

BEXLEY YOUTH TRAINING GROUP

(LIMITED BY GUARANTEE)



1

REPORT AND ACCOUNTS YEAR ENDED 31 JULY 2012

REGISTERED CHARITY NOS. 288465

COMPANY NOS: 01747251

CONTENTS

	Pages
Directors' Report	2-3
Report of the Auditors	4-5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Accounts	8-16

DIRECTORS AND TRUSTEES

Mrs Suzanne Burton

Mr Fitzroy Andrew

Ms Linda Alletson

Rev Paul E Regan - Appointed 12th December 2012

PRINCIPAL OFFICERS

Ms Ashley McCaul

Chief Executive Officer

Ms Angela Beaton

Deputy Chief Executive Officer

Mr Chanchal Banerjee

Director of Finance & Facilities

TRUSTEES OF NEWHAM COMMUNITY EMPLOYMENT PROJECT LIMITED

Rev Ron Smith

Rev Patrick Mossop

Ms Janaki Mahendran

Mrs Barbara Holden

Mrs Marion Tinkasmire

Rev Paul E Regan

Ms Kate Burrell

Mrs Polly Weddle

Mr Ian Law

Mr David Mensah

REGISTERED OFFICE

17 Upland Road

Bexleyheath

Kent DA7 4NR

BANKERS

The Royal Bank of Scotland

2nd floor, Riverbridge House

Anchor Boulevard

Crossways, Dartford

Kent DA2 6QH

AUDITORS

Opass Billings Wilson & Honey LLP

Numeric House

98 Station Road

Sidcup

Kent DA15 7BY

THURSDAY



A24M1FZD

A30

21/03/2013

#318

COMPANIES HOUSE

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2012

The Directors submit their annual report and financial accounts of the company (limited by guarantee) for the 12 months ended 31st July 2012

The Charity reported net outgoing resources of £329,447 for the period on the general reserves in the unrestricted funds

Mission Statement

The principal activity of the company is to provide training and educating young people (14-19 years) who are disadvantaged and excluded from the employment. Registered with the Charity Commission, it aims to develop the skills of individuals and communities to respond to the changing needs of a 21st Century workforce. The organisation also occasionally delivers skills training to adults already in employment as a means to further develop their skills enabling advancement in their working lives

Governing Document

Bexley Youth Training Group is a Company limited by Guarantee governed by its Memorandum and Articles of Association dated 22nd August 1983 and amended to allow for a wider client base on 4th August 2006. Registered with the Charity Commission the main aim of the charity is "for the advancement of education of members of the public though their social and economic circumstances are in need and unable to gain employment or who are in employment but require further training to work satisfactorily in this employment, by the provision of training facilities which will enable such persons to acquire and develop vocational skills "

Appointment of Trustees

The Charity currently has three trustees also serving Directors. Directors are opted onto the Board of existing Board Members and Trustees. Trustees and Directors are appointed/re-appointed annually at the AGM as required

Trustee Induction and Training

All prospective Trustees are invited for an "informal discussion" regarding the Charity, its objectives and general detail on its activities. The prospective Trustee is then invited to observe a Board Meeting to get to meet the other Trustees and observe relationships and how meetings are conducted. The prospective Trustee then formally expresses an interest in becoming a Trustee at which time nominations and voting takes place with existing Trustees. A formal training plan is then agreed to introduce the Trustee to the business plan of the Charity, operation plan, OFSTED and external quality requirements, the Annual Accounts, Governing Document and the LSC funding relationship. This can happen over one or two separate sessions with the Chief Executive

Organisation

Authority for the day to day running of the Charity has been delegated to Ms A McCaul, Chief Executive, as has the day to day financial management however an expenditure threshold of £5,000 is in place for any capital expenditure required. Profit and loss is monitored quarterly and an annual budget is set and agreed with the Board

Overview and future development

New members willing to be Trustees are invited for an "informal discussion" regarding the Charity, its objectives and other details on its activities. They are then invited to observe a Board meeting and to meet with other Trustees. Thereafter, if prospective Trustees express an interest formally, then nominations and voting takes place before an invitation is sent out to new prospective Trustees to join

Because of the continued volatile Political atmosphere, educational policies can shift significantly on an annual basis. The Board with the CEO establish the annual direction of the charity through a series of presentations throughout the year. Risk Management has always been a robust management issue which has and will continue on the same serious note in the future

On 5th November 2011 Bexley Youth Training Group combined with a charity with similar objectives operating as Newham Community Employment Project Limited. The combined charities continue under the name of Bexley Youth Training Group and have the same objectives going forward. Considerable one off costs were involved in the merger and these have in part contributed to the reported net outgoing resources for the year. A further factor affecting the results for the year was a claw back of income of some £239,000 arising from claims made by Newham Community Employment Project Limited in excess of achievement

The Directors recognised that one of the best ways of driving down costs is to improve systems and processes that contribute to better budgeting, reduced administration and less expenditure. All efforts were made to achieve all the above considerations during the year. There have been significant improvements in this area. The Charity's finances continue to be healthy, despite the prevailing economic conditions. We currently plan to make small annual grants, which are funded from the unrestricted reserves that we hold. Our plan for the coming year is to strengthen further our employment responsive funding base by both improving relationships with existing partners and welcoming new ones

DIRECTORS' STATEMENT OF RESPONSIBILITIES

Overview and future development (Continued)

The directors have ensured that this year end statutory accounts are fully compliant with-
The requirements of SORP (Statement of recommended practice) 2005
UK GAAP (Generally accepted accounting Practice)
The Companies Act 2006
The Charities Act 2011

Reserves Policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately nine months unrestricted expenditure. This would provide sufficient funds to cover management and administration and support costs. The Directors are always researching ways to meet this objective. They have also created a Designated Fund to provide for development purposes which are considered essential for improvement and growth within the Charity.

Risk Management

Because of the volatile political landscape, education policy can shift significantly on an annual basis. The Board with the Chief Executive establish the annual direction of the Charity and carry out a thorough risk analysis in a "Strategy Day" which usually takes place in October. The annual SWOT analysis takes as much into consideration as possible, predicts where our major risks are, the outcomes from which the strategic and operational plans are formed to minimise identified risk to the business.

Public Benefit

The Directors 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. As referred to in the Mission Statement on page 2 of this report the objectives of the Charity are to provide training for young people who are disadvantaged and excluded from employment and the Directors are of the opinion that this is entirely compatible with the concept of Public Benefit.

DIRECTORS' STATEMENT OF RESPONSIBILITIES

Company Law requires the Directors to prepare Financial Statements for each financial year which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing those Financial Statements, the Directors are required to

select suitable accounting policies and then apply them consistently,

make judgements and estimates that are reasonable and prudent,

state whether the policies adopted are in accordance with the Charities SORP and that applicable accounting standards have been followed, and

prepare the Financial Statements on a Going Concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records which 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 and the Charities Act 1993. The Directors are also responsible for the safeguarding of assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

there is no relevant audit information of which the company's auditor is unaware, and

the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors

The directors in office at 31st July 2012 all of whom served during the period unless otherwise stated are as stated on the page one of the financial statements.

This Report has been prepared in accordance special provisions for small companies under part 15 of the Companies Act 2006

Rev Paul E Regan
Chairperson

Date 28/2 2013

(LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF BEXLEY YOUTH TRAINING GROUP

We have audited the financial statements of Bexley Youth Training Group for the year ended 31 July 2012 on pages 6 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of Trustees and Auditors

As explained more fully in the Trustees Annual Report, the trustees (who are also the directors of Bexley Youth Training Group 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.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the reports and financial statements to

Opinion

In our opinion the financial statements

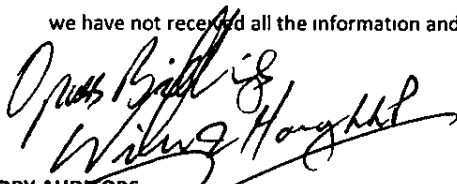
- give a true and fair view of the state of the charitable company's affairs as at year ended 31 July 2012 and of its incoming resources and application of resources for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Charities Act 2011.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF BEXLEY YOUTH TRAINING GROUP

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion

- The information given in the Trustee's Annual Report is inconsistent in any material aspect with the financial statements, or
- the charitable company has not kept adequate accounting records, 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



STATUTORY AUDITORS
OPASS BILLINGS WILSON & HONEY LLP

NUMERIC HOUSE
98 STATION ROAD
SIDCUP
KENT DA15 7BY

Signed _____

Dated

28/02/2013

	Notes	Unrestricted £	Designated £	TOTAL £	Restricted £	Total Y/E 31/07/12 £	Total Y/E 31/07/11 £
INCOMING RESOURCES							
Incoming resources from generated funds							
Voluntary Income							
Grants		2,358,426	-	2,358,426	-	2,358,426	1,558,567
Activities for generating funds							
Income from Training activities		134,867	-	134,867	-	134,867	277,968
Investment Income							
Bank and Deposit Account Interests		19,675	-	19,675		19,675	16,766
Funds from							
Newham Community Employment Project Limited		108,069	-	108,069	-	108,069	-
Total incoming resources		2,621,037	-	2,621,037	-	2,621,037	1,853,301
RESOURCES EXPENDED							
Charitable activities	2	2,505,796	1,083	2,506,879	17,642	2,524,521	1,650,607
Cost of generating funds	3	134,771	-	134,771	1,050	135,821	164,228
Governance costs	4	266,914	41,920	308,834	-	308,834	120,661
Total resources expended		2,907,481	43,003	2,950,484	18,692	2,969,176	1,935,496
Net Incoming/(outgoing) resources for the year		(286,444)	(43,003)	(329,447)	(18,692)	(348,139)	(82,195)
Total funds brought forward at 1st August		2,211,363	111,554	2,322,917	759,747	3,082,664	3,164,859
Total funds carried forward at 31st July		£1,924,919	£68,551	£1,993,470	£741,055	£2,734,525	£3,082,664

There are no recognised gains or losses other than those in the statement of financial activities
Therefore no statement of total recognised gains and losses has been prepared
All incoming resources and resources expended derive from continuing activities
The notes on pages 8 to 13 form part of these accounts

BEXLEY YOUTH TRAINING GROUP

(LIMITED BY GUARANTEE)

BALANCE SHEET AS AT 31 JULY 2012



7

	Notes	Y/E 31/07/12 £	Y/E 31/07/11 £
Tangible Assets	6	1,132,856	1,169,875
CURRENT ASSETS			
Debtors and Prepayments	7	171,461	181,039
Cash at Bank and In Hand		<u>1,962,430</u>	<u>1,872,440</u>
		2,133,891	2,053,479
CREDITORS. Amounts falling due within one year	8	<u>(532,222)</u>	<u>(123,623)</u>
NET CURRENT ASSETS		<u>1,601,669</u>	<u>1,929,856</u>
CREDITORS. Amounts falling due after more than one year	9	-	(17,067)
NET ASSETS		<u><u>£2,784,525</u></u>	<u><u>£3,082,664</u></u>
THE FUNDS OF THE CHARITY			
Unrestricted Funds			
General reserves	14	1,924,919	2,211,363
Designated Fund	14	<u>68,551</u>	<u>111,554</u>
		1,993,470	2,322,917
Restricted Funds	14	<u>741,055</u>	<u>759,747</u>
TOTAL CHARITY FUNDS		<u><u>£2,784,525</u></u>	<u><u>£3,082,664</u></u>

The directors are satisfied that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 and that members have not required an audit in accordance with section 476. However, a statutory audit is required under the Charities Act 2011.

The directors acknowledge their responsibilities for

- i ensuring that the company keeps accounting records which comply with section 386 and
- ii preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 396 and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the charitable company

These Financial Statements have been prepared in accordance with the Special Provisions for small companies under part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (Effective April 2008)

The Financial Statements were approved and authorised for issue by the Directors on

28/2/13 and signed on their behalf by

Rev Paul E Regan
Chairperson

1. ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The financial statements have been prepared under the historical cost convention and comply with the Companies Act 2006. The financial statements have been prepared in accordance with Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities", published in March 2005 (revised May 2008) and applicable accounting standards.

b) Incoming Resources

Income from commercial trading activities is recognised as earned (as the related goods and services are provided).

Investment income is recognised on a receivable basis.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned as the related services are provided.

c) Resources Expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Charitable activities include expenditure associated with the operation of the training centres and the training of individuals.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with the constitutional and statutory requirements.

d) Irrecoverable VAT

Irrecoverable VAT due to the partial exemption status of the Charity is charged within Governance costs.

e) Depreciation

Depreciation is provided at rates to write off the cost less estimated residual value of each asset on a straight line basis over its estimated useful life.

The principal rates used are:

Freehold Properties	-	2% straight line
Computer Equipment	-	33 3% straight line
Fixtures and Fittings	-	20% straight line
Improvements to Leasehold Property	-	10% straight line

All assets with a cost of £500 or less excluding VAT are not capitalised for depreciation purposes and instead directly charged to the Profit & Loss Account.

Assets that have been fully depreciated over the years are written off in this year's accounts and their value is £0.

(LIMITED BY GUARANTEE)



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012(Cont'd)

COST OF CHARITABLE ACTIVITIES

2. DIRECT COSTS

	Unrestricted £	Designated	Restricted £	Total V/E 31/07/12 £	Total V/E 31/07/11 £
Wages and Salaries	1,611,189		-	1,611,189	1,086,929
Staff Employer's NIC	139,525		-	139,525	92,568
Pension Contributions	15,955		-	15,955	11,416
Session Staff	-		-	-	45,704
Cleaning	36,122		-	36,122	20,211
Staff Training and Recruitment	10,150		-	10,150	11,460
Hire of Equipment	8,763		-	8,763	12,973
Travelling Expenses	21,522		-	21,522	10,278
Rent and Rates	264,066		-	264,066	94,050
Light and Heat	32,821		-	32,821	22,908
Insurance	12,150		-	12,150	9,864
Telephone	16,572		-	16,572	22,346
Repairs and Renewals	26,467	333	-	26,800	29,368
Computer Consumables	53,009		-	53,009	28,246
Resource Project	-		-	-	34,234
Human Resource	20,535	750	-	21,285	14,376
Security cost	21,765		-	21,765	-
Advertising and Promotion	13,525		-	13,525	12,736
Printing, Postage and Stationery	36,588		-	36,588	19,920
Subcontractors	38,652		-	38,652	-
Bad & Doubtful Debts	-		-	-	-
Depreciation	126,420		17,642	144,062	71,020

2,505,796	1,083	17,642	2,524,521	1,650,607
-----------	-------	--------	-----------	-----------

3. TRAINING COSTS

134,771	1,050	135,821	164,228
134,771	1,050	135,821	164,228

4. GOVERNANCE COSTS

	Unrestricted £	Designated	Restricted £	Total V/E 31/07/12 £	Total V/E 31/07/11 £
Staff Welfare	18,045		-	18,045	13,867
Consultancy Fees	137,167		-	137,167	55,900
Auditors' Remuneration	6,000		-	6,000	4,000
Legal and Professional Fees	38,622	41,920	-	80,542	29,207
Trustees Expenses	6,397		-	6,397	2,301
Subscriptions and Licences	11,037		-	11,037	6,833
Sundry Expenses	46,310		-	46,310	4,850
Irrecoverable VAT	-		-	-	402
Bank /credit card charges	2,060		-	2,060	2,025
Hire purchase & finance lease charges	1,276		-	1,276	1,276

£266,914	£41,920	£308,834	£320,661
----------	---------	----------	----------

(LIMITED BY GUARANTEE)



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012(Cont'd)

5 STAFF NUMBERS AND COSTS

	V/E 31/07/12 £	V/E 31/07/11 £
Wages and Salaries	1,611,189	1,086,929
Social Security Costs	139,525	92,568
Pension Costs	15,955	11,416
	£1,766,669	£1,190,913

One employee has emoluments between £70,000 - £79,999

The average number of staff employed during the year was

	Number	Number
Teachers	31	24
Administration	36	18
Management	3	3
	70	45

No remuneration was paid to or waived by any Trustee(Director) during the year (31 7 2011- Nil) Expenses of £6,397 for travel were reimbursed to Trustees during the year (31 7 2011- £2,301)

(LIMITED BY GUARANTEE)



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012(Cont'd)

9 CREDITORS - Amounts falling due after more than one year

Financial Lease

V/E 31/07/12	V/E 31/07/11
£	£
	17,067

10 LEGAL STATUS OF THE COMPANY

The Company is Limited by Guarantee having no Share Capital. The liability of each member in the event of a winding up is limited to £1.

11 PENSION COSTS

The Company operates a Contributory Pension Scheme. It is a Defined Contribution Scheme and contributions are charged in the Statement of Financial Activities as they accrue. The charge for the year is £15,955 (31 7 2011 - £11,416).

12 COMMITMENTS UNDER OPERATING LEASES

At the year end the company had the following commitments under non-cancellable operating leases:

Land and buildings

- (i) expiring in 2 to 5 years
- (ii) expiring in 5 to 10 years

V/E 31/07/12	V/E 31/07/11
£	£
32,400	32,400
40,000	40,000
£72,400	£72,400

13 CONTINGENT LIABILITIES

The terms attaching to the Government grant received in respect of the purchase of 19 Upland Road state that written consent must be obtained from the council prior to the sale or change of use of the property. In the event of this condition being breached, the grant, to the value of £200,000 may become repayable by the company. The Directors consider the possibility of such a repayment to be remote and therefore no liability is recorded.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012(Cont'd)

14 STATEMENT OF MOVEMENT IN FUNDS

	At 31 July 2011 £	Income £	Expenditure £	At 31 July 2012 £
General reserves	2,211,363	2,621,037	(2,907,481)	1,924,919
Designated Fund	111,554	-	(43,003)	68,551
	2,322,917	2,621,037	(2,950,484)	1,993,470
Restricted funds 19 Upland Road	759,747	-	(18,692)	741,055
	£3,082,664	£2,621,037	£(2,969,176)	£2,784,525

15 ANALYSIS OF NET ASSETS OF FUND

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	391,801	741,055	1,132,856
Net current assets	1,601,669	-	1,601,669
Total	£1,993,470	£741,055	£2,734,525

(LIMITED BY GUARANTEE)



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2012(Cont'd)

6 TANGIBLE FIXED ASSETS

	Land and Buildings £	Computer Equipment £	Furniture and Fittings £	Improvements to Leasehold Property £	Y/E 31/07/12 Total £	Y/E 31/07/11 Total £
Cost						
At 1st August 2011	1,324,385	100,722	73,227	43,252	1,541,586	1,529,683
Additions	24,858	71,225	10,960	-	107,043	15,235
Assets written Off	-	-	-	-	-	(3,332)
At 31 July 2012	1,349,243	171,947	84,187	43,252	1,648,629	1,541,586
Depreciation						
At 1st August 2011	224,024	72,992	50,648	24,047	371,711	304,023
Charge for the year	32,453	93,212	14,065	4,332	144,062	71,020
Assets written Off	-	-	-	-	-	(3,332)
At 31 July 2012	256,477	166,204	64,713	28,379	515,773	371,711
Net Book Value						
At 31 July 2012	£1,092,766	£5,743	£19,474	£14,873	£1,132,856	£1,169,875
At 31 July 2011	£1,100,361	£27,730	£22,593	£19,205	£1,169,895	£1,225,650

Included within the net book value of £1,132,856 there is nil value relating to assets held under financial lease agreements. The depreciation charged to the financial statements in the year in respect of such assets amounted to £ 19,159 (31 7 2011- £29,354)

7 DEBTORS

	Y/E 31/07/12 £	Y/E 31/07/11 £
Trade debtors	4,505	3,506
Other debtors	124,301	152,977
Prepayments	37,830	24,004
Tax and social security debtors	4,825	552
	£177,461	£181,039

8 CREDITORS - Amounts falling due within one year

	Y/E 31/07/12 £	Y/E 31/07/11 £
Trade Creditors	436,861	56,754
Social Security and other Taxes	52,858	28,171
Hire Purchase	17,880	22,000
Other Creditors	24,623	16,698
	£532,222	£123,623