

**THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION
(Limited by Guarantee)**

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

**Company Registration No 395548
Registered as a Charity in England No 313082
Registered as a Charity in Scotland No. SC039472**

TUESDAY



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12/10/2010
COMPANIES HOUSE

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

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THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

Legal and administrative details

Trustees

President	Iram Siraj-Blatchford
Chair	Dorothy Petrie
Joint Vice Chairs	Sharon Beattie Helen Mitchell Ann Roberts
Treasurer	Pamela Playle-Mitchell
Members of the Council	Bernadette Duffy Julian Grenier Anne Gunning Jill Hunter Jane Whinnett

Chief Executive	Megan Pacey
Company Secretary	Elizabeth Pearson

Company number

395548

Charity number

Registered charity No 313082

Charity registered in Scotland No SC039472

Common name

Early Education

Registered office

136 Cavell Street
London E1 2JA

Auditors

haysmacintyre
Fairfax House
15 Fulwood Place
London WC1V 6AY

Bankers

Lloyds TSB Bank Plc	Unity Trust Bank
180 - 182 High Street	Nine Brindleyplace
Walthamstow	Birmingham
London E17	B1 2HB

Solicitor

Bates Wells and Braithwaite London LLP
2-6 Cannon Street
EC4H 6YH

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

The Council of Trustees, who are the directors and trustees of the charity, present their report and financial statements for the year ended 31 March 2010

Structure, governance and management

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association

Council of Trustees

The Council of Trustees is listed on page 1. Julie Fisher, Melinda Hardwicke and Sue Rogers resigned as trustees in November 2009. Trustees were saddened by the death of Melinda Hardwicke in April 2010.

Julian Grenier and Jane Whinnett were elected as trustees in November 2009.

The Council of Trustees meets five times each year. The strategic plan is reviewed at the March meeting.

Trustees are generally recruited from the membership and through the branch structure so that members in all countries and regions of the UK are represented. An induction folder is given to all new trustees outlining policy and strategy, legal status and governance, structure, organisation and staffing and finance.

The Finance and General Purposes Committee consists of the Chair, Treasurer and Vice Chairs, with the Chief Executive and Operations Manager from the staff team. This committee meets five times each year and makes financial recommendations to the Council of Trustees. The Treasurer monitors cashflow, and visited the offices for this purpose during the intervening periods.

Staff team.

Megan Pacey	Chief Executive (appointed April 2009)
Jenny Rabin	Operations Manager
Ayten Demirovska	Administrator (resigned October 2009)
Almaz Ahmadova	Project Manager
Gwen Cabey	Membership and Bookings Officer
Patria Mackey	Training and Professional Development Manager (appointed October 2009)
René Lopez	Finance and Publications Officer

Volunteers

Elizabeth Pearson	Company Secretary
Margaret Wayne	Librarian/Archivist

The staff team has weekly meetings. Staff appraisal and regular review meetings are in place and training is available for all staff members and volunteers. Anne Nelson, Chief Executive resigned in March 2009. Megan Pacey was appointed Chief Executive from April 2009. Margaret Wayne, volunteer Librarian/Archivist works in the office one day each week.

Risk management

The Council of Trustees is responsible for the management of risks faced by the Association. Detailed considerations of risk are delegated to the finance group who are assisted by senior staff members. Risks are identified and assessed and controls are established throughout the year. The risk management assessment table is reviewed each year.

Key controls are

- formal agendas and minutes for all Council and Finance Group meetings
- detailed terms of reference for Trustees and Branch Officers
- comprehensive strategic planning, budgeting and management accounting
- established organisational structure and lines of reporting
- formal written policies and systems
- clear authorisation and approval levels

Through the risk management processes established for the Association the Council of Trustees are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

Objects and activities

The charity is constituted as a company limited by guarantee and is therefore governed by its memorandum and articles of association. The charity is known as Early Education. Following agreement at the 2009 Annual General Meeting, Bates Wells and Braithwaite LLP have been engaged during 2010 to bring the organisation's memorandum and articles up to date. These will be presented to the 2010 Annual General Meeting and recommended for adoption.

Early Education's objective and principle activity is to promote effective practice in early childhood education. It provides a multi-disciplinary network of support, advice and collective representation for everyone concerned with the provision of quality education and care of young children. It is a membership organisation with members across the UK. It publishes leaflets and books, journals and newsletters and has an accessible and well used website. Early Education has a training centre and provides courses, seminars and conferences. The training centre runs to make a profit which is used by the charity to further its objectives. The training centre is also available to hire by early years organisations and other voluntary groups with similar objectives.

In meeting the public benefit test the Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Representation and campaigning

In the course of the year, Early Education has made on behalf of its members and others working in the field, significant responses to the Qualifications and Curriculum Authority consultation on the first year of the implementation of the EYFS and launched a significant campaign urging a government rethink on the implementation of the Early Years Single Funding Formula across maintained, private, voluntary and independent settings in England. The campaign has included generating significant education trade and national press coverage to draw attention to the problems associated with the introduction of the Early Years Single Funding Formula, a significant piece of research undertaken with our members to demonstrate the challenges that early childhood education schools and settings were facing as well as a series of resources – accessible to all, to support practitioners and chairs of governors in schools and early years settings raise awareness of and get answers to questions as it related to the implementation of the Single Funding Formula in their local authority area. Early Education was also called to give evidence to the Early Years Single Funding Formula inquiry that was conducted by the House of Commons, Children, Schools and Families Select Committee. Further representation of the work of the organisation has been made through presentations and attendance at conferences in both the UK, Europe and beyond.

Membership

Early Education has approximately 6200 members across the UK. 85% of the membership is in England, 8% in Scotland, 4.5% in Northern Ireland and 2.5% in Wales. 37 members are from overseas. 1,164 are individual members from the whole range of early years professionals of which 20% are students. The remainder are in group membership from nursery, infant and primary schools, day nurseries, children's centres, playgroups, college and university departments, local authority early years and childcare services, libraries and many others. A new membership and bookings database has been installed this year to facilitate more efficient communication with members and delegates.

Branches

Early Education has 35 active branches across the UK. During the year branches provided 66 training events for members and other early years practitioners on a wide range of themes. Branches are run by volunteer officers who are members of Early Education. Branch officers donate their time and expertise to develop stimulating local programmes and keep members up to date with new initiatives and current policy and practice. Branch programmes are published in the journal and newsletter and displayed on the website. We appreciate the hard work of local members who gave so much of their time to develop branch programmes and support their members and other local early years practitioners.

Conferences

Congratulations and thanks to West Glamorgan branch for hosting the 2009 national conference *Childhood Regained* in May attended by 140 delegates from across the UK. Branches in Aberdeen and Bolton will host the 2010 and 2011 national conferences respectively. The *Effective Pedagogy in the Early Years* Conference was held in London in November and supported the further development and understanding of approximately 90 people working in early childhood education.

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

Training, Consultancy and Projects

The programme of training and professional development held at Early Education's training centre comprised 34 day courses. The training and professional development programme is published twice each year and sent to members and local authorities. It is also displayed on the website to reach a wider range of practitioners. Early Education's training centre has also been hired by other early years groups and charities for their training purposes.

Early Education's training consultancy with local authorities in England continued with six local authorities. This involves delivering elements of the central programme as well as training and professional development tailored to the needs of the local authority in the local authority area. This enables a broader range of early years practitioners to benefit from the training and professional development opportunities that are key to the work of the organisation.

In the course of the 2009/10 financial year, Early Education was successful in winning funding from both charitable grant making trusts and local authorities to deliver project based training and professional development opportunities. Work that was won during the year that will be delivered in 2010 includes the *Newham Outdoors* project and the *P for Partnership* project that will support practitioners across the London Borough of Lambeth to support parents with their children's early learning.

The *IBM KidSmart* programme continued during the year. 87 *KidSmart* computer units were donated to early years settings across the UK in 2008. 14 local authorities were involved in the project this year, taking the total number to 98.

Publications and resources

In September we launched *The sky is the limit, outdoor learning in the early years*, a pack of five guidance leaflets to support the development of high quality practice outdoors. These were complemented in January by five supplementary leaflets *Maths outdoors*, *Speaking and listening outdoors*, *Behaviour outdoors*, *Technology outdoors* and *Childminding outdoors*. Further supplements are planned for Autumn 2010.

Core Experiences for the Early Years Foundation Stage, a book published by Kate Greenaway Nursery School and Children's Centre with a preface by Tina Bruce CBE, has been available to buy from Early Education since February and is a welcome addition to our list of publications and resources, contributing to our aim to share effective practice. Publication lists and order forms are distributed widely and all publications and resources are displayed on the website.

The journal *Early Education* continues to be praised by members particularly on the quality and range of articles. Over the course of this year we have moved to a themed journal – the first two have focused on *Outdoors* and *ICT* which have received further compliments. We will continue with themed journals over the forthcoming year, and value feedback from our members. In the course of this year, we have also re-launched the member newsletter – renaming it *News* and bringing the writing and design of the publication in house, to ensure that it is 'light on its feet', timely and responsive to the needs of all our members. Great care has been taken wherever possible to ensure that the content is relevant to all of our membership.

Copies of all publications are distributed widely on request, and members receive three issues of each per year as part of the membership package. Over the next year, we also hope to begin to move to a place where previous journals are available online – to provide ease of access to our membership and additional public benefit. Our '*Learning Together*' series of publications that are available free of charge to support practitioners and parents to enrich and develop early childhood learning continue to be popular and are available to download from the organisation's website.

Website

The website www.early-education.org.uk is a great resource for members and supporters with regularly updated information on current issues, national and branch events and links with relevant and useful websites. It is also used as a resource for anyone who is searching for information about early childhood education and as a result we respond to hundreds of queries. The number of people who join Early Education, book courses and buy publications through the website is growing.

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

Achievement, performance and plans for the future

In the past year, the impact of the organisation and its effectiveness in supporting practitioners and parents as well as government both nationally and locally has been apparent. The profile and impact of the organisation has extended both across the early years sector and more widely. This is largely due to the improvements that have been made communicating with our membership and the sector more broadly through enhanced and timelier direct means of electronic communication.

Early Education's most significant achievement during the course of this reporting year was its campaign to support the implementation across England of the Single Funding Formula. Effective use of the organisation's membership and its collective knowledge and expertise, enabled Early Education to influence the decisions of both central and local government as this significant change in the way in which early childhood education and care was funded in England began to be implemented.

In the context of an economic downturn where there have been significant cuts to local authority budgets as well as the political uncertainty that comes with a likely change of government, the anxiety of budget holders in local authorities and schools and settings has created challenges for the financial performance of this organisation. During the course of the 2009/10 financial year the performance of those budget lines that are heavily reliant on local authority spend have been closely monitored as they have failed to meet the targets that were set. As a consequence, a much more prudent budget has been set for the 2010/11 financial year that reflects the actual rather than aspirational performance of the organisation where there is a reliance on local authority budgets. The 2010/11 budget expenditure has also been set far more prudently and savings where possible, on existing expenditure are also being made.

Plans for the future include continuing to broaden the areas of work that Early Education contributes to. The Early Education Associates programme is currently being established which it is hoped will enable us to undertake much more sizeable pieces of contract work that contribute to the training and professional development of early childhood education practitioners beyond the organisation's current training programme. Funding is also being sought to support areas of work in intergenerational early education and care as well as supporting absent parents with their children's early education. The organisation is also seeking to further diversify its funding streams and is in the process of establishing, or re-establishing relationships with a broader range of grant making bodies as well as exploring how legacy promotion amongst its membership might provide additional unrestricted income in the future.

Financial review

The results for the year are set out on page 8 of these financial statements. Movements in fixed assets are shown in Note 8.

During the year our income reduced from £701,603 to £537,464. This is largely due to less publications and resources income as well as less grant income that was received during this year. Our membership income in the year slightly increased to £95,505 (2009 - £93,624), which is pleasing given the current financial climate. Whilst, predictably our investment income significantly reduced in the year £3,092 (2009 - £11,795), the Learning for Life Conference ensured that income from Conferences and Events increased £37,334 (2009 - £22,301).

We are grateful to the following for their financial support, which enables us to develop and extend our work:

- Department for Children, Schools and Families (DCSF)
- IBM UK Trust
- The Walcot Foundation

We will continue to seek opportunities to make bids for funding which supports our infrastructure and our aims and objectives.

Reserves and investments

Early Education's funding comes mainly from membership fees, sales of goods and services, donations and grants from public and private bodies. Many of these grants are restricted to a specified project.

Sufficient funds are kept in Early Education's current account to meet immediate needs. Monies in excess of £40,000 in the current account are moved to the appropriate COIF deposit account in order to gain maximum interest. COIF avoids investment in companies whose main business is in armaments, gambling or tobacco. All restricted monies are held in the COIF restricted account and are drawn into the current account as needed.

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

Directors' and trustees' report for the year ended 31 March 2010

Reserves and investments (continued)

There are three COIF accounts

- Restricted
- Investment
- Building and Development

Early Education holds 1,000 units in the COIF Charities Investment Fund Income Units

Investments comprise COIF investment fund shares, cash deposits, and other UK fixed interest investments, as shown in note 9

Early Education must keep sufficient reserves to operate for at least four months in the event of winding up. Sufficient funds should be ring fenced for appropriate redundancy payments in the event of winding up. At 31 March 2010, the charity's free reserves (excluding designated reserves) was £157,330 (2009 £215,944). The current level of free reserves represent approximately four months of unrestricted expenditure.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of the result for that year.

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 judgments and accounting estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees is aware at the time the report is approved

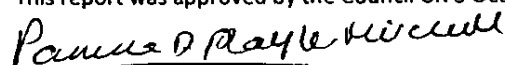
- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

haysmacintyre will be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006

Approval

This report was approved by the Council on 3 October 2010 and signed on its behalf by



Pamela Playle-Mitchell
Treasurer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

We have audited the financial statements of The British Association for Early Childhood Education for the year ended 31 March 2010 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable 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 Trustees, who are also the directors of the company for the purposes of company law, responsibilities for preparing the 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 Trustees' Responsibilities.

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' Report is consistent with those financial statements. In addition we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charitable company'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' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

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

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

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charitable company's affairs as at 31 March 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' Report is consistent with the financial statements.



Richard Weaver (Senior Statutory Auditor)
for and on behalf of Haysmacintyre, Statutory Auditor

8 October 2010

Fairfax House
15 Fulwood Place
London
WC1V 6AY

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted Funds £	Restricted Funds £	Permanent Endowment Funds £	Total 2010 £	Total 2009 £
INCOMING RESOURCES						
Incoming resources from generated funds						
<i>Voluntary income</i>						
- Grants	3	-	90,970	-	90,970	171,331
- Donations		325	-	-	325	2,562
<i>Investment income</i>		3,092	-	-	3,092	11,795
Incoming resources from charitable activities						
- Membership subscriptions		95,505	-	-	95,505	93,624
- Events and conferences		37,334	-	-	37,334	36,466
- Training and room hire		169,344	-	-	169,344	174,484
- Branch income		30,281	-	-	30,281	35,600
- Publications and resources		107,410	-	-	107,410	186,084
Other incoming resources		3,203	-	-	3,203	3,822
Total Incoming Resources		<u>446,494</u>	<u>90,970</u>	<u>-</u>	<u>537,464</u>	<u>715,768</u>
RESOURCES EXPENDED						
Charitable Activities						
- Membership subscriptions		95,068	-	-	95,068	91,779
- Events and conferences		67,905	-	-	67,905	45,673
- Training and room hire		168,463	-	-	168,463	157,222
- Branch expenditure		37,720	-	-	37,720	34,154
- Projects		-	141,532	-	141,532	150,361
- Publications and resources		122,052	-	-	122,052	177,610
Governance costs		<u>28,069</u>	<u>-</u>	<u>-</u>	<u>28,069</u>	<u>26,940</u>
Total Resources Expended	4	<u>519,277</u>	<u>141,532</u>	<u>-</u>	<u>660,809</u>	<u>683,739</u>
Net (outgoing)/incoming resources for the year before gains and losses	6	(72,783)	(50,562)	-	(123,345)	32,029
Other recognised losses on investment assets - Unrealised		-	-	1,410	1,410	(1,702)
Net Movement on Funds		<u>(72,783)</u>	<u>(50,562)</u>	<u>1,410</u>	<u>(121,935)</u>	<u>30,327</u>
Fund balances at 1 April 2009		<u>318,878</u>	<u>80,739</u>	<u>11,969</u>	<u>411,586</u>	<u>381,259</u>
Fund balances carried forward at 31 March 2010		<u>£246,095</u>	<u>£30,177</u>	<u>£13,379</u>	<u>£289,651</u>	<u>£411,586</u>

All the above amounts relate to continuing activities
The notes on pages 10 to 15 form part of these financial statements

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

BALANCE SHEET

Company Registration Number 395548

AS AT 31 MARCH 2010

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible fixed assets	8	22,561	29,291
Investments	9	29,008	27,598
		<u>51,569</u>	<u>56,889</u>
CURRENT ASSETS			
Stock		60,753	54,617
Debtors	10	55,555	145,349
Cash at bank and in hand			
Building and development account		151,557	166,014
Other accounts		16,368	65,545
Branches		50,575	58,014
		<u>334,808</u>	<u>489,539</u>
CREDITORS amounts falling due within one year	11	<u>96,726</u>	<u>134,842</u>
NET CURRENT ASSETS		<u>238,082</u>	<u>354,697</u>
NET ASSETS	15	<u>£289,651</u>	<u>£411,586</u>
CAPITAL FUNDS			
Permanent endowment funds	12	13,379	11,969
INCOME FUNDS			
Restricted funds	13	30,177	80,739
Unrestricted funds			
General fund		195,520	260,864
Designated Branch funds	14	50,575	58,014
		<u>£289,651</u>	<u>£411,586</u>

The financial statements were approved and authorised for issue by the Council on 3 October 2010 and were signed below on its behalf by

Dorothy Petrie
Dorothy Petrie

Chair

Pamela D. Playle-Mitchell
Pamela Playle-Mitchell

Treasurer

The notes on pages 10 to 15 form part of these financial statements

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

1 ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006. They are prepared under the historical cost convention with the exception of fixed asset investments, which are recorded at market value. The Association is exempt from the requirement to publish a cash flow statement due to its size.

(b) Incoming resources

Membership subscriptions have been accounted for over the period to which they relate. The unearned proportion is carried forward under deferred income for recognition in future years.

Grants and donations have been accounted for when receivable by the charity. Relevant gift aid taxation refunds received after the year have been included in the results. Legacies are accounted for when received or otherwise only if amounts are known with certainty. All other incoming resources are accounted for when receivable.

(c) Resources expended

All expenditure is accounted for on an accruals basis, inclusive of irrecoverable VAT, and is allocated to the appropriate heading in the accounts.

Cost of generating funds include the costs incurred in generating voluntary income and the costs of direct publicity intended to raise the profile of the charity.

Charitable expenditure comprises services supplied and activities undertaken which are identifiable as wholly or mainly in support of the charity's objectives.

Governance costs are those costs associated with the governance arrangements of the charity, and these include audit, legal advice for trustees, costs associated with trustee meetings and the cost of the preparation of the statutory accounts and management time associated with the support of the trustees.

(d) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation.

Furniture and equipment	- 25% - 33% on cost
Short term leasehold property investments	- over the period of lease
Computer database	- 20% straight line basis
Minor additions of below £500 are written off in the year incurred	

(e) Investments

Investments are valued at the mid-market price ruling at the balance sheet date which gives rise to unrealised gains/(losses) which are included in the Statement of Financial Activities. Realised gains and losses arising on the disposal of investments during the year are separately disclosed in the Statement of Financial Activities.

(f) Fund accounting

Restricted funds are those subject to specific conditions imposed by the donor. Unrestricted funds are the general funds of the charity which are available to further the objectives of the charity. Designated funds are general funds that have been set aside by the trustees at their discretion for a specific purpose. The endowment funds represent those assets which must be held permanently.

(g) Grants payable

Grants payable are charged in the year when the offer is conveyed to the recipient.

(h) Stock

Stock is valued at the lower of cost and net realisable value.

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2010

2 ACCOUNTING POLICIES (continued)

(i) Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities as they fall due

(j) Branches

Figures have been included for the charity's branches based on the submission of a branch return for the year ended 31 March

2 INCOME AND EXPENDITURE ACCOUNT

A separate income and expenditure account has not been prepared as the figures comprising net income for the year shown in the Statement of Financial Activities on page 8 give the information required under the Companies Act 2006 together with details of other recognised gains and losses

3. GRANTS	2010 £	2009 £
Department for Children, Schools and Families	50,000	122,700
Esmée Fairbairn Foundation	-	7,771
Oxfordshire Be Healthy Project	-	24,900
Walcott Foundation	25,000	-
External Training Consultancy	10	-
IBM (UK) Trust	15,960	15,960
	<u>£90,970</u>	<u>£171,331</u>

4. TOTAL RESOURCES EXPENDED

(a) ANALYSIS OF EXPENDITURE	Salaries £	Depreciation £	Other £	2010 Total £	2009 Total £
Charitable Activities					
- Membership subscriptions	32,343	1,818	60,907	95,068	91,779
- Events and conferences	26,893	1,512	39,500	67,905	45,673
- Training and room hire	44,612	2,508	121,343	168,463	157,222
- Projects	49,552	2,786	86,640	138,978	150,361
- Branch expenditure	-	-	37,720	37,720	34,154
- Publications and resources	43,365	2,439	78,802	124,606	177,610
Governance costs	-	-	28,069	28,069	26,940
Total expenditure	<u>£196,765</u>	<u>£11,063</u>	<u>£452,981</u>	<u>£660,809</u>	<u>£683,739</u>
				2010 Total £	2009 Total £
(b) Charitable Activities					
- Membership subscriptions	43,767	51,301		95,068	91,779
- Events and conferences	25,248	42,657		67,905	45,673
- Training and room hire	97,709	70,754		168,463	157,222
- Projects	60,380	78,598		138,978	150,361
- Branch expenditure	37,720	-		37,720	34,154
- Publications and resources	55,822	68,784		124,606	177,610
Governance costs	28,069	-		28,069	26,940
	<u>£348,715</u>	<u>£312,094</u>		<u>£660,809</u>	<u>£683,739</u>

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2010

5	ANALYSIS OF SUPPORT COSTS	2010 Total £	2009 Total £
	Salary costs	196,759	208,043
	Establishment costs	61,083	57,926
	Depreciation	11,063	22,460
	Office running costs	38,818	36,414
	Other costs	4,371	4,755
		<u>£312,094</u>	<u>£329,598</u>

Support costs are allocated on the basis of time spent on the relevant charitable activity

6	NET INCOMING RESOURCES	2010 £	2009 £
	Net incoming resources is stated after charging:		
	Rent – operating lease	54,350	54,350
	Audit fees for audit	7,750	7,500
	Audit fees non-audit services	780	5,994
	Depreciation	<u>11,063</u>	<u>22,460</u>

7.	STAFF COSTS AND TRUSTEES	2010 £	2009 £
	Salaries	175,764	178,819
	Pension costs	3,930	5,832
	Social security	16,946	17,219
	Recruitment costs	<u>125</u>	<u>6,173</u>
		<u>£196,759</u>	<u>£208,043</u>

	No.	No
The average number of full time employees during the year was		
Charitable	5	6
Governance	<u>1</u>	<u>1</u>
	<u>6</u>	<u>7</u>

There were no employees with emoluments amounting to more than £60,000 during the year (2009 none)

Trustees incurred expenses of £5,804 (2009 £9,635) during the year for travel and subsistence

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2010

8. TANGIBLE FIXED ASSETS

	Computer Database £	Improvements to Leasehold Property £	Furniture and Equipment £	Total £
Cost or valuation				
At 1 April 2009	31,728	137,530	58,386	227,644
Additions during the year	-	-	4,333	4,333
Disposals	-	-	(24,063)	(24,063)
At 31 March 2010	31,728	137,530	38,656	207,914
Depreciation				
At 1 April 2009	17,081	133,356	47,916	198,353
Provided during year	3,240	4,174	3,649	11,063
Disposals	-	-	(24,063)	(24,063)
At 31 March 2010	20,321	137,530	27,502	185,353
Net book value				
At 31 March 2010	£11,407	£-	£11,154	£22,561
At 31 March 2009	£14,647	£4,174	£10,470	£29,291

9. FIXED ASSET INVESTMENTS

	2010 £	2009 £
Market value at 1 April 2009	11,969	13,671
Net gains on revaluations arising during the year	1,410	(1,702)
	13,379	11,969
Cash deposits	15,629	15,629
Market value at 31 March 2010	£29,008	£27,598
Historical cost as at 31 March 2010	£22,107	£22,107

Analysis of investments and investment income -

	Income		Investments	
	2010 £	2009 £	2010 £	2009 £
Other UK fixed interest	199	113	3,526	3,526
COIF Investment fund shares	409	210	8,443	10,145
Cash deposits	4,997	7,616	15,629	15,629
	£5,605	£7,939	£27,598	£29,300

10. DEBTORS

	2010 £	2009 £
Other debtors	37,418	124,645
Prepayments and accrued income	18,137	20,704
	£55,555	£145,349

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2010

11	CREDITORS amounts falling due within one year		2010 £	2009 £
	Other creditors		17,737	11,291
	Social security and other taxes		5,157	10,942
	Accruals and deferred income		73,832	112,609
			<u>£96,726</u>	<u>£134,842</u>
12	PERMANENT ENDOWMENT FUNDS	Balance at 1 April 2009 £	Gains/(losses) on investments £	Balance at 31 March 2010 £
	Rommany Nursery School Trust	3,013	-	3,013
	Oxford House Trust	8,443	1,410	9,853
	Claremont Gift	513	-	513
		<u>£11,969</u>	<u>£1,410</u>	<u>£13,379</u>

Early Education has access to the interest of these funds for general purposes. The Oxford House Trust was an asset of the National Society of Children's Day Nurseries transferred to Early Education in 1974.

13	RESTRICTED INCOME FUNDS	Balance 1 April 2009 £	Income £	Expenditure £	Balance at 31 March 2010 £
	Department for Children, Schools and Families	10,960	50,000	(60,595)	365
	Scottish Child Care & Education Board	8,772	-	(1,190)	7,582
	IBM UK Trust	-	15,960	(15,960)	-
	Oxford Be Healthy Project	22,700	-	(22,700)	-
	Esmée Fairbairn Foundation	2,500	-	(2,500)	-
	Oxford Creativity Project	35,807	-	(35,807)	-
	External Training Consultancy	-	10	(10)	-
	Walcott Foundation	-	25,000	(2,770)	22,230
		<u>£80,739</u>	<u>£90,970</u>	<u>£(141,532)</u>	<u>£30,177</u>

The money received from the Scottish Child Care & Education Board is to be used to support members in Scotland to attend conferences and workshop related to early years education and care.
Esmée Fairburn Foundation grant was received for development of further training materials to support young children's thinking skills.

14	DESIGNATED FUNDS	Balance 1 April 2009 £	Income £	Expenditure £	Balance at 31 March 2010 £
	Branches unrestricted funds	<u>£58,014</u>	<u>£30,281</u>	<u>£(37,720)</u>	<u>£50,575</u>

THE BRITISH ASSOCIATION FOR EARLY CHILDHOOD EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 MARCH 2010

15. ANALYSIS OF NET ASSETS BY FUNDS

	Unrestricted £	Restricted £	Permanent Endowment £	2010 Total £
Fixed assets	38,190	-	13,379	51,569
Current assets	304,631	30,177	-	334,808
Current liabilities	(96,726)	-	-	(96,726)
Net assets	<u>£246,095</u>	<u>£30,177</u>	<u>£13,379</u>	<u>£289,651</u>

16. OPERATING LEASE COMMITMENTS

	Land and buildings	
	2010 £	2009 £
Payments due within one year on lease expiring between 1 and 2 years	-	£51,562
expiring between 2 and 5 years	£51,562	-
	<u>£51,562</u>	<u>£51,562</u>