

Registered number: 04527579  
Charity number: 1094451

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

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## SWARTHMORE EDUCATION CENTRE

(A company limited by guarantee)

### REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2024

**Trustees**

Mr N H Zaman  
Ms C L Walker (resigned 3 December 2023)  
Ms K J Badon  
Mrs P Sinha (resigned 30 July 2024)  
Dr E J Watkins  
Mr I Greenwood  
Mrs S L Taylor  
Miss L R Huxley (resigned 30 January 2024)  
Miss E J Exeter  
Ms R J Lucas (resigned 2 April 2024)  
Ms C A Reed (appointed 21 February 2024)  
Cllr E F Thomson (appointed 24 July 2024)

**Company registered number** 04527579

**Charity registered number** 1094451

**Registered office** 2/7 Woodhouse Square  
Leeds  
LS3 1AD

**Company secretary** C Baillie

**Senior management team** C Baillie  
P Johnson  
J Macleod  
S Emmett (resigned 10 May 2024)  
M Ciesluk

**Independent auditors** Sagars Accountants Ltd  
Gresham House  
5-7 St Pauls Street  
Leeds  
LS1 2JG

## **SWARTHMORE EDUCATION CENTRE**

**(A company limited by guarantee)**

### **CHAIR'S STATEMENT FOR THE YEAR ENDED 31 JULY 2024**

As I complete my seventh year as Chair of Trustees at Swarthmore, I am proud to reflect on a year that, while not without challenges, has been one of growth and resilience. Despite facing rising costs and the need to balance pay increases, I am pleased to report that we closed the year with a small financial surplus of £8,098, exceeding our expectations.

Building on the recovery and growth of previous years, 2023/24 has seen Swarthmore continue to develop as a vibrant organisation. At our 2023 AGM, we outlined a bold business strategy, prioritising investment in staff and the expansion of our adult education courses. I am delighted to see this strategy yielding results, with increased room hire income supported by enhanced marketing efforts and improved facilities. We also introduced LED lighting, significantly reducing both our carbon footprint and utility costs, and established a clearer, prioritised capital investment programme.

Our turnover has grown from £1.75m to £1.94m, a testament to our strategic investments. We've also strengthened our commitment to inclusivity through initiatives like the "Creative Communities" project, funded by the National Lottery, which brought learning opportunities to underserved areas in Leeds, including Hunslet, Belle-Isle, Middleton, and Holbeck. Additionally, our "warm space" funding provided vital support during winter, offering a welcoming environment for those struggling with heating costs.

A highlight of the year was the launch of our Hardship Fund, which provided crucial support for students unable to afford courses or materials. This initiative embodies Swarthmore's mission of lifelong learning for all. Alongside these efforts, we achieved significant savings by streamlining software, licensing, and service contracts, contributing to our positive financial outcome.

We continued to meet our obligations under the Government's Coronavirus Business Interruption Loan Scheme (CBILS), maintaining repayments despite the 8% interest rate.

This year also marked a heartfelt farewell to our café team, who collectively served Swarthmore for 45 years. While their retirement closes one chapter, it opens an exciting opportunity for future improvements to this service.

Our successes this year reflect the dedication and hard work of our staff, managers, and trustees, all of whom have contributed to building a positive and forward-looking culture. With learners firmly at the heart of everything we do, I am confident Swarthmore will continue to thrive, delivering exceptional lifelong learning opportunities for adults across Leeds.

Well done to everyone for an incredible team effort.



Julie Badon  
Date: 30 January 2025

## **SWARTHMORE EDUCATION CENTRE**

**(A company limited by guarantee)**

### **TRUSTEES' REPORT FOR THE YEAR ENDED 31 JULY 2024**

The Trustees present their annual report together with the audited financial statements of the Swarthmore Education Centre for the year 1 August 2023 to 31 July 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

#### **Objectives and activities**

##### **Policies and objectives**

The objects of the company shall be to promote the education of the residents of Leeds and surrounding areas through the provision of an educational establishment, and in particular but not exclusively: (a) to provide a learning community for personal development and social activity for those who may have been excluded from mainstream educational opportunities; (b) to provide opportunities and activities for the benefit of the community based on the recognition of the skills and experience which all people bring.

The vision that shapes our annual activities remains the promotion of education, encouragement to participate through friendly learning whilst ensuring equality of opportunity for all. The charity also has the general aim of contributing to the quality of life of the people of Leeds by expanding their horizons through the provision of exciting, challenging and accessible professional and community courses and events.

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance "public benefit: running a charity (PB2)". Swarthmore relies on a combination of public funding and the income from fees and charges to cover its operating costs. Affordability and access to our courses and activities is important to us and is reflected in our pricing policy set out in detail later in this report.

Swarthmore's focus remained in line with the business strategy, aimed at increasing full cost courses and room hire income. During the year we increased our course offer and developed our workshop offer (using Eventbrite) targeting a new audience. We saw a steady increase in Room hire income and promoted rooms for hire through a targeted discount for first time users.

In September 2023 we started our first Creative Communities workshops in South Leeds following a successful recruitment and marketing campaign. A review was undertaken at the end of the first year, with changes made to the delivery model for 2024/25 (2nd year).

As part of our business strategy, we focussed on building our student base by delivering a range of workshops across the arts, bookable through Eventbrite.

In April 2024 we were shortlisted for Educate North Third Sector Award, a testament to the hard work and impact of the centre.

We continued to promote our exhibition space in the Café, successfully attracting a new and varied selection of contributors.

In May 2024 our Café closed temporarily following the departure of the Cafe staff. Following agreed changes in the model, we engaged the services of a local Chef/external business to continue the essential provision of free school meals to eligible students in the study programme for the remainder of the year. Work started in the summer to ensure that the café could open fully for the start of the new term.

Alongside the launch of the new website in October 2023, the Swarthmore Hardship Fund was established and promoted. In its first year, the funds donated/raised were over £4,000. We received 30 applications to the fund and allocated over £1,600 to support students to access courses and workshops. The website improved accessibility for our students and an increase in volume of traffic to the site. We improved course enrolment experience for students and introduced workshops, accessed via Eventbrite.

## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Objectives and activities (continued)**

We continue to build our social media presence and followers including recently adopting the TikTok platform.

In November and December, we underwent two separate OFSTED inspections for our Leeds City Council Subcontract provision and for our ESFA funded Study Programme provision. The report from the Leeds City Council provision graded them as outstanding in all areas and the report for the ESFA provision graded overall as requires improvement, with behaviours and attitudes and personal development graded as good. Although disappointed with the outcome from the inspection we have implemented improvements across the provision and anticipate a monitoring visit in early 2025.

During the winter months Swarthmore accessed a small amount of funding to enable us to become a designated warm space for the city. This provided funds for users to access a free hot drink and soup and funded a support worker to signpost people for further support.

During the spring of 2024 we completed the installation of LED Lighting across the centre aimed at improving the learning environment and reducing both costs and our carbon footprint.

In April 2024 we updated our Pay structure across the organisation following a comprehensive pay review. This took into account the increases to the National Minimum Wage, increasing annual staff costs by approximately £65K.

#### **Public Benefit**

The Board of Trustees has carefully considered the Charity Commission's guidance on public benefit, particularly regarding the advancement of education, in setting and reviewing the Centre's strategic objectives. This guidance outlines the necessity for all registered charities to explicitly demonstrate how their aims and activities provide public benefit.

Swarthmore Education Centre's mission is deeply rooted in delivering tangible public benefits through education and community engagement. These benefits are achieved through a variety of initiatives and services that embody our commitment to inclusivity, accessibility, and lifelong learning. Key examples include:

- **High-Quality Teaching:** Providing excellent educational opportunities that empower learners of all ages and backgrounds.
- **Advice, Information, and Guidance:** Supporting individuals in navigating their educational and career pathways.
- **Widening Participation and Tackling Social Exclusion:** Actively engaging underrepresented and disadvantaged groups to ensure no one is left behind.
- **Comprehensive Student Support:** Offering tailored assistance for students, particularly those with physical disabilities or learning difficulties, to help them achieve their potential.
- **Vocational Support:** Equipping learners with practical skills and opportunities to enhance their employability and career progression.

The Centre's effectiveness in delivering these public benefits is evidenced throughout the Report of the Board of Trustees. These achievements highlight the Centre's unwavering dedication to creating a positive impact on individuals and communities across Leeds and beyond.

#### **Strategies employed**

The strategies employed to achieve the charity's aims and objectives are to:

- Deliver a broad range of courses, projects, events and exhibitions for the enjoyment and education of our local community.
- Offer opportunities for adults to get involved in education, personal enrichment, developing their confidence, self-esteem, employability, digital skills, knowledge and understanding.
- Provide facilities for organisations and individuals who share our values to hire space to facilitate

## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Objectives and activities (continued)**

meetings, talks and hold events at discounted rates.

- Provide facilities for our students, staff and members of the public to eat and socialise in our Cafe at affordable prices.
- Provide information, advice and guidance to all adults to help them prepare for their next steps to education, employment and volunteering.

The Finance Committee explored opportunities for the organisation to ensure future success. It was identified that the greatest opportunities to generate surplus funds would be from growth of Income rather than cost cutting exercises. The main areas were highlighted as having the greatest impact:

- The diversity and availability of Swarthmore's own courses, resulting in a drive to recruit more/new tutors/talent.
- Expanding the range of courses, allowing us to run workshops and taster sessions, introducing potential new students to the centre and its specialist art facilities.
- Improving facilitation of Room hire to utilise space not being used for classes/workshops.

In addition to the new sources of Income, it is necessary to build upon Swarthmore's reputation and to raise awareness of the centre, focussing on the range of courses, the talent of Tutors, and the facilities and spaces available for multiple uses. More resource has been added to support marketing, events, and social media engagement.

#### **Adult Education programmes**

We offer an extensive range of courses in the Arts, Crafts, Health and Wellbeing, Maths, English and ESOL. These range in level from entry to GCSE, accredited and non-accredited, short courses and workshops. We offer a range of supported courses for those students requiring additional support for their learning. We work with partners to deliver courses and activities out in the community to reach groups of people that would not normally access the Centre. This year we have continued to focus on recruiting new tutors to facilitate a greater range of workshops and courses.

#### **Study Programme**

We provide a full-time study programme for young adults with learning difficulties who develop skills to improve their independence and support them to progress to further learning, work or volunteering opportunities. The ESFA contract increased this year, enabling us to support 80 students within the programme. Flexible learning enables students to access education in a way and at a pace that suits their needs.

#### **Volunteers**

Swarthmore is fortunate to have volunteers, who this year provided invaluable support to our funded projects, such as the Creative Communities project.

The Trustee Council is also made up entirely of volunteers who bring their skills and knowledge to support the Governance of the Centre.

**SWARTHMORE EDUCATION CENTRE**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2024**

**Objectives and activities (continued)**

**Hire of facilities**

Our centre has a diverse range of rental spaces, including specialist art facilities, small, medium and large rooms, and a Hall. This allows us to accommodate a wide range of needs and requirements in the community. We offer discounted rates, specifically tailored for charities and local groups seeking venues for meetings, events, and educational courses. Our facilities continue to be embraced by occasional users and established groups like the Trade Unions Council, Little London and Woodhouse Neighbourhood Group and Leeds People's Choir.

We continued to review our room rental fees and remain competitive and economically viable. We saw an increase in room hire bookings this year following our promotion of 25% discount for new bookings.

**Cafe**

In May 2024 our in house Café service came to an end due to staffing. A suitable alternative was sourced and will commence fully at the start of the 2024/25 academic year.

**Information and advice**

We continued to provide high quality, impartial and free information and advice to our prospective students throughout the year. We maintained the Matrix standard this year.

**Strategic report**

**Achievements and performance**

**Main achievements of the company**

	<b>2023/24</b>	<b>2022/23</b>
Number of Unique Students enrolled onto a course at Swarthmore	646	698
Number of Enrolments onto Courses at Swarthmore	1453	1581
Number of Courses delivered	182	165
Number of students on Workshops	219	n/a
Percentage of Swarthmore (self-financing) students completed and achieved	91.6%	80.1%
Percentage of Leeds City Council (non-accredited) students completed and achieved	83.5%	79.1%
Percentage of Leeds City College (accredited) students completed and achieved	77.1%	67.2%



## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Strategic report (continued)**

#### **Achievements and performance (continued)**

#### **Fundraising activities and income generation**

The Charity does not use any professional fundraiser or commercial participator to carry out activities on the Charity's behalf. Due to the low level of fundraising the Charity undertakes, the Charity is not a participator of any voluntary scheme for regulating fundraising, or any voluntary standard of fundraising for the activities carried out on behalf of the Charity.

This year, Grant Funding from the National Lottery Community Fund continued to provide access to Swarthmore to those in the community who have not previously engaged, such as those in the most deprived areas of the city.

Our focus for fundraising this year was via the Hardship Fund which was developed to support those in our community to have equal access to courses and workshops at the centre.

#### **Financial review**

#### **Reserves Policy and Going concern**

The Centre acknowledges the critical role reserves play in ensuring the financial stability and sustainability of the organisation. Our Reserves Policy establishes that the Centre will maintain unrestricted free reserves equivalent to a minimum of 1 to 3 months of operating expenditure. This prudent approach ensures the Centre can continue to support its core activities and respond effectively to unforeseen financial challenges.

Based on our current operations, monthly expenditure is estimated to be around £165,000, meaning the reserves to be held at 31st July should be within the range of £165,000 to £495,000. Current free reserves stand at £167,964, backed up by Fixed Assets of £1,069,653 out of total unrestricted funds of £1,237,617. The trustees acknowledge the policy, and continue to address all areas for improvement, including focussing on quality and the learner experience.

The implementation of the Business Strategy to develop revenue streams will continue, and is expected to generate an increase in reserves, while also addressing ways to offset further increases in wages and costs that are expected to continue.

#### **Surplus/Deficit**

Swarthmore Education Centre finished with a surplus of £8,098 in the Year to 31st July 2024 compared to a deficit of £70,424 in the previous year. This year we have exceeded our initial forecast of a £20K deficit, and have ended the year in a positive financial position.

In 2023/24 we saw total revenue increase by £181K compared to the previous year. Staff costs increased by almost £60K, due to wage reviews and changes in staffing levels.

#### **Risk management**

Financial sustainability is the major financial risk for the charity, especially in the context of a Cost of Living Crisis. A key element in the management of financial risk is a regular review of available liquid funds to settle debts as they fall due and active management of trade debtors and creditors balances to ensure sufficient working capital by the charity. Attention continued to be focussed on implementing systems and procedures to mitigate financial risks where possible.

## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Principal funding**

The principal sources of income to the Centre were:

- ESFA funding for the Study Programme of £1,008,976 (£953,270 in 2022/23)
- Leeds City Council funding of £520,270, including £257,325 Funding for Inclusion relating to the Study Programme. (£460,300 in 2022/23, including £201,219 Funding for Inclusion relating to the Study Programme).
- Student Fees of £123,831, including workshop income of £11,416. (£94,995 in 2022/23)

The support of our partners continues to be essential in maintaining such a varied programme of courses, including Maths, English, a wide variety of arts, and health & wellbeing.

Swarthmore continues to explore opportunities for additional funding, building upon its relationship with Leeds City Council, and establishing new relationships with funders such as The National Lottery. Over £200K of funding was granted by The National Lottery Community Fund in July 2023 to run a 2-year project. Pressure to retain existing funding streams while establishing new sources continued to be a challenge throughout the year.

#### **Our Pricing Policy**

Our pricing policy reflects our strategy of enabling all within our community, whatever their means, to take part in our courses and activities.

- Self-financing (Swarthmore full cost) courses continues to focus on growth.
- In addition to Self-Financing courses, Swarthmore offers a range of courses funded by Leeds City Council (these fees are set by the Council).
- Swarthmore is committed to maintaining prices that strike a balance between affordability for students and the financial viability of our courses. We understand the importance of making education financially accessible. To further this commitment, we have established a Hardship Fund to assist those facing financial challenges.

It is the aim of Swarthmore to set prices that are affordable enough to attract students to attend courses, whilst ensuring that enough revenue is generated to make the courses viable. We believe that our courses are exceptional value for money compared to other organisations, and course fees will continue to be reviewed.

#### **Pay policy for senior staff**

The directors consider the board of trustees and the senior management team listed on page 1 as comprising the key management personnel of the charity. All trustees give their time freely and no trustee remuneration was paid. The pay of senior staff is reviewed annually, with the last increase in April 2024.

#### **Structure, governance and management**

##### **Constitution**

Swarthmore is an incorporated company limited by guarantee and the company's Memorandum and Articles of Association are the legal framework upon which our governance is based. It is a registered charity with the Charity Commission. Anyone over the age of 18 can become a member of Swarthmore once enrolled on a Swarthmore course, and there are currently 602 registered members.

There was a review of the Memorandum and Articles of Association during the 2022/23 Financial Year to ensure that they remain fit for purpose. The updated version was submitted to Companies House on 14 March 2023.

## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Structure, governance and management (continued)**

##### **Methods of appointment or election of Trustees**

As set out in the Articles of Association the chair of the trustees is nominated by the Trustee Council. Up to 13 members of the Trustee Council are nominated by the members of the charitable company, up to 1 are appointed by the Leeds Society of Friends and up to one third may be co-opted by the Trustee Council 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.

##### **Organisational structure and decision-making policies**

The Trustee Council administers the charity. The Council meets monthly and there are currently three sub-committees covering Finance (who also meet monthly), and HR and Health & Safety (who aim to meet termly). A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of the delegation approved by the Trustees, for operational matters including finance, employment, and the activities of the Centre.

##### **Policies adopted for the induction and training of Trustees**

New trustees are given an induction pack and inducted by the Chair of Trustees and other members of the Council. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. Online training will be made available, and it is expected that this will improve accessibility for trustees to take up relevant training.

##### **Related parties and co-operation with other organisations**

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with any contractual organisation must be disclosed to the full Trustee Council. In the current year no such related party transactions were reported.

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

We continue to focus on the areas set out in the business strategy. We have continued to see a steady growth in adult learning delivery and room hire. Our Study Programme continued to deliver education to our students, maintaining funding for 80 students, and remains fully subscribed.

Our plan is to continue to increase our full cost offer, promoting the facilities at the centre to increase room hire income, and accessing additional funds where we are able. Recruitment and retention of staff remains a key factor in the success of the Centre, as plans for further growth continue.

We continue to review costs and fees on a termly basis.

We continue to strengthen and develop our links with the community, external partners and our customers.

## **SWARTHMORE EDUCATION CENTRE**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2024**

#### **Statement of Trustees' responsibilities**

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the Trustees' report including the strategic 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its incoming resources and application of resources, including its income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 company will continue in business.

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

#### **Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

#### **Auditors**

The auditors, Sagars Accountants Ltd, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 30 January 2025 and signed on their behalf by:



**Ms K J Badon**  
Trustee

## **SWARTHMORE EDUCATION CENTRE**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWARTHMORE EDUCATION CENTRE**

#### **Opinion**

We have audited the financial statements of Swarthmore Education Centre (the 'charitable company') for the year ended 31 July 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

## **SWARTHMORE EDUCATION CENTRE**

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### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWARTHMORE EDUCATION CENTRE (CONTINUED)**

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **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 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **SWARTHMORE EDUCATION CENTRE**

**(A company limited by guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWARTHMORE EDUCATION CENTRE (CONTINUED)**

#### **Auditors' responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 together with the Charities SORP (FRS102) 2019 and the Education and Skills Funding Agency.

We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were Charities Commission Regulations and Health and Safety and safeguarding considerations.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be with regards to the timing of recognition of income and the override of controls by management.

Our audit procedures to respond to these risks included:

- enquiries of management and the Trustees about their own identification and assessment of the risks of irregularities,
- sample testing on the posting of journals,
- reviewing accounting estimates for biases,
- reviewing contracts and carrying out detailed substantive testing on the completeness of income,
- reading minutes of meetings of those charged with governance; and
- obtaining confirmation from the trustees that there was no regulatory correspondence with the Charity Commission or other regulatory bodies.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**SWARTHMORE EDUCATION CENTRE**

**(A company limited by guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SWARTHMORE EDUCATION CENTRE  
(CONTINUED)**

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

*S Seaman*

**Susan Seaman BA FCA CIOT (Senior Statutory Auditor)**

For and on behalf of Sagars Accountants Ltd

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

30 January 2025

Sagars Accountants Ltd are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.



**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
<b>Income from:</b>					
Donations and legacies	4	194	104,536	104,730	24,358
Charitable activities	5	1,712,737	-	1,712,737	1,598,282
Other trading activities	6	117,543	-	117,543	119,916
Other income	7	2,932	-	2,932	13,537
<b>Total income</b>		<b>1,833,406</b>	<b>104,536</b>	<b>1,937,942</b>	<b>1,756,093</b>
<b>Expenditure on:</b>					
Raising funds		88,923	-	88,923	87,178
Charitable activities	8	1,749,910	91,011	1,840,921	1,739,339
<b>Total expenditure</b>		<b>1,838,833</b>	<b>91,011</b>	<b>1,929,844</b>	<b>1,826,517</b>
<b>Net (expenditure)/income</b>		<b>(5,427)</b>	<b>13,525</b>	<b>8,098</b>	<b>(70,424)</b>
Transfers between funds	17	20,066	(20,066)	-	-
<b>Net movement in funds</b>		<b>14,639</b>	<b>(6,541)</b>	<b>8,098</b>	<b>(70,424)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		1,222,978	28,433	1,251,411	1,321,835
Net movement in funds		14,639	(6,541)	8,098	(70,424)
<b>Total funds carried forward</b>		<b>1,237,617</b>	<b>21,892</b>	<b>1,259,509</b>	<b>1,251,411</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 18 to 33 form part of these financial statements.

**SWARTHMORE EDUCATION CENTRE****(A company limited by guarantee)****REGISTERED NUMBER: 04527579****BALANCE SHEET  
AS AT 31 JULY 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	13	1,069,653	1,114,225
		<u>1,069,653</u>	<u>1,114,225</u>
<b>Current assets</b>			
Debtors	14	158,780	264,221
Cash at bank and in hand		301,544	167,363
		<u>460,324</u>	<u>431,584</u>
Creditors: amounts falling due within one year	15	(212,511)	(213,166)
		<u>247,813</u>	<u>218,418</u>
<b>Total assets less current liabilities</b>		<u>1,317,466</u>	<u>1,332,643</u>
Creditors: amounts falling due after more than one year	16	(57,957)	(81,232)
		<u>1,259,509</u>	<u>1,251,411</u>
<b>Total net assets</b>		<u><u>1,259,509</u></u>	<u><u>1,251,411</u></u>
<b>Charity funds</b>			
Restricted funds	17	21,892	28,433
Unrestricted funds	17	1,237,617	1,222,978
		<u>1,259,509</u>	<u>1,251,411</u>
<b>Total funds</b>		<u><u>1,259,509</u></u>	<u><u>1,251,411</u></u>

The financial statements were approved and authorised for issue by the Trustees on 30 January 2025 and signed on their behalf by:



**Ms K J Badon**  
Trustee

The notes on pages 18 to 33 form part of these financial statements.

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2024**

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	20	184,102	51,673
		<hr/>	<hr/>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(26,647)	(27,040)
		<hr/>	<hr/>
<b>Net cash used in investing activities</b>		(26,647)	(27,040)
		<hr/>	<hr/>
<b>Cash flows from financing activities</b>			
Repayments of borrowing		(23,274)	(21,014)
		<hr/>	<hr/>
<b>Net cash used in financing activities</b>		(23,274)	(21,014)
		<hr/>	<hr/>
<b>Change in cash and cash equivalents in the year</b>		134,181	3,619
Cash and cash equivalents at the beginning of the year		167,363	163,744
		<hr/>	<hr/>
<b>Cash and cash equivalents at the end of the year</b>	21	<u>301,544</u>	<u>167,363</u>

The notes on pages 18 to 33 form part of these financial statements

## **SWARTHMORE EDUCATION CENTRE**

**(A company limited by guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024**

#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Swarthmore Education Centre, 2/7 Woodhouse Square, Leeds, LS3 1AD.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Swarthmore Education Centre meets the definition of a public benefit entity under FRS 102.

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **2.2 Going concern**

The directors consider the charitable company to be a going concern, and the financial statements have been prepared on that basis. In coming to this conclusion, the directors have considered:

- The residual impact of Covid-19; continuing economic pressures (particularly with regard to energy prices);
- The Cost of Living Crisis (leading to a need to review salary levels);
- The impact of the Autumn budget statement on National Insurance Contributions and the minimum wage.

Although there is a financial impact to the organisation, management have taken steps to mitigate this by controlling costs or passing these on where it is unavoidable. There are clear signs the growth ambition described in Swarthmore's 3-year business strategy has improved its financial position, and it will continue to influence its plans in the year ahead.

##### **2.3 Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Details of these judgements are set out in the accounting policies.

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**2. Accounting policies (continued)**

**2.4 Income**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

**2.5 Expenditure**

All expenditure is inclusive of irrecoverable VAT.

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**2.6 Government grants**

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**2. Accounting policies (continued)**

**2.7 Tangible fixed assets and depreciation**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

In accordance with SORP 2000 the Management Committee capitalised freehold land and buildings at 2-5 Woodhouse Square, Leeds gifted on 1 April 2003 at their estimated value to the centre of £1,100,000. Subsequently, there has been £283,328 of improvements to the property.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives .

Depreciation is provided on the following bases:

Freehold property	- 2% Straight line
Leasehold property	- Remaining life of the lease
Fixtures and fittings	- 25% Straight line/ 15% Reducing balance

**2.8 Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

**2.9 Operating leases**

Rentals paid under operating leases are charged to the statement of financial activities on a straight-line basis over the lease term.

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**2. Accounting policies (continued)**

**2.10 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**2.11 Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

**3. Limited by guarantee**

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

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**4. Income from donations and legacies**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	194	4,455	4,649
Grants	-	100,081	100,081
	<u>194</u>	<u>104,536</u>	<u>104,730</u>
	<u><u>194</u></u>	<u><u>104,536</u></u>	<u><u>104,730</u></u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	1,283	-	1,283
Grants	-	23,075	23,075
	<u>1,283</u>	<u>23,075</u>	<u>24,358</u>
	<u><u>1,283</u></u>	<u><u>23,075</u></u>	<u><u>24,358</u></u>

**5. Income from charitable activities**

	Unrestricted funds 2024 £	Total funds 2024 £
Leeds City Council Adult Learning	262,945	262,945
Leeds City Council Additional Learning Support	257,325	257,325
Other grants	38,284	38,284
Student fees	123,831	123,831
Membership fees	6,039	6,039
Sale of education materials	2,245	2,245
Tutoring services provided to community	13,092	13,092
Education Funding Agency	1,008,976	1,008,976
	<u>1,712,737</u>	<u>1,712,737</u>
	<u><u>1,712,737</u></u>	<u><u>1,712,737</u></u>



**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**5. Income from charitable activities (continued)**

	Unrestricted funds 2023 £	Total funds 2023 £
Leeds City Council Adult Learning	259,081	259,081
Leeds City Council Additional learning support	201,219	201,219
Other Grants	54,773	54,773
Student fees	94,995	94,995
Membership fees	6,626	6,626
Sale of educational materials	4,141	4,141
Tutoring services provided to community	24,177	24,177
Education Funding Agency	953,270	953,270
	<u>1,598,282</u>	<u>1,598,282</u>

**6. Income from other trading activities**

**Income from non charitable trading activities**

	Unrestricted funds 2024 £	Total funds 2024 £
Cafe income	37,563	37,563
Rental income	79,980	79,980
	<u>117,543</u>	<u>117,543</u>

	Unrestricted funds 2023 £	Total funds 2023 £
Cafe income	40,939	40,939
Rental income	78,977	78,977
	<u>119,916</u>	<u>119,916</u>

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**7. Other incoming resources**

	Unrestricted funds 2024 £	Total funds 2024 £
Miscellaneous income	2,932	2,932

	Unrestricted funds 2023 £	Total funds 2023 £
Miscellaneous income	13,537	13,537

**8. Analysis of expenditure on charitable activities**

**Summary by fund type**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Courses	1,386,989	39,250	1,426,239
Support costs	362,921	51,761	414,682
	<u>1,749,910</u>	<u>91,011</u>	<u>1,840,921</u>

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Courses	1,310,351	10,113	1,320,464
Support costs	418,348	527	418,875
	<u>1,728,699</u>	<u>10,640</u>	<u>1,739,339</u>

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**9. Analysis of expenditure by activities**

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £
Courses	1,345,325	80,914	1,426,239
Support costs	-	414,683	414,683
	<u>1,345,325</u>	<u>495,597</u>	<u>1,840,921</u>

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Courses	1,249,604	70,860	1,320,464
Support costs	-	418,875	418,875
	<u>1,249,604</u>	<u>489,735</u>	<u>1,739,339</u>

**Analysis of support costs**

	Governance 2024 £	Courses 2024 £	Total funds 2024 £
Staff costs	-	125,786	125,786
Depreciation	-	71,219	71,219
Premises	-	167,549	167,549
Communications and IT	-	10,579	10,579
General office	-	35,686	35,686
Legal and professional fees	-	3,864	3,864
Governance costs	80,914	-	80,914
	<u>80,914</u>	<u>414,683</u>	<u>495,597</u>

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**9. Analysis of expenditure by activities (continued)**

**Analysis of support costs (continued)**

	Governance 2023 £	Courses 2023 £	Total funds 2023 £
Staff costs	-	145,405	145,405
Depreciation	-	70,286	70,286
Premises	-	148,011	148,011
Communication and IT	-	9,548	9,548
General office	-	43,329	43,328
Legal and professional fees	-	2,296	2,296
Governance costs	70,860	-	70,860
	<u>70,860</u>	<u>418,875</u>	<u>489,735</u>

**10. Auditors' remuneration**

	2024 £	2023 £
Fees payable to the company's auditor for the audit of the company's annual accounts	<u>11,300</u>	<u>10,500</u>

**11. Staff costs**

	2024 £	2023 £
Wages and salaries	1,284,297	1,236,219
Social security costs	105,474	96,018
Other pension costs	34,065	31,689
	<u>1,423,836</u>	<u>1,363,926</u>

The average head count of employees during the year was 80 (2023: 71).

The average number of full-time equivalent employees during the year is analysed as follow:

	2024 No.	2023 No.
Number of staff	<u>48</u>	<u>45</u>

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2024**

**11. Staff costs (continued)**

No employee received remuneration amounting to more than £60,000 in either year.

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £219,369 (2023: £212,764).

**12. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 July 2024, Trustee travel expenses totalling £nil have been incurred (2023 - £NIL).

**13. Tangible fixed assets**

	Freehold property £	Long-term leasehold property £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>				
At 1 August 2023	1,370,668	188,136	663,964	2,222,768
Additions	12,661	-	13,987	26,648
At 31 July 2024	<u>1,383,329</u>	<u>188,136</u>	<u>677,951</u>	<u>2,249,416</u>
<b>Depreciation</b>				
At 1 August 2023	506,418	46,390	555,736	1,108,544
Charge for the year	27,498	5,123	38,598	71,219
At 31 July 2024	<u>533,916</u>	<u>51,513</u>	<u>594,334</u>	<u>1,179,763</u>
<b>Net book value</b>				
At 31 July 2024	<u><u>849,413</u></u>	<u><u>136,623</u></u>	<u><u>83,617</u></u>	<u><u>1,069,653</u></u>
At 31 July 2023	<u><u>864,250</u></u>	<u><u>141,746</u></u>	<u><u>108,228</u></u>	<u><u>1,114,224</u></u>

**SWARTHMORE EDUCATION CENTRE**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**14. Debtors**

	2024 £	2023 £
<b>Due within one year</b>		
Trade debtors	72,211	90,203
Prepayments and accrued income	86,569	174,018
	<u>158,780</u>	<u>264,221</u>

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

	2024 £	2023 £
Bank loans	22,808	22,808
Trade creditors	51,342	51,344
Other taxation and social security	27,572	26,562
Other creditors	9,670	8,295
Accruals and deferred income	101,119	104,157
	<u>212,511</u>	<u>213,166</u>

The bank loan included in creditors falling due in less than one year is secured by the company. The security is by a fixed and floating charge over all assets and undertakings of the company.

	2024 £	2023 £
Deferred income at 1 August 2023	63,416	24,109
Resources deferred during the year	67,156	63,416
Amounts released from previous periods	(63,416)	(24,109)
	<u>67,156</u>	<u>63,416</u>

Deferred income relates to grant income, course fees, membership fees and room bookings paid in advance.

**16. Creditors: Amounts falling due after more than one year**

	2024 £	2023 £
Bank loans	<u>57,957</u>	<u>81,232</u>

The bank loan included in creditors falling due in after more than one year is secured by the company. The security is by a fixed and floating charge over all assets and undertakings of the company.

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**17. Statement of funds**

**Statement of funds - current year**

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
<b>Unrestricted funds</b>					
Unrestricted Income fund	216,982	1,833,406	(1,838,833)	20,066	231,621
Unrestricted Property fund	1,005,996	-	-	-	1,005,996
	<u>1,222,978</u>	<u>1,833,406</u>	<u>(1,838,833)</u>	<u>20,066</u>	<u>1,237,617</u>

The unrestricted property fund represent monies held in freehold and leasehold property at the year end.

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
<b>Restricted funds</b>					
UK Online	9,268	-	-	(9,268)	-
National Lottery Grant (Be More)	1,511	-	(66)	(1,445)	-
Adidas project	277	-	-	(277)	-
Community grant - Art at the Heart	8,870	-	-	(8,870)	-
National Lottery Community Fund	8,301	100,081	(89,781)	-	18,601
Leeds Mind	206	-	-	(206)	-
Hardship Fund	-	4,455	(1,164)	-	3,291
	<u>28,433</u>	<u>104,536</u>	<u>(91,011)</u>	<u>(20,066)</u>	<u>21,892</u>
	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
<b>Total of funds</b>	<u>1,251,411</u>	<u>1,937,942</u>	<u>(1,929,844)</u>	<u>-</u>	<u>1,259,509</u>

**SWARTHMORE EDUCATION CENTRE**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2024**

**17. Statement of funds (continued)**

The Trustees have reviewed the restricted funds balances that have been in place for a number of years and obtained confirmation that the funds have been spent in prior years on the project for which each fund was designated. Transfers have been made from restricted to unrestricted to correct the fund balances at the year end date.

Creative Communities - 2 year project delivering free creative workshops in South Leeds and promoting Pride in Place.

Hardship Fund - Following the Cost of Living Crisis, the Hardship Fund was created from Donations solely for the benefit of supporting Students who would otherwise be unable to afford to access Education at the centre.

**Statement of funds - prior year**

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
<b>Unrestricted funds</b>				
Unrestricted Income fund	270,496	1,733,018	(1,786,532)	216,982
Unrestricted Property fund	1,035,341	-	(29,345)	1,005,996
	<u>1,305,837</u>	<u>1,733,018</u>	<u>(1,815,877)</u>	<u>1,222,978</u>

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
<b>Restricted funds</b>				
UK Online	9,268	-	-	9,268
Community grant - Art at the Heart	-	10,000	(8,489)	1,511
Adidas project	1,386	-	(1,109)	277
Community grant - Art at the Heart	5,344	3,709	(183)	8,870
National Lottery Community Fund	-	8,366	(65)	8,301
Leeds Mind	-	1,000	(794)	206
	<u>15,998</u>	<u>23,075</u>	<u>(10,640)</u>	<u>28,433</u>

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
<b>Total of funds</b>	<u>1,321,835</u>	<u>1,756,093</u>	<u>(1,826,517)</u>	<u>1,251,411</u>



**SWARTHMORE EDUCATION CENTRE**  
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**17. Statement of funds (continued)**

**18. Summary of funds**

**Summary of funds - current year**

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 July 2024 £
General funds	1,222,978	1,833,406	(1,838,833)	20,066	1,237,617
Restricted funds	28,433	104,536	(91,011)	(20,066)	21,892
	<u>1,251,411</u>	<u>1,937,942</u>	<u>(1,929,844)</u>	<u>-</u>	<u>1,259,509</u>

**Summary of funds - prior year**

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
General funds	1,305,837	1,733,018	(1,815,877)	1,222,978
Restricted funds	15,998	23,075	(10,640)	28,433
	<u>1,321,835</u>	<u>1,756,093</u>	<u>(1,826,517)</u>	<u>1,251,411</u>

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

**Analysis of net assets between funds - current period**

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	1,069,653	-	1,069,653
Current assets	438,432	21,892	460,324
Creditors due within one year	(212,511)	-	(212,511)
Creditors due in more than one year	(57,957)	-	(57,957)
<b>Total</b>	<u>1,237,617</u>	<u>21,892</u>	<u>1,259,509</u>

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**19. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	1,114,224	-	1,114,224
Current assets	403,152	28,432	431,584
Creditors due within one year	(213,166)	-	(213,166)
Creditors due in more than one year	(81,232)	-	(81,232)
<b>Total</b>	<u>1,222,978</u>	<u>28,432</u>	<u>1,251,410</u>

**20. Reconciliation of net movement in funds to net cash flow from operating activities**

	2024 £	2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	8,098	(70,424)
<b>Adjustments for:</b>		
Depreciation charges	71,218	70,286
Decrease/(increase) in debtors	105,441	(23,920)
Increase/(decrease) in creditors	(655)	75,731
<b>Net cash provided by operating activities</b>	<u>184,102</u>	<u>51,673</u>

**21. Analysis of cash and cash equivalents**

	2024 £	2023 £
Cash in hand	301,544	167,363
<b>Total cash and cash equivalents</b>	<u>301,544</u>	<u>167,363</u>

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**22. Analysis of changes in net debt**

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash at bank and in hand	167,363	134,181	301,544
Debt due within 1 year	(22,808)	-	(22,808)
Debt due after 1 year	(81,232)	23,275	(57,957)
	<u>63,323</u>	<u>157,456</u>	<u>220,779</u>

**23. Operating lease commitments**

At 31 July 2024 the company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £	2023 (As restated) £
Not later than 1 year	5,172	5,172
Later than 1 year and not later than 5 years	11,645	16,817
	<u>16,817</u>	<u>21,989</u>