

LINKED WORK AND TRAINING TRUST CENTRAL

(A Company limited by guarantee, not having a share capital)

REPORT and FINANCIAL STATEMENTS

for the year to 31 March 2012

Registration No. SC205714
Scottish Charity No. SC024400

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LINKED WORK AND TRAINING TRUST CENTRAL
(a company limited by guarantee, not having a share capital)
Report of the Directors for the year ended 31 March 2012

The Directors of Linked Work and Training Trust Central have pleasure in presenting their annual report and the audited financial statements for the year ended 31 March 2012. In preparing this report the Directors have complied with the Companies Act 2006, the Accounting and Reporting by Charities Statement of Recommended Practice (SORP, revised 2005) and applicable accounting standards.

Reference and administrative information

Charity name: Linked Work and Training Trust Central
Charity number: SC024400
Company number: SC205714
Company Secretary: Fiona Craig
Registered Office: Suite 14, Willow House, Grangemouth, Stirlingshire, FK3 8LL
Auditors: Dickson Middleton, 20 Barnton Street, Stirling, FK8 1NE.
Bankers: Bank of Scotland, Unit 15, Howgate Centre, Falkirk, FK1 1HG.

Directors and Trustees

The Directors of the company are also its trustees for the purpose of charity law. The following persons acted as Directors of the charity during the period to 31 March 2012.

	<u>Position</u>
Catherine C. Peattie	Chair
Frederick G. Hay	Vice Chair
Cllr Martin D. Oliver	Treasurer
Murray J. Allan	(appointed 16 th May 2011)
Fiona Andrews	
Anne Donoghue	(appointed 16 th May 2011)
Karen C. Newbigging	(resigned 6 th June 2012)

Day-to-day management of the charity is delegated to Fiona Craig, who is not a Director or Trustee of the charity.

LINKED WORK AND TRAINING TRUST CENTRAL

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Report of the Directors for the year ended 31 March 2012 (continued)

Structure, governance and management

Governing document

Linked Work and Training Trust Central became a registered charity on 7th February 1996 in its previous structure as a Charitable Trust, which was prior to incorporation as a company limited by guarantee on 31st March 2000. The company was established under a Memorandum of Association which sets out the objects and powers of the company and is governed under its Articles of Association, which were updated by the members on 14th May 2010. The Member Directors are also members of the charity, whereas Co-opted directors need not be members of the company. In the event of the charity being wound up, members are required to contribute an amount not exceeding £1 each.

Appointment of directors

Membership of the company is open to any individual aged 18 or over who wishes to support the aims and activities of the company subject to being nominated for membership by three existing members of the company. No one can be an employee and a member of the company at the same time. Membership applications are reviewed by the Board of Directors.

As set out in the Memorandum and Articles of Association, the total maximum number of Directors is ten, split between a maximum number of seven Member Directors and a maximum number of three Co-opted Directors. Appointment of Co-opted Directors is made by the Board of Directors where they consider the person in question has knowledge, skills or experience that would assist the Board in the performance of their duties.

Director induction and training

Most Directors are already familiar with the work of Linked Work and Training Trust Central prior to their appointment to the Board. On appointment, Directors meet with the Company Secretary and are given an Induction process whereby they receive an Induction Pack which includes the Roles & Responsibilities of Company Directors paper and this is followed up by an induction meeting with the Company Secretary to enable them to have a full understanding of the background and history and current policy and direction of the company. The meeting also offers the opportunity to the new Director of clarifying any queries they may have on the organisation and governance structures.

Organisational structure

The governing body of Linked Work and Training Trust Central is its Board of Directors. The Directors are also the trustees of the charity and are legally responsible for the governance and management of Linked Work and Training Trust Central. The Board has up to ten Directors who meet regularly.

A Director is appointed by the Board to manage the day-to-day operations of the charity. To facilitate effective operations, the Director has delegated authority for operational matters including finance and employment.

Risk management

The Directors actively review the major risks which the charity faces on a regular basis especially now that the need for future funding is so pertinent. However, the Directors believe that by closely monitoring the situation and continuing to search for more funding the Trust will continue to operate. The Directors have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

Related parties

None of the Board Directors are related to or have any other links to any funder or consultant commissioned to do work for or on behalf of the company.

LINKED WORK AND TRAINING TRUST CENTRAL
(a company limited by guarantee, not having a share capital)
Report of the Directors for the year ended 31 March 2012 (continued)

Objectives and activities

The objects for which the charity was established to are:

- To advance education and training in fields of community development, community education, social sciences and/or social policy, and that in a manner which gives priority to communities of greatest need; and
- To relieve poverty.

The charity seeks to achieve these aims through its principal activities which continue to promote, offer and organise programmes of work-based learning and education for local people which will widen access to higher education and professional qualifications, whilst meeting the needs of the local communities.

Achievements and performance

LWTT has had a very successful year and has delivered a range of learning and development programmes. In particular, we have delivered a project for Education Scotland which involved designing and producing a package of resources on 4 themes (coaching and mentoring, action learning, peer learning and partnership working) for use by practitioners in the CLD sector. These will be available online through the CLD Standards Council website and available to all. We also researched learner pathways to identify and describe how you enter into work in the field of CLD for the Standards Council. This involved consultation with stakeholders, production of a career pathway guide and map of current provisions that identify entry and exit points, progression routes and crossover points. The findings were presented to Standards Council staff and Approval Committee Members.

Another significant piece of work was undertaken for Education Scotland to consider Learners' perceptions of the transition process from community based adult learning to College to learn about and enhance the learning experience for adult learners moving into college. This involved design of a study, identification of potential participants, data collection and interviews with learners, analysis of material and evaluation and reporting. We continued this year to work in partnership with SSEA to deliver a leadership and management programme with Bield Housing Association and some smaller projects saw us working with Greenspace Scotland on their Social Return on Investment project.

We developed and promoted the Professional Development Award (PDA) in Youth Work and following a pilot programme with the Princes Trust for young people not in education, employment and training. In the past year we have delivered it for four cohorts mostly in the Glasgow and Edinburgh areas. We were the first in Scotland to submit the PDA for approval to the Standards Council and were recently presented with an award acknowledging this at the Standards Council quarterly meeting. We are currently marketing our PDA in Youth Work to deliver to organisations and individuals and the interest and uptake on this is very encouraging with eight organisations and forty individuals expressing an interest. Part of our marketing strategy for our Learning Academy is to widen our portfolio of programmes and we are currently in the process of applying to the Chartered Management Institute to deliver Coaching and Mentoring and to SQA to delivery Award in Volunteering.

LINKED WORK AND TRAINING TRUST CENTRAL

(a company limited by guarantee, not having a share capital)

Report of the Directors for the year ended 31 March 2012 (continued)

Financial review

LWTT has performed well this year despite a fall in income of £454,255 which is a significant drop, however not unexpected during times of increasing budget cuts and a culture of doing 'more for less'.

Principal funding sources

LWTT's principal sources of income came from Scottish Government funded programmes including the National Workforce Development, Learners Pathways Guide and Phase 2 of Learners' Perceptions of the transition process from CBAL to college which all were managed by Education Scotland.

Reserves policy

We have reserves of £182,744. Of this £60,000 would be required for winding up and redundancy costs, £250 for restricted funds and notional unrestricted reserves of £122,494, which is equivalent to about 9 months of non-project revenue costs. This level of reserves is required to ensure that there are sufficient funds to proceed with an orderly wind down of operations should circumstances dictate.

Plans for future periods

In particular, we want to grow and extend our markets for our range of Learning Academy and IMPACT programmes. We have invested time and effort in producing this range of learning opportunities of a high quality, valued by those who participate and are fit for purpose.

LINKED WORK AND TRAINING TRUST CENTRAL

(a company limited by guarantee, not having a share capital)

Report of the Directors for the year ended 31 March 2012 (continued)

Directors' responsibilities statement

The Directors (who are also trustees of Linked Work and Training Trust Central for the purposes of charity law) are responsible for preparing the Directors' 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 Directors 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 the year. In preparing these financial statements, the Directors 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 Directors are responsible for keeping adequate 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 Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They 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.

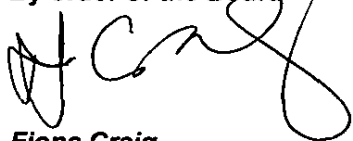
In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors 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.

Auditors

Messrs Dickson Middleton are auditors to the charitable company and the Directors recommend their reappointment at the Annual General Meeting. A resolution will be proposed at the Annual General Meeting authorising the Directors to fix the remuneration of the auditors.

By order of the Board



Fiona Craig

Company Secretary

DATE: 7th December 2012

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

Independent Auditors' Report to the directors and members of Linked Work and Training Trust Central

We have audited the financial statements of Linked Work and Training Trust Central for the year ended 31st March 2012 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. 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 exclusively to the members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the company's directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the members and the company's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement in relation to the financial statements, the directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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 (APB'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 charitable 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. In addition, we read all the financial and non-financial information in the Report of the Directors 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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2012, 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

**Independent Auditors' Report to the directors and members of
Linked Work and Training Trust Central (continued)**

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 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

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



**John Watkins (Senior Statutory Auditor),
for and on behalf of Dickson Middleton, Chartered Accountants/Statutory Auditors,
20 Barnton Street,
Stirling,
FK8 1NE.**

**Dickson Middleton is eligible to act as an auditor in terms of section 1212 of the
Companies Act 2006**

DATE: 7th December 2012

LINKED WORK AND TRAINING TRUST CENTRAL
(A company limited by guarantee, not having a share capital)
STATEMENT of FINANCIAL ACTIVITIES FOR THE YEAR TO 31ST MARCH 2012

	Note	Restricted	Funds Unrestricted	Designated	2012 Total	2011 Total
		£	£	£	£	£
INCOMING RESOURCES	2					
Incoming resources from generated funds						
Grants		55,601	-	-	55,601	31,400
Donations		200	-	-	200	-
		<u>55,801</u>	<u>-</u>	<u>-</u>	<u>55,801</u>	<u>31,400</u>
Incoming resources from charitable activities						
Income from delivery of services		-	53,850	-	53,850	532,506
Total Incoming Resources		<u>55,801</u>	<u>53,850</u>	<u>-</u>	<u>109,651</u>	<u>563,906</u>
RESOURCES EXPENDED	4					
Cost of generating funds		18,066	32,252	-	50,318	45,255
Charitable activities		57,369	70,857	-	128,226	320,578
Governance costs		3,716	13,507	-	17,223	13,922
Total Resources Expended		<u>79,151</u>	<u>116,616</u>	<u>-</u>	<u>195,767</u>	<u>379,755</u>
Net (Outgoing)/Incoming Resources before transfers		(23,350)	(62,766)	-	(86,116)	184,151
Gross transfers between funds		59	39,631	(39,690)	-	-
Net Movement in Funds		<u>(23,291)</u>	<u>(23,135)</u>	<u>(39,690)</u>	<u>(86,116)</u>	<u>184,151</u>
Funds brought forward		23,541	145,629	99,690	268,860	84,709
Funds carried forward		<u>250</u>	<u>122,494</u>	<u>60,000</u>	<u>182,744</u>	<u>268,860</u>

The notes on pages 10 to 13 form part of these financial statements.

LINKED WORK AND TRAINING TRUST CENTRAL
(A company limited by guarantee, not having a share capital)
BALANCE SHEET AS AT 31ST MARCH 2012

	Notes	2012 £	2011 £
FIXED ASSETS			
Investments	7	100	100
CURRENT ASSETS			
Debtors	8	19,550	171,311
Cash at bank and in hand		186,547	159,639
		206,097	330,950
CURRENT LIABILITIES -			
Creditors: amounts falling due within one year	9	(23,453)	(62,190)
NET ASSETS		182,744	268,860
Represented by:			
Unrestricted Funds:			
General Fund		122,494	145,629
Designated Fund		60,000	99,690
		182,494	245,319
Restricted Funds		250	23,541
TOTAL FUNDS at 31 March 2012	10	182,744	268,860

The notes on pages 10 to 13 form part of these financial statements. Approved by the Board of Directors on 7th December 2012 and signed on its behalf by

 Director
Cllr Martin D. Oliver

Company Registration Number: SC205714

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

Notes to the Financial Statements for the year ended 31 March 2012

1. Accounting Policies

Basis of accounting

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP Revised 2005). A summary of the more important accounting policies, which have been applied consistently, is set out below.

Accounting convention

The financial statements are prepared under the historical cost convention.

Tangible fixed assets

Fixed assets are written off in the year they are purchased. Fixed asset investments are stated at cost less provision for any impairment in value.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Investment income is included when receivable.
- Gifts in kind are services which are provided to the charity as a donation that would normally be purchased from suppliers; this contribution is included in the financial statements at an estimate based on the value of the contribution to the charity.

Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income and securing grants and contracts.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and programmes for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the statement of financial activities on a basis designed to reflect the usage of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis: e.g. staff costs.

Fund accounting

- Unrestricted funds are available for use at the discretion of the directors in furtherance of the general objectives of the charity.
- Designated funds are unrestricted funds earmarked by the directors for specific purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of a grant.

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

Notes to the Financial statements for the year ended 31 March 2012 (continued)**1 Accounting Policies (continued)***Leasing*

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pensions

The company operates a defined contribution pension scheme. The pension costs charged in the Statement of Financial Activities represent the contribution payable by the charity during the year.

Taxation

The charity is recognised as a charity for taxation purposes. As such, the charity is exempt from tax on income and gains to the extent that these are applied to charitable objects. No tax charges have arisen in the charity. The charity is not registered for Value Added Tax (VAT). Expenditure includes any attributable VAT.

Cash Flow Statement

The charity is a small company as defined by Section 382 of the Companies Act 2006 and is entitled to exemption from preparation of a Cash Flow Statement as required under FRS1. Consequently a Cash Flow Statement has not been prepared.

Group Accounts

The charitable company is entitled to the exemption under section 398 of the Companies Act 2006 from the obligation to prepare group accounts.

2. Income

Income includes grants and other payments from publicly funded bodies that were received and applied during the year, subject to the accounting policy enumerated in Note 1 above. Income therefore includes grants and other income from:

	2012		2011	
	Received Income £	Applied Income £	Received Income £	Applied Income £
Coalfields Regeneration Trust	-	-	31,400	31,400
Education Scotland	55,000	55,000	-	-
SCVO	601	601	-	-
Total Received/ Applied Income	55,601	55,601	31,400	31,400
Income from delivery of services		53,850		532,506
Donations		200		-
		109,651		563,906

3. Surplus for the year

The surplus for the year is stated after charging –

	2012 £	2011 £
Staffing costs (see Note 5)	125,298	127,092
Auditor's remuneration	3,600	2,126
Operating lease rentals	17,903	16,608

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

Notes to the Financial statements for the year ended 31 March 2012 (continued)

4. Total resources expended

	Basis of allocation	Costs of generating funds £	Charitable activities £	Governance costs £	2012 Total £
Direct costs					
Staff costs	Staff time	29,986	58,496	7,928	96,410
General admin expenses	Staff time and direct	6,684	13,075	1,745	21,504
Legal & Professional costs	Direct	-	-	3,942	3,942
Project costs	Direct	-	30,031	-	30,031
Support costs					
Staff costs	Staff costs	10,061	19,626	2,660	32,347
General admin costs	Staff costs	3,587	6,998	948	11,533
		50,318	128,226	17,223	195,767

	Basis of allocation	Costs of generating funds £	Charitable activities £	Governance costs £	2011 Total £
Direct costs					
Staff costs	Staff time	28,340	64,841	7,492	100,673
General admin expenses	Staff time and direct	6,465	15,412	1,541	23,418
Legal & Professional costs	Direct	-	-	2,126	2,126
Project costs	Direct	-	216,416	-	216,416
Support costs					
Staff costs	Staff costs	8,826	20,192	2,333	31,351
General admin costs	Staff costs	1,624	3,717	430	5,771
		45,255	320,578	13,922	379,755

5. Staff Costs

Staff employment costs

	2012 £	2011 £
Salaries	106,624	108,268
Employer's NIC	10,824	10,696
Employer's pension contributions	7,850	8,128
	125,298	127,092

There are no high paid staff.

Average staff numbers

Direct Charitable Work	2	4
Administration	2	1
	4	5

Creditors include £nil (2011 - £nil) in respect of pension contributions to be paid over to relevant schemes at the end of the year.

LINKED WORK AND TRAINING TRUST CENTRAL

(A company limited by guarantee, not having a share capital)

Notes to the Financial statements for the year ended 31 March 2012 (continued)**6. Directors Costs**

During the year no director of the charity received remuneration from the charity for their services (2011: nil). The Directors are also entitled to reimbursement of expenses, which, for the year, amounted to £nil (2011: £nil) in total.

7. Fixed assets

	2012	2011
	£	£
Shares held in subsidiary company	100	100

The charity beneficially holds 100% of the issued share capital of LWTT Consultancy and Research Limited, which provides educational services.

8. Debtors: Amounts falling due within one year

	2012	2011
	£	£
Debtors	19,550	155,612
Due from subsidiary company	-	15,699
	19,550	171,311

9. Creditors: Amounts falling due within one year

	2012	2011
	£	£
Creditors	-	44,684
Accruals	23,453	17,506
	23,453	62,190

10. FUNDS ANALYSIS of Linked Work and Training Trust Central at 31 March 2012

	Restricted	Designated	Unrestricted	2012 Total Funds	2011 Total Funds
	£	£	£	£	£
Fixed assets	-	-	100	100	100
Current assets					
Debtors	-	-	19,550	19,550	171,311
Cash at bank and in hand	250	60,000	126,297	186,547	159,639
	250	60,000	145,847	206,097	330,950
Current liabilities	-	-	(23,453)	(23,453)	(62,190)
Net Assets/Funds	250	60,000	122,494	182,744	268,860

11. Leasing Commitments

	2012	2011
	£	£
Expiring within one year	Property 8,770	16,931

12. Capital Commitments and Contingent Liabilities

There were no capital commitments at 31 March 2012 (2011: £nil).

Some of the charity's activities have been funded by grants receivable which contain conditions about the repayment of grants received. These conditions are not expected to lead to any obligation to repay the grants received.

There were no other contingent liabilities at 31 March 2012 (2011: £nil).

13. Related parties

None of the Board Directors are related to or have any other links to any funder or consultant commissioned to do work for or on behalf of the company.