

Registration number 4527579

Swarthmore Education Centre

Financial statements

for

year ended 31 July 2010

Charity Number 1094451

SAGARS LLP

Chartered Accountants & Statutory Auditor

Gresham House

5-7 St Pauls Street

Leeds

LS1 2JG

**Financial statements
for the year ended 31 July 2010**

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Trustees annual report

year ended 31 July 2010

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 2010.

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:

F Matthews
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
H Putman
D Kirkham

J Major retired as a trustee on 28 July 2010.

G Twigge retired as a trustee on 24 August 2009.

H Putman was appointed as a trustee on 9 December 2009.

D Kirkham was appointed as a trustee by Leeds Society of Friends on 29 March 2010.

Secretary	M Butterworth
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Auditor	Sagars LLP Chartered Accountants & Statutory Auditor Gresham House 5-7 St Pauls Street Leeds LS1 2JG
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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 2010

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 independent adult education centres in the country with over 2000 student members. We are committed to user participation.

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

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

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

The management of Swarthmore is led through the Management Committee otherwise known as 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 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 2010

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 was Swarthmore's Centenary Year and there have been many extra events and celebrations to end the year. The events continued with the Steve Phillips sell-out concert in November followed by the annual Ellen Heaton lecture 'Swarthmore in context: Popular Educational Movements in Europe in the late 19th Century' by Tom Steele on November 19th. It provided insight into the historical background of a vibrant current of reform sweeping Europe from the seventeenth century to the early twentieth century. We ended the centenary celebrations with a Disco through the Decades in December. Swarthmore held a conference on the Future of Adult Education on Saturday 27th February. Over seventy people attended the conference from students and U3A members and staff across the sector. The panel included Hilary Benn MP, Ann Walker, WEA, Dan Taubman, UCU and Kevin Campbell Wright. Swarthmore's Director was elected onto the LSIS (Learning and Skills Improvement Service) Council for three years from September 2009. LSIS is the national improvement body for the sector and increasingly LSIS Council members oversee the organisations work and agree budgets. The Chair and Director attended LSIS's annual governance conference on Leading Change on the 18th and 19th March 2010. This gave us plenty of opportunities for networking as well as valuable knowledge.

Leeds City Council has contributed during this year the amount of £114,812 for the 12-month period for non accredited courses. Refurbishment of classrooms 15 12 and 14 took place in August 2009. Essential electrical work was carried out over the year replacing outdated wires, etc. The back lane and car park was re-surfaced over the summer of 2010. Swarthmore's neighbours have also contributed towards the costs of the back lane.

The LSC has contributed £351,010 for the 12-month period. This has been a challenging year as the grant funding made no allowance for inflation. Swarthmore ensured their provision matched the LSC priorities. From 1st April 2010 the new SFA (Skills Funding Agency) became the organisation responsible for post 19 funding and the YPLA (Young Peoples Learning Agency) for the funding of 14 - 19 provision.

The Council has agreed action to be taken so as to begin a process of identifying alternative funding. It has also been agreed that further action will have to be planned for in the coming year with imminent public spending cuts ahead. The change of Government in May 2010 to a coalition of Con-Lib Dem will impact on the future of public spending even more.

We continue to apply for new contracts and bid for new money and this year we have successfully completed the LSC 'pathways to progression' programme for supported learners with People in Action. The project has given young people the chance to gain qualifications from the FLT (Foundation Learning Tier) as well as gain valuable work experience and confidence.

Swarthmore continued to be part of the Peer Referencing and Development group working with 3 other providers across West Yorkshire to raise the quality of provision across the sector. The emphasis was to give our staff a full days training with an Ofsted inspector in OtL (Observation of Teaching and Learning) which was organised by Swarthmore's Director as well as to validate our SARs. (Self Assessment reports).

Sayra Wigglesworth a former Diploma in Therapeutic Counselling student won the Adult Learner of the year award for Yorkshire and Humberside. Sayra's experiences have been eventful and she has overcome many obstacles to get to where she is today as a paid counsellor helping those addicted to gambling.

We continue to develop programmes in the local community. Our Computing programmes and ESOL courses at Space@ Little London and St. Aidan's in Harehills have attracted a good number of students from the local BME communities. We have worked with other local Community organisations and NHS Arts and Minds in helping to promote learning. We have also taken part in local events to promote learning such as Hyde Park Highlights on the 15th May 2010 actually held on Woodhouse Moor. We offered 'tasters' in Family Circus Skills and Drumming as well as operating a recycled clothes stall. We also attended Unity Day on Woodhouse Moor where we filled a large chalk circle with people linking hands promoting unity. We also promoted Swarthmore's courses at all these events.

We have increased our fees again this year in line with Government recommendations.

In addition we have needed to make our Swarthmore courses more financially viable. This year the student fee represents a contribution of at least 50% for accredited courses funded by the SFA.

Trustees annual report *(continued)*

year ended 31 July 2010

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, 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 Matrix award in May 2010. Swarthmore will ensure we work together to create a staff team who feel valued and recognised for their achievements

Pay scales were ratified for the Management team from 1/9/09. It was agreed there would only be progression subject to Council approval annually. Tutors received a small increase of 28p and 31p per hour from 1/1/2010. There was no cost of living rise for core staff due to the Prime Minister's recommended austerity measures.

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

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 deficit on general funds of £36,315. In preparing the balance sheet as at 31 July 2010, the freehold land and buildings are included at their deemed estimated value to the Centre less depreciation of £967,484.

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 2010 would be approximately £300,000. The actual free reserves as at 31st July 2010 were approximately £463,614.

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 2010

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 2010/11 by 10%.
2. Process of increasing fees by small amounts to be continued
3. New bids made to different funding bodies to continue. This to be done in partnership with other similar voluntary organisations.
4. Increase our 14-16 work especially in direct work with schools
5. Increase our Skills for Life provision as this is a Government priority and FLT
6. Increase our Leisure programme in all appropriate areas.
7. Cut courses that are not cost effective.

Responsibilities of the trustees

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

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

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

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

In so far as the trustees are aware:

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

Trustees annual report *(continued)*

year ended 31 July 2010

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

M Butterworth
Charity Secretary

26 October 2010

Independent auditor's report to the members of Swarthmore Education Centre for the year ended 31 July 2010

We have audited the financial statements of Swarthmore Education Centre for the year ended 31 July 2010 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 chapter 3 of section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of 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) and for being satisfied that the financial statements give a true and fair view 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, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees Annual Report is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

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 charity'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.

Independent auditor's report to the members of Swarthmore Education Centre *(continued)*
for the year ended 31 July 2010

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 July 2010 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 United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been 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

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

26 October 2010

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

year ended 31 July 2010

		Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Incoming resources					
Incoming resources from generating funds:					
Voluntary income	2	1,146	–	1,146	21,952
Activities for generating funds	3	142,950	–	142,950	162,811
Investment income	4	1,206	–	1,206	7,057
Incoming resources from charitable activities	5	761,635	21,479	783,114	828,573
Other incoming resources	6	3,644	–	3,644	3,252
Total incoming resources		<u>910,581</u>	<u>21,479</u>	<u>932,060</u>	<u>1,023,645</u>
Resources expended					
Costs of generating funds:					
Fundraising trading: cost of goods sold and other costs	7	(89,751)	–	(89,751)	(136,355)
Charitable activities	8/9	(719,905)	(16,817)	(736,722)	(707,423)
Governance costs	10	(141,903)	–	(141,903)	(133,902)
Total resources expended		<u>(951,559)</u>	<u>(16,817)</u>	<u>(968,376)</u>	<u>(977,680)</u>
Net (outgoing)/incoming resources for the year/net (expenditure)/income for the year	11	(40,978)	4,662	(36,316)	45,965
Reconciliation of funds					
Total funds brought forward		1,570,742	33,885	1,604,627	1,558,662
Total funds carried forward		<u>1,529,764</u>	<u>38,547</u>	<u>1,568,311</u>	<u>1,604,627</u>

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

All of the above amounts relate to continuing activities.

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

**Balance sheet
as at 31 July 2010**

	Note	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	13		1,104,697		1,127,824
Current assets					
Debtors	14	70,099		49,473	
Cash at bank and in hand		425,325		496,364	
		<u>495,424</u>		545,837	
Creditors: Amounts falling due within one year	15	<u>(31,810)</u>		<u>(69,034)</u>	
Net current assets			463,614		476,803
Total assets less current liabilities			<u>1,568,311</u>		<u>1,604,627</u>
Net assets			<u>1,568,311</u>		<u>1,604,627</u>
Funds					
Restricted income funds	16		38,547		33,885
Unrestricted income funds	17		1,529,764		1,570,742
Total funds			<u>1,568,311</u>		<u>1,604,627</u>

These financial statements were approved by the members of the committee on the 26 October 2010 and are signed on their behalf by:

H Hubbard
Director

Company Registration Number: 4527579

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

Notes to the financial statements for the year ended 31 July 2010

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.

Notes to the financial statements for the year ended 31 July 2010

1. Accounting policies (continued)

Fixed assets

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

Depreciation

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

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

Pension costs

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

2. Voluntary income

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Donations			
Donations	1,070	1,070	1,675
Legacies			
Legacies receivable	76	76	20,277
	<u>1,146</u>	<u>1,146</u>	<u>21,952</u>

3. Incoming resources from activities for generating funds

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Cafe income	60,562	60,562	64,668
Centenary celebrations	-	-	14,191
Rental income	82,388	82,388	83,952
	<u>142,950</u>	<u>142,950</u>	<u>162,811</u>

4. Investment income

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Bank interest receivable	1,206	1,206	7,057

Notes to the financial statements

for the year ended 31 July 2010

5. Incoming resources from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Learning and Skills Council Grants	327,086	–	327,086	379,175
Leeds City Council Grants	106,700	–	106,700	100,275
Other Grants	1,326	21,479	22,805	18,416
Student fees	162,415	–	162,415	155,165
Membership fees	12,994	–	12,994	14,372
Sale of educational materials	4,543	–	4,543	4,495
Contract income	145,502	–	145,502	150,967
Childcare	1,069	–	1,069	1,511
Donations	–	–	–	15
Other charges	–	–	–	4,182
	<u>761,635</u>	<u>21,479</u>	<u>783,114</u>	<u>828,573</u>

6. Other incoming resources

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Commissions	–	–	30
Copying and printing	29	29	15
Other charges	3,610	3,610	1,136
Telephone	5	5	71
Training	–	–	2,000
	<u>3,644</u>	<u>3,644</u>	<u>3,252</u>

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

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Cafe expenses	65,567	65,567	88,450
Rental expenses	25,909	25,909	26,683
Centenary celebrations	(1,725)	(1,725)	21,222
	<u>89,751</u>	<u>89,751</u>	<u>136,355</u>

8. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Courses	359,627	–	359,627	348,607
Creche	19,258	–	19,258	14,023
Support costs	341,020	16,817	357,837	344,793
	<u>719,905</u>	<u>16,817</u>	<u>736,722</u>	<u>707,423</u>

Notes to the financial statements
for the year ended 31 July 2010

9. Costs of charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total Funds 2010 £	Total Funds 2009 £
Courses	359,627	352,094	711,721	687,375
Creche	19,258	5,743	25,001	20,048
	<u>378,885</u>	<u>357,837</u>	<u>736,722</u>	<u>707,423</u>

10. Governance costs

	Unrestricted Funds £	Total Funds 2010 £	Total Funds 2009 £
Salaries and wages	110,063	110,063	100,994
Premises costs	4,089	4,089	4,408
Audit fees	3,507	3,507	3,516
Other professional fees	5,027	5,027	6,872
Legal fees	321	321	212
Bank charges	723	723	739
Sundry expenses	3,979	3,979	1,235
Conference and travel expenses	1,559	1,559	1,358
Advertising	3,098	3,098	5,232
Office expenses	9,537	9,537	9,336
	<u>141,903</u>	<u>141,903</u>	<u>133,902</u>

11. Net (outgoing)/incoming resources for the year

This is stated after charging:

	2010 £	2009 £
Depreciation	70,100	64,742
Auditors' remuneration: - audit of the financial statements	<u>8,350</u>	<u>8,372</u>

12. Staff costs and emoluments

Total staff costs were as follows:

	2010 £	2009 £
Wages and salaries	616,734	567,031
Social security costs	44,979	40,327
Other pension costs	2,253	2,107
	<u>663,966</u>	<u>609,465</u>

Particulars of employees:

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

	2010 No	2009 No
Number of administrative staff	<u>70</u>	<u>70</u>

No employee received remuneration of more than £60,000 during the year (2009 - Nil).

**Notes to the financial statements
for the year ended 31 July 2010**

13. Tangible fixed assets

	Freehold property £	Fixtures & Fittings £	Total £
Cost			
At 1 August 2009	1,132,747	298,696	1,431,443
Additions	-	46,973	46,973
At 31 July 2010	<u>1,132,747</u>	<u>345,669</u>	<u>1,478,416</u>
Depreciation			
At 1 August 2009	142,608	161,011	303,619
Charge for the year	22,655	47,445	70,100
At 31 July 2010	<u>165,263</u>	<u>208,456</u>	<u>373,719</u>
Net book value			
At 31 July 2010	<u>967,484</u>	<u>137,213</u>	<u>1,104,697</u>
At 31 July 2009	<u>990,139</u>	<u>137,685</u>	<u>1,127,824</u>

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

All fixed assets are used for charitable purposes.

Capital commitments

	2010 £	2009 £
Contracted but not provided for in the financial statements	<u>42,600</u>	<u>-</u>

14. Debtors

	2010 £	2009 £
Trade debtors	63,660	46,476
Prepayments	6,439	2,997
	<u>70,099</u>	<u>49,473</u>

15. Creditors: Amounts falling due within one year

	2010 £	2009 £
Trade creditors	21,433	46,101
Accruals	10,377	22,933
	<u>31,810</u>	<u>69,034</u>

Notes to the financial statements

for the year ended 31 July 2010

16. Restricted income funds

	Balance at 1 Aug 2009 £	Incoming resources £	Outgoing resources £	Balance at 31 Jul 2010 £
Capital improvement grants	33,885	21,479	(16,817)	38,547

17. Unrestricted income funds

	Balance at 1 Aug 2009 £	Incoming resources £	Outgoing resources £	Transfers £	Balance at 31 Jul 2010 £
Improvement to Facilities	100,277	-	-	76	100,353
General Funds	1,470,465	910,581	(951,559)	(76)	1,429,411
	<u>1,570,742</u>	<u>910,581</u>	<u>(951,559)</u>	<u>-</u>	<u>1,529,764</u>

18. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Restricted Income Funds:			
Capital improvement grants	38,547	-	38,547
Unrestricted Income Funds:			
Designated Funds	-	100,353	100,353
General Funds	1,066,150	363,261	1,429,411
	<u>1,066,150</u>	<u>463,614</u>	<u>1,529,764</u>
Total Funds	<u>1,104,697</u>	<u>463,614</u>	<u>1,568,311</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.

During the year, the Charitable company received a £10,000 grant from LSIS (2009 - £nil), a body which the Company Secretary, Maggi Butterworth, is a member.

**Management information
for the year ended 31 July 2010**

**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 2010

	2010	2009	2008	2007	2006
	£	£	£	£	£
Incoming Resources					
Student fees (less refunds)	162,415	155,165	134,164	117,405	112,820
Membership fees	12,994	14,372	12,547	12,933	11,216
Rents receivable and service charges	82,388	83,952	80,164	78,209	67,080
Centenary Celebrations		14,191	-	-	-
Sale of educational materials	4,543	4,495	5,379	4,119	3,777
Educational programme contracts	579,288	630,417	581,159	522,997	595,020
Improvement grants and donations	23,875	20,091	38,475	5,797	46,936
Legacies	76	20,277	80,000	-	-
Income from coffee bar	60,562	64,668	57,867	62,393	64,713
Childcare	1,069	1,511	2,636	4,384	7,365
Interest receivable	1,206	7,057	13,053	9,502	5,273
Other income	3,644	7,449	8,936	5,636	8,355
	<u>932,060</u>	<u>1,023,645</u>	<u>1,014,380</u>	<u>823,375</u>	<u>922,555</u>
Resources Expended					
Wages and salaries	605,851	554,636	522,366	513,581	548,381
Repairs & building refurbishment	23,708	49,412	29,587	19,450	39,065
Coffee bar expenditure	62,144	67,699	65,381	63,878	66,526
Childcare costs	19,257	14,023	11,739	12,363	10,079
Contract costs		-	-	-	15,490
Heat and light	35,801	23,563	20,123	18,270	15,671
Rates and water	6,860	6,717	4,744	6,357	6,161
Cleaning materials	4,235	3,799	3,315	2,843	2,426
Educational materials and equipment	49,993	63,427	44,409	37,603	35,537
Printing, postage, stationery & publicity	21,510	28,047	24,556	21,490	30,831
Telephone	7,577	7,072	3,934	3,905	3,537
Travel and conferences	7,140	7,191	5,533	5,916	10,610
Insurance	15,295	20,594	26,497	23,561	22,654
Bank interest and charges	1,871	1,760	1,419	1,197	745
Centenary Celebrations	(1,725)	21,222	-	-	-
Audit and accountancy	8,350	8,372	7,637	8,381	7,784
Legal and professional	18,803	25,103	15,788	18,078	5,500
Sundry and volunteer expenses	11,606	5,802	6,093	7,803	3,584
Depreciation	70,100	64,742	62,046	48,152	44,566
Project costs		4,500	10,000	-	-
	<u>968,376</u>	<u>977,680</u>	<u>865,167</u>	<u>812,829</u>	<u>869,146</u>
Surplus (Deficit) for period	<u>(36,316)</u>	<u>45,965</u>	<u>149,213</u>	<u>10,546</u>	<u>53,409</u>