

Registration number 04527579

Swarthmore Education Centre

Company Limited by Guarantee

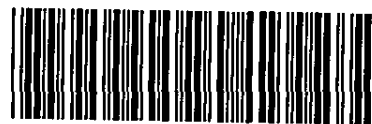
Financial statements

for

31 July 2013

Charity Number 1094451

THURSDAY



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12/12/2013
COMPANIES HOUSE

**Financial statements
for the year ended 31 July 2013**

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Trustees annual report

year ended 31 July 2013

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 2013

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
K Stainsby
A Goundry
P Hall
Dr H Hubbard
A Acton
A Bowers
J Vallely
B O F Coghill
M Walters
Mrs B Randolph-Horn
A Needham
I Shaw
G Harper
M Wainwright (President)

I Shaw was appointed as a trustee on 29 January 2013
K Stainsby retired as a trustee on 20 February 2013
A Acton retired as a trustee on 12 December 2012

Secretary	M Butterworth
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Auditor	Sagars LLP Chartered Accountants & Statutory Auditor Gresham House 5-7 St Pauls Street Leeds LS1 2JG
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Trustees annual report (continued)

year ended 31 July 2013

Structure, governance and management

The charity is an incorporated company limited by guarantee and is governed by the company's Memorandum and Articles of Association

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

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. 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. We also deliver provision across Leeds and have worked in over 25 different venues across the city targeting those areas with most disadvantages

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 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 sub-contracting with Careers 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 2013

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

2012/13 was a challenging year for Swarthmore. The largest challenge was the building work undertaken for the total refurbishment of the roof with the addition of solar panels at a cost of approx £300,000. This has helped us to have a safe, better and comfortable environment and will enable us to achieve excellence although we will be fundraising for the roof to replenish reserves for many years to come. Open Door in Sheffield continued to be the lead provider for the SFA Adult Skills budget grant and Swarthmore continued to be a sub-contractor of Open Door Adult Learning Centre. Challenges were changing from being paid by profile mid-year as an FE College to being paid by enrolments like a private training provider with different rules for funding. We continued to deliver 10% above our contract value for course funding.

Leeds City Council has contributed during this year the amount of approx £223,000 for the 12-month period for non-accredited courses. The SFA (Skills Funding Agency) has contributed approx £282,763 to Swarthmore for the 12-month period through Open Door subject to adjustments made in December 2012 in relation to over delivery for the previous year. This has been a challenging year as the grant funding made no allowance for inflation and core course funding was reduced by approx 8%.

The EFA (Education Funding Agency) contributed approx £27,683 in total to support learners aged 16 - 18(19-24).

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

We continue to apply for new contracts and bid for new money and this year we have been successful in bidding for a small contract from Igen approx £26,200 to help young people gain qualifications in Maths and English. The Lloyds TSB project continued to be funded for the year ensuring different communities across Leeds were able to take part in 'taster' sessions from our programmes.

Swarthmore continued to be partners with 2 other providers from Sheffield - Open Door (our lead provider) and Matrec. We validated each other's SARs (Self-Assessment Reports) and have done some joint training preparing for the changes to Ofsted inspection as well as held regular partnership meetings throughout the year. We continue to develop programmes in the local community. Our Computing programmes and ESOL courses in the community have attracted a good number of students from the local BAME groups. We have worked with other local Community and statutory organisations and developed a range of Employability Skills and Ukonline related 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 Arts at Leeds festival. We also attended Unity Day on Woodhouse Moor where we ran the older people's tent and served homemade cake and refreshments and organised some interactive activities. We also promoted Swarthmore's courses at all these events.

We have not increased our course fees this year as we believe people are struggling financially. 'A rate' concessions on Swarthmore leisure courses were increased by 5% to fall in line with SFA concessions.

Pay Rises There was no cost of living rise for core staff due to austerity measures. During 2012/13 there were no pay rises or incremental rises for people earning over £21,000 and pay has been frozen across the organisation.

We continue to be grateful to approximately 12 volunteers for the provision of learning support in computing, basic skills, arts, crafts and language classes. 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, support staff and tutors for their dedication and continuous support through-out the year.

Trustees annual report (continued)

year ended 31 July 2013

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 surplus on general funds of £65,968 before transfers. During 2011-12 financial year the trustees agreed to use the Roy Webber legacy to help finance the replacement of the roof. Therefore this amount has been transferred from the General Fund into the restricted Roof Fund in 2012-13.

In preparing the balance sheet as at 31 July 2013, the freehold land and buildings are included at their deemed estimated value to the Centre less depreciation of £1,081,541. This is an increase on the value at 31 July 2012 in recognition of the improvements to the building through the replacement of the roof. The roof was also replaced on houses 6 and 7 which are leased from Leeds City Council. The balance on the balance sheet for Improvements to Leasehold Property at 31 July 2013 is £138,797.

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 have calculated the level of free reserves (working capital) as at 31st July 2013 to be £199,239. The SFA contract managed by Open Door as lead provider has moved to the ER model instead of the LR model where payment depends on enrolments and achievements of learners. Added to the already significant delayed funding from Leeds City Council will place even more pressure on Swarthmore's cash resources and available free reserves. During 2013-14 Swarthmore Council will be reviewing their Reserves Policy and updating their findings.

Risk Management

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

Public benefit guidance

The trustees confirm that they have referred to the guidance on public benefit issued by the Charity Commission when reviewing the aims and objectives of the charity. The Trustees consider that its activities and achievements carried out during the financial year, and described in this Trustees' Report, have been carried out for the public benefit and satisfy the Charity Commission's requirements.

Trustees annual report (continued)

year ended 31 July 2013

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 SFA (Adult Skills Budget) and ESF 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 continue 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 Continue to 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 2013/14 similar to 2012/13 and add 1% to all fees except LCC provision
- 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 (19-24) work with young people especially NEET and LLDD
- 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

Trustees' responsibilities statement

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 regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and the income and expenditure of the charity 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 accounting estimates that are reasonable and prudent, and

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

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Sagars LLP are deemed to be re-appointed in accordance with an elective resolution made under section 386 of the Companies Act 1985 which continues in force under the Charities Act 2011.

Trustees annual report *(continued)*

year ended 31 July 2013

Each of the persons who is a trustee at the date of approval of this report confirms that

so far as each trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and

each trustee has taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

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

Signed by order of the trustees



M Butterworth
Charity Secretary



28 October 2013

Independent auditor's report to the trustees of Swarthmore Education Centre for the year ended 31 July 2013

We have audited the financial statements of Swarthmore Education Centre for the year ended 31 July 2013 on pages 9 to 16. 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 charity's trustees, 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 charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law 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 charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial 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.

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.

**Independent auditor's report to the trustees of Swarthmore Education Centre (continued)
for the year ended 31 July 2013**

Opinion on financial statements

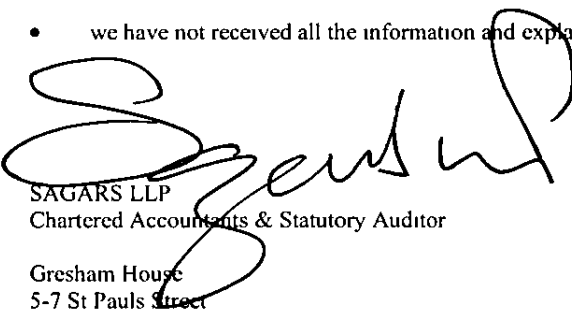
In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2013 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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements, or
- the charitable company has not kept adequate accounting records, or
- the financial statements are not in agreement with the accounting records and returns, or
- we have not received all the information and explanations we require for our audit



SAGARS LLP
Chartered Accountants & Statutory Auditor

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

28.10.13

Sagars LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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

year ended 31 July 2013

		Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
	Note				
Incoming resources					
Incoming resources from generating funds					
Voluntary income	2	2,204	54,503	56,707	13,094
Activities for generating funds	3	130,326	–	130,326	164,068
Investment income	4	2,493	–	2,493	804
Incoming resources from charitable activities	5	845,060	12,917	857,977	781,051
Other incoming resources	6	–	4,905	4,905	1,532
Total incoming resources		980,083	72,325	1,052,408	960,549
Resources expended					
Costs of generating funds					
Fundraising trading cost of goods sold and other costs	7	(82,280)	–	(82,280)	(85,482)
Charitable activities	8	(795,551)	(35,669)	(831,220)	(881,586)
Governance costs	9	(36,284)	–	(36,284)	(34,822)
Total resources expended		(914,115)	(35,669)	(949,784)	(1,001,890)
Net incoming/(outgoing) resources before transfers	10	65,968	36,656	102,624	(41,341)
Transfer between funds	11	(100,457)	100,457	–	–
Net income/(expenditure) for the year		(34,489)	137,113	102,624	(41,341)
Reconciliation of funds					
Total funds brought forward		1,417,707	42,354	1,460,061	1,501,402
Total funds carried forward		1,383,218	179,467	1,562,685	1,460,061

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 16 form part of these financial statements

**Balance sheet
as at 31 July 2013**

	Note	2013 £	2012 £
Fixed assets			
Tangible assets	13	1,363,446	1,056,303
Current assets			
Debtors	14	175,924	182,702
Cash at bank and in hand		<u>211,541</u>	<u>368,271</u>
		387,465	550,973
Creditors: Amounts falling due within one year	15	<u>(188,226)</u>	<u>(147,215)</u>
Net current assets		199,239	403,758
Total assets less current liabilities		<u>1,562,685</u>	<u>1,460,061</u>
Net assets		<u>1,562,685</u>	<u>1,460,061</u>
Funds			
Restricted income funds	16	179,467	42,354
Unrestricted income funds	17	1,383,218	1,417,707
Total funds		<u>1,562,685</u>	<u>1,460,061</u>

For the year ended 31 July 2013 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies but as this company is a charity, it is subject to audit under the Charities Act 2011

Trustees' responsibilities

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476, and
- The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime

These financial statements were approved by the members of the committee and authorised for issue on the 28 October 2013 and are signed on their behalf by

A Bowers
Director



Company Registration Number 04527579

The notes on pages 11 to 16 form part of these financial statements

Notes to the financial statements for the year ended 31 July 2013

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 and the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005)

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 2013

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
Leasehold Property Improvements	-	Remaining life of lease

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 £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Donations				
Donations	<u>2,204</u>	<u>54,503</u>	<u>56,707</u>	<u>13,094</u>

3 Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Cafe income	52,872	52,872	60,881
Rental income	<u>77,454</u>	<u>77,454</u>	<u>103,187</u>
	<u>130,326</u>	<u>130,326</u>	<u>164,068</u>

4 Investment income

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Bank interest receivable	<u>2,493</u>	<u>2,493</u>	<u>804</u>

Notes to the financial statements

for the year ended 31 July 2013

5 Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Skills Funding Agency (inc YPLA)	289,889	—	289,889	298,905
Leeds City Council Grants	240,094	—	240,094	158,782
Other Grants	92	12,917	13,009	54,968
Student fees	181,717	—	181,717	166,709
Membership fees	15,096	—	15,096	18,368
Sale of educational materials	4,508	—	4,508	4,374
Contract income	96,590	—	96,590	55,809
Childcare	17,074	—	17,074	23,136
	<u>845,060</u>	<u>12,917</u>	<u>857,977</u>	<u>781,051</u>

6 Other incoming resources

	Restricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Miscellaneous income	<u>4,905</u>	<u>4,905</u>	<u>1,532</u>

7 Fundraising trading Cost of goods sold and other costs

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Cafe expenses	60,699	60,699	62,597
Rental expenses	<u>21,581</u>	<u>21,581</u>	<u>22,885</u>
	<u>82,280</u>	<u>82,280</u>	<u>85,482</u>

8 Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2013 £	Total Funds 2012 £
Courses	553,133	261,171	814,304	843,098
Creche	<u>14,668</u>	<u>2,248</u>	<u>16,916</u>	<u>38,488</u>
	<u>567,801</u>	<u>263,419</u>	<u>831,220</u>	<u>881,586</u>

9 Governance costs

	Unrestricted Funds £	Total Funds 2013 £	Total Funds 2012 £
Salaries and wages	24,897	24,897	24,062
Audit fees	9,420	9,420	10,440
Legal fees	1,579	1,579	—
Sundry expenses	<u>388</u>	<u>388</u>	<u>320</u>
	<u>36,284</u>	<u>36,284</u>	<u>34,822</u>

Notes to the financial statements

for the year ended 31 July 2013

10 Net incoming/(outgoing) resources for the year

This is stated after charging

	2013	2012
	£	£
Depreciation	67,592	63,178
Auditors' fees	<u>9,420</u>	<u>10,440</u>

11 Fund transfers

The transfer from unrestricted funds to restricted funds represents the legacy monies being used to fund the roof works as agreed by the Trustees

12 Staff costs and emoluments

Total staff costs were as follows

	2013	2012
	£	£
Wages and salaries	515,140	526,581
Social security costs	124,906	134,578
Other pension costs	1,779	9,181
	<u>641,825</u>	<u>670,340</u>

Particulars of employees

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

	2013	2012
	No	No
Tutors	8	8
Management and administration	6	6
Other staff	<u>11</u>	<u>11</u>
	<u>25</u>	<u>25</u>

The average number of employees employed during the year was 68 (2012 - 69)

No employee received remuneration of more than £60,000 during the year (2012 - Nil)

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

**Notes to the financial statements
for the year ended 31 July 2013**

13 Tangible fixed assets

	Freehold property £	Fixtures & Fittings £	Leasehold Property Improvements £	Total £
Cost				
At 1 August 2012	1,149,120	260,265	–	1,409,385
Additions	169,219	65,458	140,059	374,736
Disposals	–	(26,472)	–	(26,472)
At 31 July 2013	1,318,339	299,251	140,059	1,757,649
Depreciation				
At 1 August 2012	211,228	141,855	–	353,083
Charge for the year	25,570	40,760	1,262	67,592
On disposals	–	(26,472)	–	(26,472)
At 31 July 2013	236,798	156,143	1,262	394,203
Net book value				
At 31 July 2013	1,081,541	143,108	138,797	1,363,446
At 31 July 2012	937,892	118,410	–	1,056,302

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

	2013 £	2012 £
Contracted but not provided for in the financial statements	30,487	231,096

14 Debtors

	2013 £	2012 £
Trade debtors	137,586	139,317
Other debtors	513	–
Prepayments	37,825	43,385
	175,924	182,702

15 Creditors – Amounts falling due within one year

	2013 £	2012 £
Trade creditors	73,703	51,099
PAYE and social security	12,721	11,436
Accruals	101,802	84,680
	188,226	147,215

Notes to the financial statements for the year ended 31 July 2013

16 Restricted income funds

	Balance at 1 Aug 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Jul 2013 £
Capital improvement grants	16,734	—	(8,300)	—	8,434
Lloyds TSB course grants	13,938	—	(11,358)	—	2,580
UK Online course grants	6,772	5,000	(2,305)	—	9,467
Roof fund	4,910	57,575	(3,852)	100,353	158,986
Transitional Fund	—	9,750	(9,854)	104	—
	<u>42,354</u>	<u>72,325</u>	<u>(35,669)</u>	<u>100,457</u>	<u>179,467</u>

17 Unrestricted income funds

	Balance at 1 August 2012 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 July 2013 £
Improvement to Facilities	100,353	—	—	(100,353)	—
Unrestricted Property Fund	—	—	—	1,061,352	1,061,352
General Funds	<u>1,317,354</u>	<u>980,083</u>	<u>(914,115)</u>	<u>(1,061,456)</u>	<u>321,866</u>
	<u>1,417,707</u>	<u>980,083</u>	<u>(914,115)</u>	<u>(100,457)</u>	<u>1,383,218</u>

18 Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds			
Capital improvement grants	8,434	—	8,434
Lloyds TSB course grants	—	2,580	2,580
UK Online course grants	—	9,467	9,467
Roof fund	<u>158,986</u>	<u>—</u>	<u>158,986</u>
	<u>167,420</u>	<u>12,047</u>	<u>179,467</u>
Unrestricted Income Funds	<u>1,196,026</u>	<u>187,192</u>	<u>1,383,218</u>
Total Funds	<u>1,363,446</u>	<u>199,239</u>	<u>1,562,685</u>

19 Related party transactions

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

There are no related party transactions which require disclosure under the requirements of Financial Reporting Standards

20 Company limited by guarantee

The company is limited by guarantee to the value of £1 per member on winding up