

**Company registration number 04527579**

**Swarthmore Education Centre**

**Company Limited by Guarantee**

**Financial statements**

**for**

**31 July 2015**



**Charity Number 1094451**

**Financial statements  
for the year ended 31 July 2015**

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## **Trustees annual report**

**year ended 31 July 2015**

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 2015.

### **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

### **The trustees**

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

F Matthews  
M Belt  
A Goundry  
P Hall  
Dr H Hubbard  
A Bowers  
J Vallely  
M Walters  
Mrs B Randolph-Horn  
A Needham  
Ms I Shaw  
Mr J Barker  
Mr G Harper  
Mrs J E Towers  
Ms C Wigzell

F Matthews was appointed as a director on 21 May 2015.

Ms C Wigzell was appointed as a trustee on 1 January 2015.

F Matthews retired as a director on 10 December 2014.

J Vallely retired as a trustee on 10 December 2014.

A Needham retired as a trustee on 31 July 2015.

**Secretary** M Butterworth

**Auditor** Sagars Accountants Ltd  
Chartered Accountants  
& Statutory Auditor  
Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

**Trustees annual report** *(continued)*

**year ended 31 July 2015**

**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.

## **Trustees annual report *(continued)***

### **year ended 31 July 2015**

#### **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 1643 part-time student members enrolled in 2014/15. 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 and young people 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 different venues across the city as well as at Swarthmore during 2014/15 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 or people looking to improve their job prospects). There are good reduced rate courses and financial support for students who have difficulty paying fees. Class times are flexible, arranged often 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 crèche facilities, the cafe and a base for occasional users as well as long established groups who now organise themselves independently.

Swarthmore also offers an independent careers and educational 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 2015**

#### **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.

2014/15 was a challenging year for Swarthmore. The largest challenges were budget cuts for adult courses from both Open Door Adult Learning Centre and Leeds City Council. Our SFA Adult Skills budget as a sub-contractor of Open Door was cut by 18% followed by a further 3% in year.

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. The total grant was approx. £232,440 with additional payment of learning loans for students' studying at Level 3 and 4. Challenges included performance management rules not matching our mode of delivery resulting in over performance by period 8 which was not eligible for funding.

Leeds City Council has contributed during this year the amount of approx. £220,656 for the 12-month period for non-accredited courses including an additional £4000 for engagement activities.

The EFA (Education Funding Agency) contributed approx. £169,083 to support full-time Study programmes for HNS learners aged 16 - 18(19-24). The Local Authority awarded funding for element 2 and 3 for High Needs Support student numbers over and above the allocation.

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 and devolutionary powers to LA's with an elected mayor. The Government's plans to cut budgets over the next year (25 - 40% SFA ASB) 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.£37850 to help young people gain qualifications in Maths and English.

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 held regular partnership meetings throughout the year. We continued to develop programmes in the local community. Our Computing programmes and Healthy Living courses in the community have attracted a good number of students from the disadvantaged Super Output Areas. 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 the Arts at Leeds festival and the Environmental Extravaganza on Woodhouse Moor. We also attended Unity Day on Woodhouse Moor where we ran the Memory Lane tent for older people and served homemade cake and refreshments and organised some interactive activities. We also promoted Swarthmore's courses at all these events.

We increased our course fees this year by 2% for self-financing part-time courses as we believe people are still struggling financially.

Swarthmore implemented the living wage in February 2014 and aspires to becoming a living wage employer. During 2014/15 trustees have invested in Swarthmore staff and undertook a review of pay and conditions across the whole organisation. In some cases parity between roles was recognised and changes to staff pay were backdated to 1st January 2015.

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 2015**

#### **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 £66,951 before transfers.

In preparing the balance sheet as at 31 July 2015, the freehold land and buildings are included at their deemed estimated value to the Centre less depreciation of £1,033,387. The balance on the balance sheet for Improvements to Leasehold Property at 31 July 2015 is £131,462. There have been no major improvements to the fabric of the building during 2014/15.

The Centre's 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 and Risk Management**

The Management Committee recognises that there is a need to maintain freely available funds (that is those not tied up in fixed assets or designated or restricted funds). In order to assess the required level of free reserves the Management Committee has been undertaking a process of "Risk Mapping" - identifying the risks to which the organisation is exposed and seeking to invest either in mitigating those risks and reducing their likelihood or carrying enough freely available funds to satisfy those risks should they occur. This process is currently on going.

The delayed payment from Leeds City Council continued to be a challenge to our reserves. Added to this that the SFA contract (managed by Open Door as the Lead Provider) has changed how we are funded and how cash is paid, there is now significant pressure on Swarthmore's cash flow resources.

The Management Committee have calculated the level of free reserves (working capital) as at 31st July 2014 to be £386,512. The Management Committee feels that at this time this represents an acceptable balance until the full Risk Mapping exercise is completed.

#### **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 2015**

#### **Plans for future periods**

Swarthmore continues to monitor the impact of the new Government policies on funding. 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. During this period we need to:

1. 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 2015/16 similar to 2014/15 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 on economically disadvantaged people.
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 English and Maths provision as this is a Government priority.
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.



**Trustees annual report** *(continued)*

**year ended 31 July 2015**

**Auditor**

Sagars Accountants Ltd 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.

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



5 November 2015

M Butterworth  
Charity Secretary



## **Independent auditor's report to the trustees of Swarthmore Education Centre for the year ended 31 July 2015**

We have audited the financial statements of Swarthmore Education Centre for the year ended 31 July 2015 on pages 10 to 18. 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2015**

**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 2015 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 ACCOUNTANTS LTD  
Chartered Accountants & Statutory Auditor

Gresham House  
5-7 St Paul's Street  
Leeds  
LS1 2JG

5 November 2015

Sagars Accountants Ltd 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 2015

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
<b>Incoming resources</b>					
Incoming resources from generating funds:					
Voluntary income	2	2,947	2,631	5,578	4,018
Activities for generating funds	3	164,413	—	164,413	136,173
Investment income	4	723	—	723	453
Incoming resources from charitable activities					
	5	1,131,900	29,950	1,161,850	951,470
Other incoming resources	6	13,990	700	14,690	30,656
<b>Total incoming resources</b>		<b>1,313,973</b>	<b>33,281</b>	<b>1,347,254</b>	<b>1,122,770</b>
<b>Resources expended</b>					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	7	(103,368)	—	(103,368)	(92,004)
Charitable activities	8	(1,104,826)	(41,903)	(1,146,729)	(911,111)
Governance costs	9	(38,828)	—	(38,828)	(34,856)
<b>Total resources expended</b>		<b>(1,247,022)</b>	<b>(41,903)</b>	<b>(1,288,925)</b>	<b>(1,037,971)</b>
<b>Net incoming resources before transfers</b>	10	<b>66,951</b>	<b>(8,622)</b>	<b>58,329</b>	<b>84,799</b>
Transfer between funds	11	153,917	(153,917)	—	—
<b>Net income for the year</b>		<b>220,868</b>	<b>(162,539)</b>	<b>58,329</b>	<b>84,799</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,473,680	173,804	1,647,484	1,562,685
<b>Total funds carried forward</b>		<b>1,694,548</b>	<b>11,265</b>	<b>1,705,813</b>	<b>1,647,484</b>

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 12 to 18 form part of these financial statements.

**Balance sheet  
as at 31 July 2015**

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	13	1,308,036	1,341,873
<b>Current assets</b>			
Debtors	14	233,641	157,729
Cash at bank and in hand		341,475	304,816
		<u>575,116</u>	<u>462,545</u>
<b>Creditors: Amounts falling due within one year</b>	15	<u>(177,339)</u>	<u>(156,934)</u>
<b>Net current assets</b>		397,777	305,611
<b>Total assets less current liabilities</b>		<u>1,705,813</u>	<u>1,647,484</u>
<b>Net assets</b>		<u>1,705,813</u>	<u>1,647,484</u>
<b>Funds</b>			
Restricted income funds	17	11,265	173,804
Unrestricted income funds	18	<u>1,694,548</u>	<u>1,473,680</u>
<b>Total funds</b>		<u>1,705,813</u>	<u>1,647,484</u>

For the year ended 31 July 2015 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 5 November 2015 and are signed on their behalf by:

A Bowers  
Director



Company Registration Number: 04527579

The notes on pages 12 to 18 form part of these financial statements.

## **Notes to the financial statements for the year ended 31 July 2015**

### **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.

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 2015

### 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

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the 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 2015 £	Total Funds 2014 £
<b>Donations</b>				
Donations	<u>2,947</u>	<u>2,631</u>	<u>5,578</u>	<u>4,018</u>

### 3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Cafe income	53,998	53,998	53,847
Rental income	<u>110,415</u>	<u>110,415</u>	<u>82,326</u>
	<u>164,413</u>	<u>164,413</u>	<u>136,173</u>

### 4. Investment income

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Bank interest receivable	<u>723</u>	<u>723</u>	<u>453</u>

## Notes to the financial statements

### for the year ended 31 July 2015

#### 5. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Skills Funding Agency (via Open Door)	230,937	—	230,937	252,159
Leeds City Council	382,483	—	382,483	228,072
Other Grants	1,000	29,950	30,950	(100)
Student fees	178,008	—	178,008	149,162
Membership fees	10,089	—	10,089	17,938
Sale of educational materials	620	—	620	4,427
Contract income	—	—	—	650
Education Funding Agency	258,745	—	258,745	241,347
IGEN	38,600	—	38,600	18,975
Careers West Yorkshire	31,418	—	31,418	38,840
	<u>1,131,900</u>	<u>29,950</u>	<u>1,161,850</u>	<u>951,470</u>

#### 6. Other incoming resources

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Miscellaneous income	<u>13,990</u>	<u>700</u>	<u>14,690</u>	<u>30,656</u>

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

	Unrestricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Cafe expenses	73,471	73,471	66,340
Rental expenses	29,909	29,909	25,572
Centenary celebrations	(12)	(12)	92
	<u>103,368</u>	<u>103,368</u>	<u>92,004</u>

#### 8. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2015 £	Total Funds 2014 £
Courses	794,833	333,084	1,127,917	899,215
Creche	14,398	4,413	18,811	11,896
	<u>809,231</u>	<u>337,497</u>	<u>1,146,728</u>	<u>911,111</u>



## Notes to the financial statements for the year ended 31 July 2015

### 9. Governance costs

	Unrestricted Funds	Total Funds 2015	Total Funds 2014
	£	£	£
Salaries and wages	26,793	26,793	25,054
Audit fees	10,140	10,140	7,200
Legal fees	1,680	1,680	1,922
Sundry expenses	215	215	680
	<u>38,828</u>	<u>38,828</u>	<u>34,856</u>

### 10. Net incoming resources for the year

This is stated after charging:

	2015	2014
	£	£
Depreciation	75,916	71,709
Auditors' fees	<u>10,140</u>	<u>7,200</u>

### 11. Fund transfers

Following a review in the year of restricted funds, certain balances have been transferred to unrestricted funds as detailed in Note 17.

### 12. Staff costs and emoluments

Total staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	702,338	564,089
Social security costs	174,389	135,599
Other pension costs	12,659	4,997
	<u>889,386</u>	<u>704,685</u>

#### Particulars of employees:

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

	2015	2014
	No	No
Tutors	15	12
Management and administration	11	6
Other staff	8	11
	<u>34</u>	<u>29</u>

The average number of employees employed during the year was 75 (2014 - 71).

No employee received remuneration of more than £60,000 during the year (2014 - 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 2015

#### 13. Tangible fixed assets

	Freehold property £	Fixtures & Fittings £	Leasehold Property Improvements £	Total £
<b>Cost</b>				
At 1 August 2014	1,323,924	343,801	140,059	1,807,784
Additions	–	42,446	–	42,446
Disposals	–	(367)	–	(367)
<b>At 31 July 2015</b>	<b>1,323,924</b>	<b>385,880</b>	<b>140,059</b>	<b>1,849,863</b>
<b>Depreciation</b>				
At 1 August 2014	263,647	197,333	4,931	465,911
Charge for the year	26,890	45,360	3,666	75,916
<b>At 31 July 2015</b>	<b>290,537</b>	<b>242,693</b>	<b>8,597</b>	<b>541,827</b>
<b>Net book value</b>				
<b>At 31 July 2015</b>	<b>1,033,387</b>	<b>143,187</b>	<b>131,462</b>	<b>1,308,036</b>
At 31 July 2014	1,060,277	146,468	135,128	1,341,873

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. Subsequently, there has been £223,924 of improvements to the property.

All fixed assets are used for charitable purposes.

#### Capital commitments

	2015 £	2014 £
Contracted but not provided for in the financial statements	11,484	19,800

#### 14. Debtors

	2015 £	2014 £
Trade debtors	188,614	105,113
Prepayments	45,027	52,616
	<b>233,641</b>	<b>157,729</b>

#### 15. Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	54,147	62,318
PAYE and social security	16,085	15,855
Accruals	107,107	78,761
	<b>177,339</b>	<b>156,934</b>

**Notes to the financial statements  
for the year ended 31 July 2015**

**16. Commitments under operating leases**

At 31 July 2015 the charity had annual commitments under non-cancellable operating leases as set out below.

	<b>Assets other than Land and buildings</b>	
	<b>2015 £</b>	<b>2014 £</b>
<b>Operating leases which expire:</b>		
Within 1 year	944	944
Within 2 to 5 years	1,651	2,595
	<u>2,595</u>	<u>3,539</u>

**17. Restricted income funds**

	<b>Balance at 1 Aug 2014 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Transfers £</b>	<b>Balance at 31 Jul 2015 £</b>
Capital improvement grants	5,680	–	(852)	(4,828)	–
Lloyds TSB course grants	3,770	–	(3,770)	–	–
Lift us up appeal	–	2,024	–	–	2,024
UK Online course grants	8,296	6,750	(5,805)	–	9,241
Roof fund	156,058	607	(7,576)	(149,089)	–
Innovation Fund	–	23,900	(23,900)	–	–
	<u>173,804</u>	<u>33,281</u>	<u>(41,903)</u>	<u>(153,917)</u>	<u>11,265</u>

During the year the Trustees carried out a review of the restricted funds. As the roof work and the capital work have been completed and there are no additional restrictions on the use of the assets then a transfer has been made to reallocate the funds to unrestricted.

**18. Unrestricted income funds**

	<b>Balance at 1 Aug 2014 £</b>	<b>Incoming resources £</b>	<b>Outgoing resources £</b>	<b>Transfers £</b>	<b>Balance at 31 Jul 2015 £</b>
Unrestricted Property Fund	1,039,344	–	(24,584)	149,089	1,163,849
General Funds	434,336	1,313,973	(1,222,438)	4,828	530,699
	<u>1,473,680</u>	<u>1,313,973</u>	<u>(1,247,022)</u>	<u>153,917</u>	<u>1,694,548</u>

**Notes to the financial statements  
for the year ended 31 July 2015**

**19. Analysis of net assets between funds**

	<b>Tangible fixed assets £</b>	<b>Net current assets £</b>	<b>Total £</b>
<b>Restricted Income Funds:</b>			
Lift us up appeal	—	2,024	2,024
UK Online course grants	—	9,241	9,241
	—	11,265	11,265
<b>Unrestricted Income Funds</b>	<b>1,308,036</b>	<b>386,512</b>	<b>1,694,548</b>
<b>Total Funds</b>	<b>1,308,036</b>	<b>397,777</b>	<b>1,705,813</b>

**20. 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.

**21. Company limited by guarantee**

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