

**BEXLEY YOUTH TRAINING GROUP
(LIMITED BY GUARANTEE)**



REPORT AND ACCOUNTS YEAR ENDED 31 JULY 2010

REGISTERED CHARITY NO: 288465

COMPANY NO: 01747251

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DIRECTORS AND TRUSTEES

Mrs. Suzanne Burton
Ms. Linda Bye

PRINCIPAL OFFICERS

Ms. Ashley McCaul	Chief Executive Officer
Ms. Angela Beaton	Deputy Chief Executive Officer
Ms. Chanchal Banerjee	Financial Controller
Ms. Paul Irving	Business Development Director

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
Numenc House
98 Station Road
Sidcup
Kent DA15 7BY

TUESDAY



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ACNINRHM
COMPANIES HOUSE



CEO'S' REPORT FOR THE YEAR ENDED 31 JULY 2010

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2009/10 financial year has seen us break new ground for a number of reasons. We have successfully delivered on our core government contracts, we have managed to turn around the poor financial performance of the previous year and we continue to develop the charity in order to meet the many and varied challenges of the future.

Key developments of 09/10 financial year were,

Restructuring the "Executive team" ensuring we have the right skills at senior operational level to guide us through tough economic times and steer our way through a turbulent policy landscape. The introduction of a Financial Controller role, developing agility in our management of finance and audit and to help the charity maximise the use of its resources in the future. A thorough and robust Governance Review. The organisation has introduced a performance management framework for its Board of Trustees (Directors) to ensure its adhering to best practice principles laid down by the Charities Commission. The charity enters 10/11 with a clear idea of the skill set it now seeks at Board level to galvanise the charity for it not simply to survive but to flourish and grow.

The Board of Directors have adopted the following statement of its primary responsibilities

- To approve the mission and strategic vision of Skills for Growth, strategic plans, annual operating plans and key performance indicators, and to ensure that these meet the interests of stakeholders
- To delegate authority to the Chief Executive for the corporate, financial, estate and personnel management of the organisation, and to establish and keep under regular review the strategies, policies, procedures and limits for such management functions
- To ensure the establishment and monitoring of systems of control and accountability, including financial and operational controls and risk management, and procedures for handling internal grievances, conflicts of interest and whistle blowing
- To ensure processes are in place to monitor and evaluate the performance and effectiveness of SfG against the plans and approved key performance indicators, which should be, where possible and appropriate, benchmarked against other comparable
- To establish processes to monitor and evaluate the performance and effectiveness of the Board itself to conduct its business in accordance with best practice in corporate governance

Our mission is "to develop the skills of individuals and communities to respond to the changing needs of a 21st Century workforce", we couldn't achieve our aims without a combined effort supporting us to deliver our services. Partner referral agencies, young people accessing our training and local businesses providing employment opportunities, all of which helps create our unique tripartite approach to delivering high quality apprenticeship programmes across a range of sectors.

We have been providing high quality training programmes to young people for over 27 years and in turn supporting our local community by providing skilled, energetic and dedicated young people ready to enter the workplace and make a significant impact on the organisations they work for.

Research tells us that apprenticeships provide a real return on investment for many organisations and they also bring with them an opportunity to inject new ideas and approaches into sometimes long established ways of working. 29% of our own workforce has either been an apprentice in the past or is currently undertaking an apprenticeship whilst being employed by us. I am proud that we demonstrate a commitment to our own product and strongly believe that one of the best ways to "recession proof" organisations is to invest in the skills of the workforce. 10/11 financial year brings fresh challenges of a different sort! With public spending cuts and increasing pressure on government budgets we will be pushed to "deliver more for less" through our core contracts. In order to minimise our risks we plan to increase our "charitable" income stream and develop the identity of our charity and explore fundraising in a way which we haven't previously. We have also begun to use the "designated fund" principle to develop and invest in the charity in order to ensure it continues to deliver the very best vocational training with the very best learning resources.

09/10 also saw the very sad passing of our founder – Keith Semple. We are hoping to establish a fitting memorial for Keith in due course to ensure his memory lives on in the legacy that he created for the young people of Bexley and Greenwich.

By Order of the Board

Suzanne Burton
Chairperson

Dated

Suzanne Burton
21/11/2010

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2010

The directors submit their annual report and the financial accounts of the company (limited by guarantee) for the 12 months ended 31st July, 2010

The Charity reported net incoming resources of £52,511 for the period which in itself is a significant improvement from the results of the previous financial year

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. The Organisation also occasionally deliver skills training to adults already in employment

Overview and future development

The Charity currently has two Trustees also serving as directors. They are appointed -reappointed at the AGM as required

The Directors acknowledge responsibility for the company's system of internal financial control and believe the established systems including computerised reporting of financial activities are appropriate to the business. No material losses or contingencies have arisen during the 12 month period that would require disclosure by the directors

Having formed an opinion at the time of approving these accounts it is their intention to continue to support the organisation in the foreseeable future and retain all surplus income within the company which would be sufficient to ensure that the company has adequate resources to continue existing policies and they have adopted a going concern basis in preparing these accounts

It is the view of the directors that the Company accounts presented represent a true and fair view of the state of affairs of the company and result for the 12 months to 31st July, 2010. Suitable accounting policies have been established and applied consistently and disclose with reasonable accuracy the financial position of Bexley Youth Training Group (Trading as Skills for Growth)

Risk Management

Risk management is not about pursuing the most cautious route but is about planning for potential threats and opportunities. The directors are keen to develop effective strategies for the various risks faced by a charity of this size and is working towards a risk management register for the following

- strategic risk assessment
- operational risk assessment
- financial risk assessment
- compliance (regulatory) risk assessment
- HR risk assessment

They have appointed a Financial Controller for the management of the financial risks during the year and working closely with a Human Resources Advisory Firm for developing high quality HR policies in the future. They accept the continuous need for review of all risk factors faced by the Charity in order to mitigate those risks

Governance

Governance has increasingly come under the spotlight in the voluntary sector. The requirement to include a statement on its efficiency in the summary information statement together with the Charity Commission's focus on governance in its inspections means that it is essential to have formal governance policies, protocols and reviews in place. The directors are only too aware of this requirement and working towards an acceptable framework for this purpose.

They are conscious about conducting reviews to evaluate existing governance policies and procedures and compare these to the guidelines put forward by the Charity Commission

Accounting

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 Acts 1985 and 2006
The Charities Act 2006

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 future capital expenditure which are considered essential for improvement and growth within the Charity

Directors

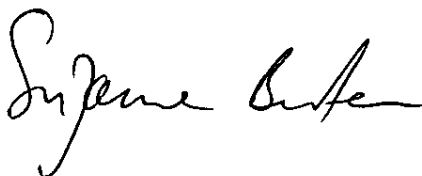
The directors in office at 31 July 2010, all of whom served during the period unless otherwise stated, were

S Burton	
K A Howe	(resigned 19 10 2009)
A Bishop	(resigned 10 06 2010)
A Ives	(resigned 10 06 2010)
R Woodcock	(resigned 10 06 2010)
L Bye	

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

By Order of the Board

Suzanne Burton
Chairperson



Dated

21/11 2010

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

We have audited the financial statements of Bexley Youth Training Group for the year ended 31st July 2010 which comprise of the Statement of Financial Activities, the Balance Sheet and related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charity's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charities 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 charity and its trustees 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 Bexley Youth Training Group for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting System Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

The trustees have elected for the financial statements not to be audited in accordance with Part 16 of the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act. Our Responsibility is to audit the financial statements in accordance with relevant legal and statutory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' Annual Report is not consistent with the financial statements, if the Charity has not kept proper accounting records, the financial statements do not accord with those records or if we have not received all the information and explanations we require for our audit.

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

Basis of Opinion

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

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

**BEXLEY YOUTH TRAINING GROUP
(LIMITED BY GUARANTEE)**

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

Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities of the state of the charity's affairs as at 31st July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- comply with section 396 of the Companies Act 2006

*Opass Billings
Wilson & Honey LLP*

STATUTORY AUDITORS

OPASS BILLINGS WILSON & HONEY LLP

NUMERIC HOUSE
98 STATION ROAD
SIDCUP
KENT DA15 7BY

Dated: 01/02/11



STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 JULY 2010

	Notes	Unrestated £	Restated £	Total Year ended 31/07/10 £	Total Year ended 31/07/09 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary Income					
Grants		1,578,768	-	1,578,768	1,246,422
Activities for generating funds					
Income from Training activities		434,195	-	434,195	529,146
Investment Income					
Bank and Deposit Account Interests		7,509		7,509	44,785
Total incoming resources		2,020,472	-	2,020,472	1,820,353
RESOURCES EXPENDED					
Charitable activities	2	1,534,688	17,642	1,552,330	1,584,475
Cost of generating funds	3	281,727	-	281,727	262,456
Governance costs	4	151,546	-	151,546	169,661
Total resources expended		1,967,961	17,642	1,985,603	2,016,592
Net incoming/(outgoing) resources for the year		52,511	(17,642)	34,869	(196,239)
Total funds brought forward at 1st August		2,337,959	792,031	3,129,990	3,326,229
Total funds carried forward at 31st July		£2,390,470	£774,389	£3,164,859	£3,129,990

The statement of financial activities includes all gains and losses recognised in the year
All incoming resources and resources expended derive from continuing activities.
The notes on pages 9 to 14 form part of these accounts

BALANCE SHEET AS AT 31 JULY 2010

		Y/E 31/07/10	Y/E 31/07/09
Notes	£	£	£
FIXED ASSETS			
Tangible Assets	6	1,225,660	1,273,272
CURRENT ASSETS			
Debtors and Prepayments	7	235,173	228,274
Cash at Bank and In Hand		1,868,962	1,865,240
		2,104,135	2,093,514
CREDITORS: Amounts falling due within one year	8	(121,273)	(179,671)
NET CURRENT ASSETS		1,982,862	1,913,843
CREDITORS: Amounts falling due after more than one year	9	(43,663)	(57,125)
NET ASSETS		£3,164,369	£3,129,990
THE FUNDS OF THE CHARITY			
Unrestricted Funds			
General reserves	14	2,190,470	2,337,959
Designated Fund	14	200,000	-
Restricted Funds	14	774,389	792,031
TOTAL CHARITY FUNDS		£3,164,859	£3,129,990

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, an audit is required in accordance with section 43 of the Charities Act 1993.

The directors acknowledge their responsibilities for:

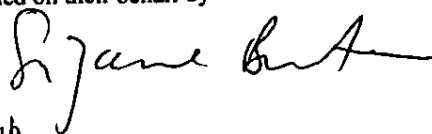
- i ensuring that the company keeps accounting records which comply with section 386 and
- ii preparing accounts which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit or loss for the financial year in accordance with the 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

The notes on pages 9 to 14 form part of these accounts.
 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 Board of Trustees on
 and signed on their behalf by

S Burton Chair

Dated 21/11/2010



NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010

1. ACCOUNTING POLICIES

a) Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historic cost convention. The Financial Statements have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 2006. The principal Accounting Policies adopted in the preparation of the Financial Statements are set out below.

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 cost 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 is not capitalised for depreciation purposes and instead directly charged to the Profit & Loss Account.

Assets that have been fully depreciated over the years and not in use are written off in this year's accounts - value £18,419.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010(Cont'd)

COST OF CHARITABLE ACTIVITIES

	Unrestricted	Restricted	Total	Total
	£	£	Y/E 31/07/10 £	Y/E 31/07/09 £
2. DIRECT COSTS				
Wages and Salaries	1,020,347	-	1,020,347	951,102
Staff Employer's NIC	95,589	-	95,589	93,605
Pension Contributions	13,272	-	13,272	18,215
Session Staff	42,700	-	42,700	71,075
Cleaning	20,537	-	20,537	21,868
Staff Training and Recruitment	20,571	-	20,571	23,420
Hire of Equipment	9,518	-	9,518	12,955
Travelling Expenses	14,288	-	14,288	11,387
Rent and Rates	90,344	-	90,344	92,795
Light and Heat	29,231	-	29,231	22,760
Insurance	12,503	-	12,503	14,264
Telephone	10,306	-	10,306	12,022
Repairs and Renewals	11,307	-	11,307	16,407
Computer Consumables	27,555	-	27,555	26,407
Construction & Resource Project	-	-	-	6,092
Restructure	-	-	-	15,136
Human Resource	10,546	-	10,546	6,340
Advertising and Promotion	19,187	-	19,187	30,446
Printing, Postage and Stationery	32,792	-	32,792	35,087
Bad & Doubtful Debts	-	-	-	1,420
Depreciation	54,095	17,642	71,737	101,672
	1,534,688	17,642	1,552,330	1,584,475
3. TRAINING COSTS	281,727	-	281,727	262,456
	1,836,415	17,642	1,854,057	1,846,931
4. GOVERNANCE COSTS				
Staff and Trainees Welfare	9,122	-	9,122	4,698
Consultancy Fees	74,981	-	74,981	99,866
Auditors' Remuneration	6,000	-	6,000	6,000
Legal and Professional Fees	15,273	-	15,273	6,690
Trustees Expenses	562	-	562	-
Subscriptions and Licences	6,047	-	6,047	5,533
Sundry Expenses	3,194	-	3,194	4,837
Irrecoverable VAT	32,182	-	32,182	39,742
Bank /credit card charges	2,090	-	2,090	1,335
Hire purchase & finance lease charges	2,095	-	2,095	960
	153,366	-	153,366	169,661

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010(Cont'd)

5. STAFF NUMBERS AND COSTS

	Y/E 31/07/10 £	Y/E 31/07/09 £
Wages and Salaries	1,020,347	951,102
Social Security Costs	95,589	93,605
Pension Costs	13,272	18,215
	£1,229,208	£1,062,922

One employee has emoluments between £60,000 - £70,000

The average weekly number of employees, calculated as full time equivalents, during the period was;

	Number	Number
Teachers	27	25
Administration	14	10
Management	3	4
	44	39

Directors are not remunerated Directors(Trustees) travelling expenses in the year -£562

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010 (Cont'd)

6. TANGIBLE FIXED ASSETS

	Land and Buildings £	Computer Equipment £	Fixtures and Fittings £	Improvements to Leasehold Property £	Y/E 31/7/10 Total £	Y/E 31/7/09 Total £
Cost						
At 1st August 2009	1,324,385	92,151	64,189	43,252	1,523,977	1,549,757
Additions	-	-	24,125	-	24,125	99,507
Assets written Off	-	-	(18,419)	-	(18,419)	(125,287)
At 31 July 2010	1,324,385	92,151	69,895	43,252	1,529,683	1,523,977
Depreciation						
At 1st August 2009	171,040	13,284	50,998	15,383	250,705	272,383
Charge for the year	26,496	30,354	10,555	4,332	71,737	49,095
Assets written Off	-	-	(18,419)	-	(18,419)	(70,773)
At 31 July 2010	197,536	43,638	43,134	19,715	304,023	250,705
Net Book Value						
At 31 July 2010	£1,126,849	£48,513	£26,761	£23,537	£1,225,660	£1,273,272
At 31 July 2009	£1,153,345	£78,867	£13,191	£27,869	£1,273,272	£1,277,374

Included within the net book value of £1,225,660 is £48,513 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 £ 29,354 (31 7 2009- £10,284)

7. DEBTORS

	Y/E 31/07/10 £	Y/E 31/07/09 £
Trade debtors	16,802	62,670
Other debtors	182,212	130,847
Prepayments	35,142	31,974
Tax and social security debtors	1,017	2,783
	£235,173	£228,274

8. CREDITORS - Amounts falling due within one year

	Y/E 31/07/10 £	Y/E 31/07/09 £
Trade Creditors	46,470	79,839
Social Security and other Taxes	27,951	24,982
Hire Purchase	17,444	17,760
Other Creditors	29,408	57,090
	£121,273	£179,671

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2010(Cont'd)

9. CREDITORS - Amounts falling due after more than one year

Financial Lease

Y/E 31/07/10	Y/E 31/07/09
£	£
63,668	57,125

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 was £13,272 (year ended July 2009 - £18,215).

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

Y/E 31/07/10	Y/E 31/07/09
£	£
32,400	32,400
40,000	40,000
<u>72,400</u>	<u>72,400</u>

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 2010(Cont'd)

14. STATEMENT OF MOVEMENT IN FUNDS

	As at July 2009 £	Income £	Expenditure £	Transfers £	As at July 2010 £
General reserves	2,337,959	2,020,472	(1,967,961)	(200,000)	2,190,470
Designated Fund	-	-	-	200,000	200,000
Restricted funds:					
19 Upland Road	792,031	-	(17,642)	-	774,389
	£3,129,990	£2,020,472	£(1,985,603)	£	£3,164,859

15. ANALYSIS OF NET ASSETS OF FUND

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	451,271	774,389	1,225,660
Net current assets	1,939,199	-	1,939,199
Total	£2,390,470	£774,389	£3,164,859