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and business advisers

Swarthmore Education Centre

Financial statements

Year Ended 31 July 2011

Company registration number 4527579

Charity number 1094451

WEDNESDAY



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**Financial statements
for the year ended 31 July 2011**

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Trustees annual report

year ended 31 July 2011

The trustees, who are also directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 July 2011

Reference and administrative details

Registered charity name	Swarthmore Education Centre
Charity registration number	1094451
Company registration number	04527579

Registered office	Swarthmore Education Centre 2/7 Woodhouse Square Leeds LS3 1AD
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The trustees

The trustees who served the charity during the period were as follows

F Matthews
M Belt
F Chapel
R McDuffus
K Stainsby
A Goundry
M Wainwright
P Hall
Dr H Hubbard
Cllr J P Ewens
A Acton
A Bowers
J Vallely
B O F Coghill
M Walters
Mrs B Randolph-Horn
Mrs H Putman

M Walters was appointed as a trustee on 15 December 2010
Mrs B Randolph-Horn was appointed as a trustee on 15 December 2010
B O F Coghill was appointed as a trustee on 1 September 2010
F Chapel retired as a trustee on 15 December 2010
R McDuffus retired as a trustee on 15 December 2010
Cllr J P Ewens retired as a trustee on 16 May 2011

Secretary	M Butterworth
Auditor	Sagars LLP Chartered Accountants & Statutory Auditor Gresham House 5-7 St Pauls Street Leeds LS1 2JG

Structure, governance and management

As set out in the Articles of Association up to 13 members of the Management Committee are nominated by the members of the charitable company, up to 2 are appointed by the Leeds Society of Friends and up to one third may be co-opted by the Management Committee to provide specialist skills, subject to an overall maximum of 15 members

Trustees annual report *(continued)*

year ended 31 July 2011

In accordance with the Articles of Association all officers and co-opted members and one third of elected members of the Management Committee retire at the Annual General Meeting and, being eligible, offer themselves for re-election

Trustees Recruitment and training

There are fourteen trustees on the Swarthmore Board. They are recruited from the Swarthmore membership, which is made up of students on the whole. In addition some trustees are targeted with particular skills and others from particular organisations.

There is an induction pack available for all new trustees. The director and other relevant members of the Board of Management Team carry out induction. Relevant training is provided as needed free of charge.

Objectives and activities

Swarthmore is a registered charity originally established in 1909, with historic links to the Quaker movement and named after the original Quaker meeting place. The centre is one of the oldest Quaker settlements named after the original Quaker meeting place. The centre is one of the oldest independent adult education centres in the country with over 2000 student members. We are committed to user participation.

Swarthmore offers a distinct learning atmosphere characterised by an encouragement of "friendly learning". We offer a unique range of integrated learning opportunities for adults housed under one roof. Over 150 courses per year are offered including counselling, arts and crafts, computing, health, dance and music as well as English and maths. There are courses linked to qualifications as well as 'leisure courses'. We offer a wide range of chances to make a first step, improve career prospects, develop confidence and skills, and to make new friends while learning.

The centre is committed to providing an integrated learning environment, with a range of targeted courses on offer (for example for people with learning disabilities). There are free reduced rate courses and financial support for students who have difficulty paying fees. Class times are flexible, arranged around school hours and courses are located in the building to accommodate mobility needs.

Swarthmore is also a community resource, offering meeting space, a venue for conferences and training events, and studios for hire.

The management of Swarthmore is led through the Management Committee otherwise known as 'Swarthmore Council', which comprises of student representatives and co-opted members from a number of local organisations. Swarthmore Council has the overall responsibility for the strategic direction and management of the Centre. An operations Director is appointed by the Council to manage the day-to-day activities of the charity.

Swarthmore works in partnership with other organisations on certain projects. These include a number of projects working with other voluntary organisations and local colleges.

The other services which Swarthmore offers are childcare, the cafe and a base for occasional users as well as long established groups who now organise themselves independently.

Swarthmore also offers an independent education advice service through Next Step, Yorkshire and the Humber and is available for potential students and the wider community.

There have been no material changes in the overall aims and objectives of the Centre during the year.

There are no specific restrictions on the operation of the Centre and the Management Committee have power to invest where they consider it is appropriate.

Trustees annual report *(continued)*

year ended 31 July 2011

Achievements and performance

Swarthmore has continued to develop relationships with a number of partners and external organisations, with the overall aim of seeking to inspire lives through friendly learning, within a commitment to equality of opportunity

2010/11 was a challenging year for Swarthmore. The largest challenge was the Skills Funding Agency's introduction of MCL (Minimum Contract Level) for 2011/12 delivery from 1st August 2011. After much exploring and negotiating Swarthmore entered into a new partnership and created a new company, a CIO, Charitable Incorporated Organisation called Open4 Learning for the purpose of the SFA grant with colleagues Open Door and Matrec from Sheffield. In order for funding to be confirmed for 2011/12 it was decided to shelve the company and use Open Door as the lead provider just for the coming year.

Leeds City Council has contributed during this year the amount of £134,442 for the 12-month period for non accredited courses.

The SFA (Skills Funding Agency) has contributed £312,894.65 for the 12-month period. This has been a challenging year as the grant funding made no allowance for inflation. Swarthmore ensured their provision matched the Government's priorities. Swarthmore was successful in their application to the SFA Transition Fund and will be awarded approx £20,000 at the end of 2011/12. The YPLA (Young Peoples Learning Agency) contributed £25,389.35 in total to support learners aged 16 - 18.

The Council has agreed action to be taken so as to begin a process of identifying alternative funding. It has also been agreed that further action will have to be planned for in the coming year with imminent public spending cuts ahead. The Government's plans to cut budgets over the next four years and change the commissioning process will further impact on Swarthmore.

We continue to apply for new contracts and bid for new money and this year we have been successful in bidding for a total of £82,100 from LSIS for a range of projects and staff development opportunities in Community Development, Flexibility and Innovation, 14-19 and training staff in developing e resources and Mental Health First Aid.

Swarthmore were successful in getting European Grundtvig funding from August 2010 - July 2012. The project is focussing on old and forgotten jobs in the crafts industry and is called A R T (Ancient Renovation Techniques). We have twelve 'mobilities' (visits) to make in total to our partners in Italy, Portugal, Spain and Greece.

Swarthmore continued to be part of the Peer Referencing and Development group working with 3 other providers across West Yorkshire to raise the quality of provision across the sector. The group from South Yorkshire has also joined us. We validate each other's SARs (Self Assessment Reports) and have done some observing the observer training.

We continue to develop programmes in the local community. Our Computing programmes and ESOL courses in Hawksworth Childrens Centre and St Aidan's in Harehills have attracted a good number of students from the local BME communities. We have worked with other local Community and statutory organisations and developed a range of Employability Skills courses to promote learning to people living with a mental health condition. We have also taken part in local events to promote learning such as Picnic in the Park with LWCA on the 7th May 2011 held on Hanover Square. We also attended Unity Day on Woodhouse Moor where we made a 7 metre community banner for Swarthmore's hall. We also promoted Swarthmore's courses at all these events.

We have increased our fees again this year in line with Government recommendations of 6% for SFA courses.

In addition we have needed to make our Swarthmore leisure courses more financially viable and they too increased by 6%. This year the student fee represents a contribution of at least 50% for co funded accredited courses funded by the SFA. 'A rate' concessions were increased by 11% to fall in line with SFA concessions.

Leeds City Council's Alternative Programme Unit had their budget cut entirely in January 2011 leaving Swarthmore with no young people on this funding. We continue to be on a list of the Council's preferred suppliers.

Pay scales were ratified for the Management team from 1/9/09. It was agreed there would only be progression subject to Council approval annually. Tutors received a small increase of 28p and 31p per hour from 1/1/2010. There was no cost of living rise for core staff due to David Cameron's austerity measures. During 2010/11 there were no pay rises and pay has been frozen across the organisation.

Trustees annual report *(continued)*

year ended 31 July 2011

Essential electrical work continued to be carried out over the year replacing outdated wires, etc. The back lane and car park were re-surfaced over the summer of 2010. Swarthmore's neighbours have also contributed towards the costs of the back lane. The roof continues to be a challenge with flooding at various times. The 'Roof Appeal' has been ongoing and we have raised £4000 approx during 2010/11. Swarthmore will go all out to raise funds during the coming year.

We continue to be grateful to approximately 12 volunteers for the provision of learning support in computing, basic skills, arts, crafts and dance activities. We are also grateful to volunteers who have assisted in fund raising, and to the voluntary members of Swarthmore's Management Committee (Swarthmore Council). Their names are listed on the first page of the accounts. We give thanks to Swarthmore's Management Team and tutors for their dedication and continuous support through-out the year.

We were saddened this year of the sudden death of our Finance Manager, Elaine Jeffreys in December. We welcome Katherine Hutt on board as Finance Manager from 1st April 2011.

Financial review

During the year Swarthmore received grants and donations from various sources. These are set out in notes 2-6 in the accounts.

The attached audited financial statements show a deficit on general funds of £93,386. In preparing the balance sheet as at 31 July 2011, the freehold land and buildings are included at their deemed estimated value to the Centre less depreciation of £960,875.

The Centres overall aim is to ensure that any resources which are generated are retained within the organisation to provide improved services. The centre continues to operate in a changing environment, with many conflicting demands on the Centre's resources. As such, the Management Committee (Council) and staff management are aware of the need to prioritise the services that are provided and to ensure that the Centre has sufficient resources to meet any expected demands.

Reserves Policy

The policy of the Management Committee is to maintain freely available funds (that is those not tied up in fixed assets or designated or restricted funds) sufficient to meet expected costs for the next twelve months, so as to ensure that there are sufficient funds available to provide the highest possible standards of education should income levels fall or unexpected maintenance costs arise.

The Management Committee has calculated the level of free reserves required as at 31st July 2011 would be £407,621 taking our creditors into account.

Whilst the current level of reserves may prove sufficient it is the trustees view that it is prudent to ensure there are sufficient free reserves to provide financial flexibility over the course of future years.

Risk Management

The Management Committee Members hold regular strategic meetings to identify strengths and weaknesses of the Centre and have introduced policies and procedures to deal with possible risks.

Trustees annual report *(continued)*

year ended 31 July 2011

Plans for future periods

Swarthmore is entering a period of uncertainty as the new Government policies on funding start to be implemented. There is real concern that changes to the 19+ FE contract (Adult Skills Budget) will affect what we do as an organisation. However whatever we do we need to remind ourselves of our mission statement and what Swarthmore was founded to do.

Mission Statement "Swarthmore seeks to inspire lives through learning, friendship and fun within a commitment to equality of opportunity"

Action needed over the next 5 years

- 1 We need to look for new funding streams
- 2 Consider changing some of the focus of our provision
- 3 Review of our provision to reduce unnecessary expenditure
- 4 Identify capital funding to refurbish and carry out essential repairs
- 5 Consider any necessary restructure to provide a more efficient organisation

Present Action carried out or being considered

- 1 Keep student fees in 2011/12 the same as 2010/11 and slightly increase the A rate concession contribution
- 2 Process of increasing fees by small amounts to be continued but must be mindful of the impact of the recession
- 3 New bids made to different funding bodies to continue. This is to be done in partnership with other similar voluntary or statutory organisations
- 4 Increase our 16-18 work with young people especially NEET
- 5 Increase our Skills for Life provision as this is a Government priority and FL (Foundation Learning)
- 6 Increase our Leisure programmes in all appropriate areas
- 7 Cut courses that are not cost effective

Responsibilities of the trustees

The trustees (who are also the directors of Swarthmore Education Centre for the purposes of company law) are responsible for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to

select suitable accounting policies and then apply them consistently,

observe the methods and principles in the Charities SORP,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees annual report *(continued)*

year ended 31 July 2011

Auditor

Sagars LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
Swarthmore Education Centre
2/7 Woodhouse Square
Leeds
LS3 1AD

Signed by order of the trustees

A handwritten signature in black ink, appearing to read 'Maggi Butterworth', written in a cursive style.

M Butterworth
Charity Secretary

22 November 2011

Independent auditor's report to the members of Swarthmore Education Centre *(continued)*
for the year ended 31 July 2011

We have audited the financial statements of Swarthmore Education Centre for the year ended 31 July 2011 on pages 9 to 17, which have been prepared on the basis of the accounting policies set out on pages 11 to 12

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the company's members, as a body, in accordance with chapter 3 of section 16 of the Companies Act 2006. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The responsibilities of the directors 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 Responsibilities of the Directors on pages 12 to **Error! Bookmark not defined.**

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

We read all the information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Independent auditor's report to the members of Swarthmore Education Centre (continued)
for the year ended 31 July 2011

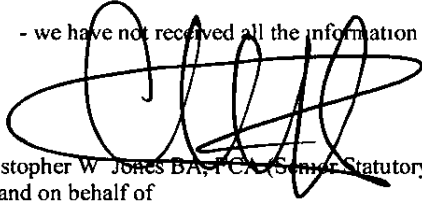
Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Trustees Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustee's remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Christopher W. Jones B.A., F.C.A. (Senior Statutory Auditor)

For and on behalf of

SAGARS LLP

Chartered Accountants & Statutory Auditor

Gresham House
5-7 St Pauls Street
Leeds
LS1 2JG

22 November 2011

Statement of financial activities (incorporating the income and expenditure account)

year ended 31 July 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources					
Incoming resources from generating funds					
Voluntary income	2	4,177	—	4,177	1,146
Activities for generating funds	3	139,027	—	139,027	142,950
Investment income	4	1,506	—	1,506	1,206
Incoming resources from charitable activities	5	699,786	67,847	767,633	783,114
Other incoming resources	6	15,675	—	15,675	3,644
Total incoming resources		860,171	67,847	928,018	932,060
Resources expended					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	7	(83,377)	(143)	(83,520)	(89,751)
Charitable activities	8/9	(831,225)	(41,227)	(872,452)	(844,027)
Governance costs	10	(38,955)	—	(38,955)	(34,598)
Total resources expended		(953,557)	(41,370)	(994,927)	(968,376)
Net outgoing resources for the year/net expenditure for the year	11	(93,386)	26,477	(66,909)	(36,316)
Reconciliation of funds					
Total funds brought forward		1,529,764	38,547	1,568,311	1,604,627
Total funds carried forward		1,436,378	65,024	1,501,402	1,568,311

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 11 to 17 form part of these financial statements.

**Balance sheet
as at 31 July 2011**

	Note	2011 £	2010 £
Fixed assets			
Tangible assets	13	1,093,781	1,104,697
Current assets			
Debtors	14	80,460	70,099
Cash at bank and in hand		<u>406,528</u>	<u>425,325</u>
		486,988	495,424
Creditors: Amounts falling due within one year	15	<u>(79,367)</u>	<u>(31,810)</u>
Net current assets		407,621	463,614
Total assets less current liabilities		<u>1,501,402</u>	<u>1,568,311</u>
Net assets		<u>1,501,402</u>	<u>1,568,311</u>
Funds			
Restricted income funds	16	65,024	38,547
Unrestricted income funds	17	<u>1,436,378</u>	<u>1,529,764</u>
Total funds		<u>1,501,402</u>	<u>1,568,311</u>

These financial statements were approved by the members of the committee on the 22 November 2011 and are signed on their behalf by

~~H. Hubbard~~
~~Director~~

A R BOWERS, DIRECTOR
Company Registration Number 04527579

A R Bowers
(Vice Chair) p.p. H. Hubbard

The notes on pages 11 to 17 form part of these financial statements.

Notes to the financial statements

for the year ended 31 July 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Incoming resources:

Grants receivable

Grants for immediate expenditure are accounted for when they become receivable, so long as there is reasonable certainty regarding receipt. Grants restricted to future accounting periods are deferred and recognised in those periods.

Grants received for specific purposes are treated as restricted funds

Donations and legacies

Income from donation, legacies and covenants are accounted for on a cash basis. Gifts in kind are included at their value at the time of the gift or at the amount realised as appropriate

Student and membership fees

Fees from students and members are accounted for on an accruals basis

Educational programme contracts and sales of educational material income from educational contracts and sales of educational materials are accounted for on an accruals basis

Rents and service charges

Income from rent of rooms is accounted for on an accruals basis

Interest receivable

Interest is included when receivable by the charity

Other incoming resource

All other incoming resources are accounted for on a cash received basis

Resources expended

All resources expended are included in the statement of financial activities on an accruals basis and include attributable VAT which cannot be recovered. The allocation of expenditure has been amended in the year and the comparative figures have been restated to more fairly reflect the activities undertaken by the charity

Costs of generating funds are those costs incurred directly in the pursuit fundraising activities

Costs of charitable activities comprise all costs directly attributable to and in support of the provision of adult education

Governance costs are those costs directly attributable to the management of the charity's assets and dealing with all Trustee and committee meetings

Notes to the financial statements

for the year ended 31 July 2011

1. Accounting policies (continued)

Fixed assets

Material expenditure on fixed assets for charity is capitalised in the Balance Sheet at cost, where acquired, or estimated value as determined by the Management Committee where donated. They are stated in the financial statements at cost/original value less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	-	2% straight line
Fixtures & Fittings	-	25% straight line / 15% reducing balance

Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

2. Voluntary income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations			
Donations	4,177	4,177	1,070
Legacies			
Legacies receivable	-	-	76
	<u>4,177</u>	<u>4,177</u>	<u>1,146</u>

3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Cafe income	56,506	56,506	60,562
Rental income	82,521	82,521	82,388
	<u>139,027</u>	<u>139,027</u>	<u>142,950</u>

4. Investment income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	1,506	1,506	1,206

**Notes to the financial statements
for the year ended 31 July 2011**

5. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Skills Funding Agency (inc YPLA)	322,834	–	322,834	327,086
Leeds City Council Grants	134,442	–	134,442	106,700
Other Grants	8,517	67,847	76,364	22,805
Student fees	143,889	–	143,889	162,415
Membership fees	14,303	–	14,303	12,994
Sale of educational materials	3,827	–	3,827	4,543
Contract income	70,837	–	70,837	145,502
Childcare	1,137	–	1,137	1,069
	<u>699,786</u>	<u>67,847</u>	<u>767,633</u>	<u>783,114</u>

6. Other incoming resources

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Copying and printing	11	11	29
Other charges	4,827	4,827	3,610
Telephone	43	43	5
Other income	10,794	10,794	–
	<u>15,675</u>	<u>15,675</u>	<u>3,644</u>

7. Fundraising trading: Cost of goods sold and other costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Cafe expenses	62,405	143	62,548	65,567
Rental expenses	21,441	–	21,441	25,909
Centenary celebrations	(469)	–	(469)	(1,725)
	<u>83,377</u>	<u>143</u>	<u>83,520</u>	<u>89,751</u>

8. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Courses	599,733	22,948	622,681	583,762
Creche	21,029	–	21,029	19,258
Support costs	210,463	18,279	228,742	241,007
	<u>831,225</u>	<u>41,227</u>	<u>872,452</u>	<u>844,027</u>

Notes to the financial statements

for the year ended 31 July 2011

9. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2011 £	Total Funds 2010 £
Courses	622,681	224,806	847,487	819,026
Creche	21,029	3,936	24,965	25,001
	<u>643,710</u>	<u>228,742</u>	<u>872,452</u>	<u>844,027</u>

10. Governance costs

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Salaries and wages	28,758	28,758	25,315
Premises costs	2,871	2,871	3,090
Audit fees	872	872	851
Other professional fees	888	888	1,500
Legal fees	41	41	436
Bank charges	306	306	70
Sundry expenses	1,090	1,090	984
Conference and travel expenses	1,667	1,667	334
Advertising	895	895	566
Office expenses	1,567	1,567	1,452
	<u>38,955</u>	<u>38,955</u>	<u>34,598</u>

11. Net outgoing resources for the year

This is stated after charging	2011 £	2010 £
Depreciation	75,692	70,100
Auditors' remuneration - audit of the financial statements	<u>8,770</u>	<u>8,351</u>

12. Staff costs and emoluments

Total staff costs were as follows:

	2011 £	2010 £
Wages and salaries	654,441	616,734
Social security costs	43,377	44,979
Other pension costs	2,942	2,253
	<u>700,760</u>	<u>663,966</u>

Notes to the financial statements

for the year ended 31 July 2011

12. Staff costs and emoluments *(continued)*

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2011	2010
	No	No
Tutors	6	6
Management and administration	8	8
Other staff	11	11
	<u>25</u>	<u>25</u>

The average number of employees employed during the year was 149 (2010 - 135)

No employee received remuneration of more than £60,000 during the year (2010 - Nil)

No remuneration or expenses was paid to the Trustees during the current and prior years

13. Tangible fixed assets

	Freehold property £	Fixtures & Fittings £	Total £
Cost			
At 1 August 2010	1,132,747	345,669	1,478,416
Additions	16,373	48,403	64,776
Disposals	-	(132,748)	(132,748)
At 31 July 2011	<u>1,149,120</u>	<u>261,324</u>	<u>1,410,444</u>
Depreciation			
At 1 August 2010	165,263	208,456	373,719
Charge for the year	22,982	52,710	75,692
On disposals	-	(132,748)	(132,748)
At 31 July 2011	<u>188,245</u>	<u>128,418</u>	<u>316,663</u>
Net book value			
At 31 July 2011	<u>960,875</u>	<u>132,906</u>	<u>1,093,781</u>
At 31 July 2010	<u>967,484</u>	<u>137,213</u>	<u>1,104,697</u>

In accordance with SORP 2000 the Management Committee capitalised freehold land and buildings at 2-5 Woodhouse Square, Leeds gifted on 1 April 2003 at their estimated value to the centre of £1,100,000. There have been no revaluations since that date.

All fixed assets are used for charitable purposes.

Capital commitments

	2011 £	2010 £
Contracted but not provided for in the financial statements	<u>-</u>	<u>42,600</u>

Notes to the financial statements

for the year ended 31 July 2011

14. Debtors

	2011 £	2010 £
Trade debtors	73,219	63,660
Prepayments	7,241	6,439
	<u>80,460</u>	<u>70,099</u>

15. Creditors Amounts falling due within one year

	2011 £	2010 £
Trade creditors	4,986	6,600
Accruals	74,381	25,210
	<u>79,367</u>	<u>31,810</u>

16. Restricted income funds

	Balance at 1 Aug 2010 £	Incoming resources £	Outgoing resources £	Balance at 31 Jul 2011 £
Capital improvement grants	<u>38,547</u>	<u>67,847</u>	<u>(41,370)</u>	<u>65,024</u>

17. Unrestricted income funds

	Balance at 1 Aug 2010 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Jul 2011 £
Improvement to Facilities	100,353	—	—	—	100,353
New Roof	—	—	—	3,216	3,216
General Funds	1,429,411	860,171	(953,557)	(3,216)	1,332,809
	<u>1,529,764</u>	<u>860,171</u>	<u>(953,557)</u>	<u>—</u>	<u>1,436,378</u>

18. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds:			
LSIS Course Grants	—	32,295	32,295
GRUNDTVIG Course Grant	—	5,461	5,461
Capital improvement grants	27,268	—	27,268
	<u>27,268</u>	<u>37,756</u>	<u>65,024</u>
Unrestricted Income Funds:			
Designated Funds	—	103,569	103,569
General Funds	1,066,513	266,296	1,332,809
	<u>1,066,513</u>	<u>369,865</u>	<u>1,436,378</u>
Total Funds	<u>1,093,781</u>	<u>407,621</u>	<u>1,501,402</u>

**Notes to the financial statements
for the year ended 31 July 2011**

19. Related party transactions

The charity is under the control of the Trustees as set out on page 1 of the Trustees' Annual Report

During the year, the Charitable company received grants totalling £52,500 from LSIS (2010 - £10,000), a body which the Company Secretary, Maggi Butterworth, is a member

**Management information
for the year ended 31 July 2011**

**The following pages do not form part of the statutory financial statements
which are the subject of the independent auditor's report on pages 7 to 8**

Detailed statement of financial activities
Year ended 31 July 2011

	2011 £	2010 £	2009 £	2008 £	2007 £
Incoming Resources					
Student fees (less refunds)	143,889	162,415	155,165	134,164	117,405
Membership fees	14,303	12,994	14,372	12,547	12,933
Rents receivable and service charges	82,521	82,388	83,952	80,164	78,209
Centenary Celebrations			14,191	-	-
Sale of educational materials	3,827	4,543	4,495	5,379	4,119
Educational programme contracts	528,113	579,288	630,417	581,159	522,997
Improvement grants and donations	80,541	23,875	20,091	38,475	5,797
Legacies	-	76	20,277	80,000	-
Income from coffee bar	56,506	60,562	64,668	57,867	62,393
Childcare	1,137	1,069	1,511	2,636	4,384
Interest receivable	1,506	1,206	7,057	13,053	9,502
Other income	15,675	3,644	7,449	8,936	5,636
	<u>928,018</u>	<u>932,060</u>	<u>1,023,645</u>	<u>1,014,380</u>	<u>823,375</u>
Resources Expended					
Wages and salaries	643,669	605,851	554,636	522,366	513,581
Repairs & building refurbishment	23,535	23,708	49,412	29,587	19,450
Coffee bar expenditure	60,120	62,144	67,699	65,381	63,878
Childcare costs	21,029	19,257	14,023	11,739	12,363
Contract costs	-	-	-	-	-
Heat and light	16,609	35,801	23,563	20,123	18,270
Rates and water	6,013	6,860	6,717	4,744	6,357
Cleaning materials	2,490	4,235	3,799	3,315	2,843
Educational materials and equipment	38,044	49,993	63,427	44,409	37,603
Printing, postage, stationery & publicity	20,477	21,510	28,047	24,556	21,490
Telephone	7,859	7,577	7,072	3,934	3,905
Travel and conferences	6,465	7,140	7,191	5,533	5,916
Insurance	18,504	15,295	20,594	26,497	23,561
Bank interest and charges	2,331	1,871	1,760	1,419	1,197
Centenary Celebrations	(469)	(1,725)	21,222	-	-
Audit and accountancy	8,769	8,350	8,372	7,637	8,381
Legal and professional	22,525	18,803	25,103	15,788	18,078
Sundry and volunteer expenses	21,264	11,606	5,802	6,093	7,803
Depreciation	75,693	70,100	64,742	62,046	48,152
Project costs			4,500	10,000	-
	<u>994,927</u>	<u>968,376</u>	<u>977,680</u>	<u>865,167</u>	<u>812,829</u>
Surplus (Deficit) for period	<u>(66,909)</u>	<u>(36,316)</u>	<u>45,965</u>	<u>149,213</u>	<u>10,546</u>