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and business advisers

Swarthmore Education Centre

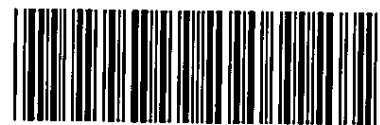
Financial statements

Year Ended 31 July 2009

Company registration number 4527579

Charity number 1094451

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**Financial statements
for the year ended 31 July 2009**

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Trustees annual report

year ended 31 July 2009

The trustees, who are also directors for the purposes of company law, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 July 2009.

Reference and administrative details

Registered charity name	Swarthmore Education Centre
Charity registration number	1094451
Company registration number	4527579

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:

M Wainwright - President
F Matthews
J Arnison
M Belt
F Chapel
R McDuffus
K Stainsby
P Goundry
P Hall
Dr H Hubbard
J Major
G Twigge
Cllr J P Ewens
A Acton
A Bowers
J Vallely

J Vallely was appointed as a trustee on 23 October 2008.

J Arnison resigned as a director on 27 April 2009.

G Twigge resigned as a trustee on 24 August 2009.

Secretary	M Butterworth
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Auditor	Sagars LLP Chartered Accountants & Statutory Auditor Elizabeth House Queen Street Leeds LS1 2TW
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Structure, governance and management

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

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 annual report (continued)

year ended 31 July 2009

Trustees Recruitment and training

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

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

Objectives and activities

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

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

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

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

The management of Swarthmore is by the Management Committee otherwise known as the 'Council', which comprises student representatives and co-opted members from a number of local organisations. The 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 coffee bar 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 that is available for potential students.

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 2009

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.

2009 is Swarthmore's Centenary Year and there have been many extra events and celebrations to attend:

- We launched our 'Raise the Roof' appeal at the beginning of the year. Over 200 people attended the Centenary launch party on 24th January 2009.
- Swarthmore's Civic reception hosted by the Lord Mayor and Lady Mayoress of Leeds Councillor Frank Robinson and Sheila at the Civic Hall took place on the evening of the 16th February 2009.
- Two managers Joan Macleod and Mandy Torbitt walked 100 miles to our ancestral home, Swarthmoor in Ulverston at the end of June 2009.
- A team of staff from Swarthmore ran in the Leeds Half Marathon on Sunday 10th May.
- Tom Steele was commissioned to write a book Swarthmore's Century and the book was launched at Swarthmore on 16th June 2009. 2000 copies of the book were purchased. We thank Joseph Rowntree Charitable Trust and Leeds Philosophical and Literacy Society for their grants of £5000 and £1000 respectively towards the publication and writing costs.
- A series of interesting Centenary lectures were delivered by 'experts in their field' in the Summer term, these proved very successful. Swarthmore Centenary shopping bags were sourced and purchased with eventual profits from all activities being put towards the 'Raise the Roof' appeal.
- Mary (Molly) Lord held an exhibition from 20th June 2009 for a month at Swarthmore. Molly taught at Swarthmore for 31 years and very kindly donated a third of all sales to Swarthmore's Centenary appeal.

Leeds City Council has contributed during this year the amount of £100,275 for the 12-month period. This year there was no extra funding for courses in the summer term. We also received a grant of £18,000 approx from Leeds City Council towards the continuous refurbishment of Swarthmore. Rooms 15, 12 and 14 were refurbished over the month of August 2009 and thanks must be given to our Buildings manager, Gary Tonge who worked really hard to get contractors to complete the work in time for the new academic year. We have also bought new carpets, furniture, a large screen for the café, a new refrigeration display unit for the café and display cabinets to display 3D work in the café.

The LSC has contributed £379,175 for the 12-month period. This has been a challenging year as the grant funding made no allowance for inflation. However Swarthmore ceased LSC activity in the third term as the allocation was already spent. Included in the total grant was £39,260 in ALS (Additional and Discretionary Learner Support). Swarthmore ensured their provision matched the LSC priorities.

The Council has agreed action to be taken so as to begin a process of identifying alternative funding. It has also been agreed that further action will have to be planned for in the coming year with imminent public spending cuts.

Swarthmore has invested in a new website. We hope to market more of our courses this way and eventually we hope to be able to enrol online for leisure courses.

We continue to apply for new contracts and bid for new money and this year we have successfully completed 'Artsflow' R&D (Research and Development) project funded by the Arts Council. We anticipate this will become a major project in the future funded by the Arts Council. Swarthmore were successful in their bid with People in Action to the LSC for a 'pathways to progression' programme for supported learners. The project gives young people the chance to gain qualifications from the FLT (Foundation Learning Tier) as well as gain work experience and confidence.

Swarthmore was the lead partner in the QIA Peer Referencing project working with 3 other providers across West Yorkshire to raise the quality of provision across the sector. The project value was £20,000 which was shared with our partners. The emphasis was around 'observing the observer' in OtL (Observation of Teaching and Learning).

The annual Ellen Heaton Lecture took place on 20th November 2008 and was presented by Sian Griffiths, a casework service manager from Inquest. Entitled 'Deaths in Custody: a Human Rights issue, once again this proved to be an interesting and stimulating lecture for all that attended with plenty of food for thought. Parents of Steven Brown who died at HMP Doncaster in March 2003 gave a gruelling account of their son's death.

We continue to develop programmes in the local community. Our Home and Away programmes at the Cardigan Centre and Rosebank Primary school have attracted a good number of students from the local BME community. We have worked with other local Community organisations in helping to promote learning. We have also taken part in local events to promote learning such as Hyde Park Highlights on the 16th May 2009 actually held on Woodhouse Moor. We offered 'tasters' in Family Circus Skills and made clothes from a range of recycled materials. We also attended the Kirkstall festival, a fun day with Unipol behind the shops off Woodhouse Street on some green space and at Unity Day on Woodhouse Moor where we made a large patchwork backdrop for the main stage for next years Unity day. We promoted Swarthmore's courses at all these events.

Trustees annual report (continued)

year ended 31 July 2009

We have increased our fees again by 10% this year, which is well over the rate of inflation. The pressure for this has come from the LSC who want individuals to pay more for their learning. In addition we have needed to make our Swarthmore courses more financially viable. This year the student fee represents a contribution of at least 42.5% for accredited courses funded by the LSC.

Leeds City Council's Alternative Programme Unit continues for young pupils aged 14-16 years at the centre. The Unit feels that Swarthmore is able to offer a very non-threatening venue for their unusually disturbed young people. On the whole they are young people who have been excluded from schools in Leeds. This project has continued to develop and now includes curriculum areas in ICT, Skills for Life and Child Development and Science. There are some exciting examples of young people who have progressed on to other courses when they reach 16 years. They have also been successful in obtaining external accreditation for their studies which are recognised by QCA.

Swarthmore was successful in renewing their Investors in People award in June 2009. Swarthmore will ensure we work together to create a staff team who feel valued and recognised for their achievements

Pay awards for core staff pay of 2.45% were implemented in November 2008 and back dated to April 2008. This was held up due to Unison who went in to arbitration.

It is of great regret that we report the death in June 2009 of Bernadette Beckwith who was coffee bar supervisor at Swarthmore for the last 15 years. Bernadette is sadly missed for her kindness and wonderful food. Kim Hannam took over as supervisor from September 2009.

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

Financial review

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

The attached audited financial statements show a surplus on general funds of £39,486. In preparing the balance sheet as at 31 July 2009, the freehold land and buildings are included at their deemed estimated value to the Centre less depreciation of £990,139.

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

Reserves Policy

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

The Management Committee has calculated the level of free reserves required as at 31st July 2009 would be approximately £300,000. The actual free reserves as at 31st July 2009 were £376,526.

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

Risk Management

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

Trustees annual report *(continued)*

year ended 31 July 2009

Plans for future periods

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

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

Action needed over the next 5 years:

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

Present Action carried out or being considered:

1. Increase student fees in 2009/10 by 10%.
2. Process of increasing fees by substantial amounts to be continued
3. Review of the Management Team was carried out in 2007/08 and implementations were made
4. New bids made to different funding bodies to continue. This to be done in partnership with other similar voluntary organisations.
5. Increase our 14-16 work especially in direct work with schools
6. Increase our Skills for Life provision as this is a Government priority and FLT
7. Increase our Leisure programme in all appropriate areas.
8. Cut courses that are not cost effective

Responsibilities of the trustees

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees annual report *(continued)*
year ended 31 July 2009

Auditor

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

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

Signed by order of the trustees

A handwritten signature in black ink that reads "Maggi Butterworth". The signature is written in a cursive, flowing style.

M Butterworth
Company Secretary

5 November 2009

Independent auditor's report to the members of Swarthmore Education Centre for the year ended 31 July 2009

We have audited the financial statements of Swarthmore Education Centre for the year ended 31 July 2009 on pages 9 to 16, which have been prepared on the basis of the accounting policies set out on pages 11 to 12.

This report is made solely to the company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

The responsibilities of the trustees (who also act as directors of Swarthmore Education Centre for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Responsibilities of the Trustees on page 5.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006, and whether the information given in the Trustees Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding remuneration of the trustees and other transactions is not disclosed.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard - Provisions Available for Small Entities, in the circumstances set out below:

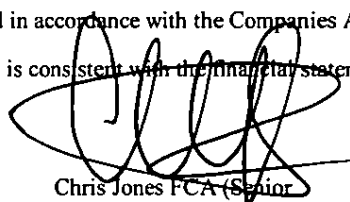
In common with many other businesses of its size and nature the charity uses its auditors to assist with the preparation of the financial statements.

Independent auditor's report to the members of Swarthmore Education Centre (continued)
for the year ended 31 July 2009

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 July 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees Annual Report is consistent with the financial statements.



Chris Jones FCA (Senior
Statutory Auditor)
For and on behalf of
SAGARS LLP
Chartered Accountants
& Statutory Auditor

Elizabeth House
Queen Street
Leeds
LS1 2TW

5 November 2009

**Statement of financial activities (incorporating the income and expenditure account)
year ended 31 July 2009**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	21,952	—	21,952	82,703
Activities for generating funds	3	162,811	—	162,811	138,031
Investment income	4	7,057	—	7,057	13,053
Incoming resources from charitable activities	5	810,307	18,266	828,573	779,357
Other incoming resources	6	3,252	—	3,252	1,236
Total incoming resources		1,005,379	18,266	1,023,645	1,014,380
Resources expended					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	7	(136,355)	—	(136,355)	(94,420)
Charitable activities	8/9	(695,636)	(11,787)	(707,423)	(633,521)
Governance costs	10	(133,902)	—	(133,902)	(137,225)
Total resources expended		(965,893)	(11,787)	(977,680)	(865,166)
Net incoming resources for the year/net income for the year	11	39,486	6,479	45,965	149,214
Reconciliation of funds					
Total funds brought forward		1,531,256	27,406	1,558,662	1,409,448
Total funds carried forward		1,570,742	33,885	1,604,627	1,558,662

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.

Company registration number 4527579

**Balance sheet
as at 31 July 2009**

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	13	1,127,824	1,151,438
Current assets			
Debtors	14	49,473	227,644
Cash at bank and in hand		496,364	275,345
		<u>545,837</u>	<u>502,989</u>
Creditors: Amounts falling due within one year	15	<u>(69,034)</u>	<u>(95,765)</u>
Net current assets		476,803	407,224
Total assets less current liabilities		<u>1,604,627</u>	<u>1,558,662</u>
Net assets		<u>1,604,627</u>	<u>1,558,662</u>
Funds			
Restricted income funds	16	33,885	27,406
Unrestricted income funds	17	1,570,742	1,531,256
Total funds		<u>1,604,627</u>	<u>1,558,662</u>

These financial statements were approved by the members of the committee on the 5 November 2009 and are signed on their behalf by:

H Hubbard
Director

Hugh V. St. A. Hubbard.

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

Notes to the financial statements for the year ended 31 July 2009

1. Accounting policies

Basis of accounting

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

Cash flow statement

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

Incoming resources:

Grants receivable

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

Grants received for specific purposes are treated as restricted funds.

Donations and legacies

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

Student and membership fees

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

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

Rents and service charges

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

Interest receivable

Interest is included when receivable by the charity.

Other incoming resource

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

Resources expended

All resources expended are included in the statement of financial activities on an accruals basis and include attributable VAT which cannot be recovered.

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 attributable to the management of the charity's assets and organisational administration.

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

Notes to the financial statements

for the year ended 31 July 2009

1. Accounting policies (*continued*)

Pension costs

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

2. Voluntary income

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Donations			
Donations	1,675	1,675	2,703
Legacies			
Legacies receivable	20,277	20,277	80,000
	<u>21,952</u>	<u>21,952</u>	<u>82,703</u>

3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Coffee bar	64,668	64,668	57,867
Centenary celebrations	14,191	14,191	–
Rental income	83,952	83,952	80,164
	<u>162,811</u>	<u>162,811</u>	<u>138,031</u>

4. Investment income

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Bank interest receivable	7,057	7,057	13,053

5. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Learning and Skills Council Grants	379,175	–	379,175	355,403
Leeds City Council Grants	100,275	–	100,275	99,476
Other Grants	150	18,266	18,416	36,740
Student fees	155,165	–	155,165	134,164
Membership fees	14,372	–	14,372	12,547
Sale of educational materials	4,495	–	4,495	5,379
Contract income	150,967	–	150,967	125,312
Childcare	1,511	–	1,511	2,636
Donations	15	–	15	265
Maintenance	–	–	–	894
Other charges	4,182	–	4,182	6,541
	<u>810,307</u>	<u>18,266</u>	<u>828,573</u>	<u>779,357</u>

**Notes to the financial statements
for the year ended 31 July 2009**

6. Other incoming resources

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Gains on disposal of intangible fixed assets for charity's own use	—	—	50
Commissions	30	30	71
Copying and printing	15	15	134
Other charges	1,136	1,136	285
Telephone	71	71	47
Training	2,000	2,000	649
	<u>3,252</u>	<u>3,252</u>	<u>1,236</u>

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

	Unrestricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Coffee bar expenses	88,450	88,450	69,094
Rental expenses	26,683	26,683	25,326
Centenary celebrations	21,222	21,222	—
	<u>136,355</u>	<u>136,355</u>	<u>94,420</u>

8. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2009 £	Total Funds 2008 £
Courses	348,607	—	348,607	280,202
Crèche	14,023	—	14,023	11,813
Support costs	333,006	11,787	344,793	341,506
	<u>695,636</u>	<u>11,787</u>	<u>707,423</u>	<u>633,521</u>

9. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2009 £	Total Funds 2008 £
Courses	348,607	338,768	687,375	615,937
Crèche	14,023	6,025	20,048	17,584
	<u>362,630</u>	<u>344,793</u>	<u>707,423</u>	<u>633,521</u>

**Notes to the financial statements
for the year ended 31 July 2009**

10. Governance costs

	Unrestricted Funds	Total Funds 2009	Total Funds 2008
	£	£	£
Salaries and wages	100,994	100,994	111,981
Premises costs	4,408	4,408	3,591
Audit fees	3,516	3,516	3,208
Other professional fees	6,872	6,872	3,690
Legal fees	212	212	229
Bank charges	739	739	596
Sundry expenses	1,235	1,235	1,949
Conference and travel expenses	1,358	1,358	1,111
Advertising	5,232	5,232	5,261
Office expenses	9,336	9,336	5,609
	<u>133,902</u>	<u>133,902</u>	<u>137,225</u>

11. Net incoming resources for the year

This is stated after charging:

	2009	2008
	£	£
Depreciation	64,742	62,046
Auditors' remuneration: - audit of the financial statements	<u>8,372</u>	<u>7,637</u>

12. Staff costs and emoluments

Total staff costs were as follows:

	2009	2008
	£	£
Wages and salaries	567,031	526,306
Social security costs	40,327	42,162
Other pension costs	2,107	3,832
	<u>609,465</u>	<u>572,300</u>

Particulars of employees:

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

	2009	2008
	No	No
Number of administrative staff	<u>70</u>	<u>68</u>

No employee received remuneration of more than £60,000 during the year (2008 - Nil).

Notes to the financial statements for the year ended 31 July 2009

13. Tangible fixed assets

	Freehold property £	Fixtures & Fittings £	Total £
Cost			
At 1 August 2008	1,132,747	257,568	1,390,315
Additions	–	41,128	41,128
At 31 July 2009	<u>1,132,747</u>	<u>298,696</u>	<u>1,431,443</u>
Depreciation			
At 1 August 2008	119,953	118,924	238,877
Charge for the year	22,655	42,087	64,742
At 31 July 2009	<u>142,608</u>	<u>161,011</u>	<u>303,619</u>
Net book value			
At 31 July 2009	<u>990,139</u>	<u>137,685</u>	<u>1,127,824</u>
At 31 July 2008	<u>1,012,794</u>	<u>138,644</u>	<u>1,151,438</u>

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

All fixed assets are used for charitable purposes.

14. Debtors

	2009 £	2008 £
Trade debtors	46,476	224,056
Prepayments	2,997	3,588
	<u>49,473</u>	<u>227,644</u>

15. Creditors: Amounts falling due within one year

	2009 £	2008 £
Trade creditors	46,101	86,704
Accruals	22,933	9,061
	<u>69,034</u>	<u>95,765</u>

16. Restricted income funds

	Balance at 1 Aug 2008 £	Incoming resources £	Outgoing resources £	Balance at 31 Jul 2009 £
Capital improvement grants	<u>27,406</u>	<u>18,266</u>	<u>(11,787)</u>	<u>33,885</u>

17. Unrestricted income funds

	Balance at 1 Aug 2008 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Jul 2009 £
Improvement to Facilities	80,000	–	–	20,277	100,277
General Funds	<u>1,451,256</u>	<u>1,005,379</u>	<u>(965,893)</u>	<u>(20,277)</u>	<u>1,470,465</u>
	<u>1,531,256</u>	<u>1,005,379</u>	<u>(965,893)</u>	<u>–</u>	<u>1,570,742</u>

**Notes to the financial statements
for the year ended 31 July 2009**

18. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds:			
Capital improvement grants	33,885	–	33,885
Unrestricted Income Funds:			
Designated Funds	–	100,277	100,277
General Funds	1,093,939	376,526	1,470,465
	<u>1,093,939</u>	<u>476,803</u>	<u>1,570,742</u>
Total Funds	<u>1,127,824</u>	<u>476,803</u>	<u>1,604,627</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 Standard number 8.

**Management information
for the year ended 31 July 2009**

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

Detailed statement of financial activities
year ended 31 July 2009

	2009	2008	2007	2006	2005
	£	£	£	£	£
Incoming Resources					
Student fees (less refunds)	155,165	134,164	117,405	112,820	102,647
Membership fees	14,372	12,547	12,933	11,216	10,099
Rents receivable and service charges	83,952	80,164	78,209	67,080	71,997
Centenary Celebrations	14,191	-	-	-	-
Sale of educational materials	4,495	5,379	4,119	3,777	5,751
Educational programme contracts	630,417	581,159	522,997	595,020	665,838
Improvement grants and donations	20,091	38,475	5,797	46,936	16,720
Legacies	20,277	80,000	-	-	-
Income from coffee bar	64,668	57,867	62,393	64,713	65,010
Childcare	1,511	2,636	4,384	7,365	4,254
Interest receivable	7,057	13,053	9,502	5,273	4,831
Other income	7,449	8,936	5,636	8,355	7,467
	<u>1,023,645</u>	<u>1,014,380</u>	<u>823,375</u>	<u>922,555</u>	<u>954,614</u>
Resources Expended					
Wages and salaries	554,636	522,366	513,581	548,381	577,754
Repairs & building refurbishment	49,412	29,587	19,450	39,065	39,570
Coffee bar expenditure	67,699	65,381	63,878	66,526	60,732
Childcare costs	14,023	11,739	12,363	10,079	13,182
Contract costs	-	-	-	15,490	5,924
Heat and light	23,563	20,123	18,270	15,671	15,206
Rates and water	6,717	4,744	6,357	6,161	7,299
Cleaning materials	3,799	3,315	2,843	2,426	2,582
Educational materials and equipment	63,427	44,409	37,603	35,537	45,597
Printing, postage, stationery & publicity	28,047	24,556	21,490	30,831	24,362
Telephone	7,072	3,934	3,905	3,537	3,296
Travel and conferences	7,191	5,533	5,916	10,610	7,052
Insurance	20,594	26,497	23,561	22,654	22,880
Bank interest and charges	1,760	1,419	1,197	745	941
Centenary Celebrations	21,222	-	-	-	-
Audit and accountancy	8,372	7,637	8,381	7,784	8,869
Legal and professional	25,103	15,788	18,078	5,500	12,986
Sundry and volunteer expenses	5,802	6,093	7,803	3,584	3,059
Depreciation	64,742	62,046	48,152	44,566	40,079
Project costs	4,500	10,000	-	-	-
	<u>977,680</u>	<u>865,167</u>	<u>812,829</u>	<u>869,146</u>	<u>891,370</u>
Surplus for period	<u>45,965</u>	<u>149,213</u>	<u>10,546</u>	<u>53,409</u>	<u>63,244</u>