	19,250		19,250	
LSC · Achieve			-	257,700
LSC · Community Grant	104,238	564,780	669,018	
LSC Dorset			-	18,000
LSC : Dorset BDP Volunteer			-	22,150
LSC : FE (07/08, 08/09 & 09/10) 19+ year olds	143,789		143,789	338,773
LSC FE (07/08, 08/09 & 09/10) 16-18 year olds	47,259		47,259	33,259
LSC FE Adult Learner Support (07/08, 08/09 & 09/10)	8,606		8,606	2,256
LSC FE PCDL Probation (07/08, 08/09 & 09/10)	47,000		47,000	-
LSC PCDL Adult Community Learning including 1st Step (07/08, 08/09 & 09/10)	76,718		76,718	55,678
LSC PCDL NLDC (07/08, 08/09 & 09/10)	48,877		48,877	40,405
LSC OLASS (07/08, 08/09 & 09/10)		55,667	55,667	53,549
LSC Leadership & Management	48,625		48,625	-
LSC Skill Brokerage	58,163		58,163	-
LSC Train 2 Gain (08/09 & 09/10)	170,680		170,680	62,604
LSIS Peer review Development	30,000		30,000	-
NIACE CaMel		10,000	10,000	-
Regional development Agency Personal Best		12,334	12,334	-
South West Forum Voluntary Value	25,600		25,600	-
Wiltshire Council Business Clusters	5,400		5,400	-
Wiltshire Council Rural Renaissance			-	10,000
Other Funds	4,424	1,540	5,964	17,390
	843,689	833,870	1,677,559	1,150,738
Bank Interest Receivable	2,458		2,458	15,115
Consultancy Income	13,190		13,190	27,867
Courses and Training Income	35,736		35,736	27,207
Reimbursed Expenses	8,384		8,384	20,115
Rental Income	5,468		5,468	6,565
Other Income	205		205	150
	909,130	833,870	1,743,000	1,247,757

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTES TO THE ACCOUNTS (continued...)**

**3. Total Resources Expended**

**Charitable Activities**

	Advice, Info & Support	Charitable Activities			Totals 2009	Totals 2008	Allocation Method
	Cost (£)	Individual Responsive Cost (£)	Employer Responsive Cost (£)	Other Services Cost (£)			
Activities undertaken directly	173,312	316,969	238,467	687,972	1,416,720	866,182	
<b>Support Costs</b>							
Portion of premises and office costs	15,224	8,699	6,525	2,175	32,623	28,020	Desk Usage
Portion of administration costs	27,046	59,169	28,736	7,608	122,559	127,186	Time
Portion of governance and strategic	-	-	-	-	68,915	62,869	Proportion of Direct Costs

Total support cost

218,075

Total Resource Expended

1,084,257

There are trustee expenses of £913 (£1,063 2008) included in governance costs

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTES TO THE ACCOUNTS (continued...)**

**4. Net Income / (Expenditure) for the year**

Net incoming resources are stated after charging	2009	2008
	£	£
Depreciation	31,190	39,814
Less on disposal of fixed asset	-	4,602
Auditors remuneration - statutory audit	3,232	3,160
- accountancy services	3,231	3,160

**5. Staff Costs**

	2009	2008
	£	£
Wages and Salaries	468,730	462,009
Redundancy costs	-	6,354
Social Security costs	39,678	42,063
Other Pension Costs	21,752	22,270
	<u>530,160</u>	<u>532,696</u>

No employee of the charity received emoluments of greater than £60,000 in the current or previous year

No trustees received remunerations during the current or last years

The average number of full time equivalent employees during the year was

	2009	2008
	FTE	FTE
Advice, Information & Support	4	2
Individual Responsive Learner	12	10
Employer Responsive	4	3
Other Projects and Services	1	1
Learning Curve Support	5	5
	<u>26</u>	<u>21</u>

Note the full time equivalent calculation for 2009 includes additional hours for part time staff which was not the case in 2008. If the same basis had been used in 2008 the FTE total would have been 23

**6. Taxation**

No corporation tax is charged in the accounts of the Learning Curve (Voluntary Sector Development) due to the charitable status of the company

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**7. Tangible Fixed Assets**

	<b>Computer Equipment £</b>	<b>Furniture &amp; Other Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 01 01 09	144,672	60,865	205,537
Plus additions	18,548	4,358	22,906
Less disposals	8,840	1,052	9,892
At 31 12 09	<u>154,380</u>	<u>64,171</u>	<u>218,551</u>
<b>Depreciation</b>			
At 01.01.09	114,837	48,334	163,171
Less write off on disposal	8,840	1,052	9,892
Plus charge for the year	20,731	10,459	31,190
At 31 12 09	<u>126,728</u>	<u>57,741</u>	<u>184,469</u>
<b>Net Book Value</b>			
As at 31.12 09	<u>27,652</u>	<u>6,430</u>	<u>34,082</u>
As at 31 12 08	<u>29,835</u>	<u>12,531</u>	<u>42,366</u>

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTES TO THE ACCOUNTS (continued...)**

**8. Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Grants Receivable	90,711	22,001
Contracts for services	10,000	56,036
Other Debtors	4,642	6,389
Prepayments	23,140	20,416
	<u>128,493</u>	<u>104,842</u>

**9. Creditor**

	<b>2009</b>	<b>2008</b>
	<b>£</b>	<b>£</b>
Creditors	43,049	32,448
Other taxes and social security	13,129	10,772
Accruals and deferred income	116,671	133,470
	<u>172,849</u>	<u>176,690</u>

Included within creditors above are pension contributions totalling £4,482 (2008. £4,242) which were payable to the fund at the year end

**10. Deferred Income**

	<b>Grant Income £</b>	<b>Contract Service Income £</b>	<b>Course Income £</b>	<b>Total 2009 £</b>	<b>Total 2008 £</b>
Balance Deferred as at 1 January 2009	-	23,223	-	23,223	146,553
Amount Released to Incoming Resources	-	(23,223)	-	(23,223)	(146,553)
Amount Deferred in Year	-	35,586	1,637	37,222	23,223
Balance Deferred as at 31 December 2009	<u>-</u>	<u>35,586</u>	<u>1,637</u>	<u>37,222</u>	<u>23,223</u>

Deferred income comprises services invoiced in advance of the period in which they are to be delivered



**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

**NOTES TO THE ACCOUNTS (continued...)**

**11. Operating Lease Commitments**

The following payments are committed to be paid within one year

	2009 £	2008 £
<b>Expiring</b>		
Between over one and under five years	58,908	55,077

**12. Restricted Funds**

	Balance at 1.1.09 £	Incoming Resources £	Expenditure & Transfers £	Balance at 31.12.09 £
Big Lottery . Ladder for Learning	59,833	143,372	152,573	50,632
Charity Information Bureau . Step Up	-	12,948	5,826	7,122
GOSE . Involve	-	33,229	19,868	13,361
Learning Skills Council				
· Community Grant	-	564,780	564,780	-
· FE Capital Grant 07	9,693	-	6,295	3,398
· Hardship Grant 07/08	634	-	-	634
· Hardship Grant 08/09	323	-	110	213
· Olass 06/07	58	-	37	21
· Olass 08/09	-	44,000	44,000	-
· Olass 09/10	-	11,667	11,667	-
NIACE				
· Capital Investment	6,160	-	3,214	2,946
· CaMel 2008/2009	-	10,000	3,077	6,923
· CaMel 2009/2010	-	-	343	(343)
Regional Development Agency . Personal Best	-	12,334	16,219	(3,885)
Wiltshire Council . Future Jobs	-	1,540	126	1,414
Dorset Community Action	8,967	-	8,967	-
GOSW - New Road Capital	5,369	-	5,369	-
	<u>91,037</u>	<u>833,870</u>	<u>842,471</u>	<u>82,436</u>

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**12. Restricted Funds (continued...)**

**Big Lottery - Ladder 4 Learning**

To offer Information and advice on workforce development for VCS organisations in SW and SE England

**Charity information Bureau - Step Up**

To offer Information and advice on workforce development for VCS organisations in Wiltshire

**GOSE - Involve**

To maximise 3rd sector contribution in the South East for the skills, learning and employability agenda including accessing ESF funding

**Learning and Skills Council - Community Grant**

To fund small voluntary sector organisations to provide initial engagement and first steps training and to support them in delivery of their programmes

**Learning and Skills Council - Hardship Grants (08/09, 09/10)**

To support learners to access to learning in cases of particular hardship or where childcare or specialist learning requirements are needed

**Learning and Skills Council - Probation OLASS (08/09, 09/10)**

To provide the management, administrative support and provide a small class uplift to deliver the probation basic skills delivery contract in 08/09 and 09/10

**NIACE – CaMel (08/09, 09/10)**

To purchase IT equipment to build Learning Curve's capacity and improve its IT management and facilities

**Regional Development Agency - Personal Best**

To deliver a pre-employment programme for out of work and socially excluded people in the West of England, designed to harness the motivating force of 2012 Olympics and Paralympics Games to lift their aspirations and create a new life or career choice. The excess expenditure at the year end has been funded by monies received since the year end.

**Wiltshire County Council - Business Cluster**

ESF subcontract programme aimed at supporting training for employers and employees training

**Wiltshire County Council - Future Jobs**

To fund the support of the creation of a range of new temporary jobs opportunities for young people (18 to 24 year olds) to develop their education, training and skills further and to gain experience to support applications for future jobs

**Dorset Community Action - Development Worker**

To fund a development worker to work with Dorset organisations to develop learning opportunities  
Restricted Funding Remaining only for Depreciation Purposes

**THE LEARNING CURVE (VOLUNTARY SECTOR DEVELOPMENT)  
FOR THE YEAR ENDED 31 DECEMBER 2009**

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**Learning and Skills Council - FE Capital**

Grant to upgrade or increase the number of computers and or computing facilities available to Learning Curve to enhance learning and training and to support delivery of the new diplomas, including improving fixtures and fittings and minor works to improve quality or layout of premises

**Learning and Skills Council - NLDC Capital (07/08)**

Grant to enable local voluntary organisations to purchase capital items to improve the service they can offer

**Learning and Skills Council - Probation OLASS (06/07)**

To purchase computer equipment as required providing management, administrative support to provide a small class uplift to deliver the probation basic skills delivery contract 06/07

**GOSW - New Road Capital grant**

Capital grant for upgrading the facilities at the New Road office to provide two training suites with disabled access and facilities

**NIACE - Capital Investment**

To support learning delivery, refurbish or enhancing existing premises and to secure ICT provision

**13. Analysis of Net Assets Between Funds**

Fund balances as at 31st December 2009 are represented by

	<b>Unrestricted Funds £</b>	<b>Restricted Funds £</b>	<b>Total £</b>
Fixed Assets	5,800	28,282	34,082
Debtors	39,582	88,911	174,511
Cash	396,967	(11,233)	385,714
Less Creditors	149,325	23,524	218,847
	<u>293,024</u>	<u>82,436</u>	<u>375,460</u>