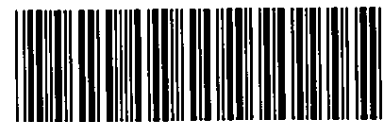


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**MYRRH LIMITED**  
**DIRECTORS' REPORT AND**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 JULY 2008**

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**MYRRH LIMITED**

<b>COMPANY NO</b>	1975246 (England & Wales)
<b>REGISTERED CHARITY NO</b>	293464
<b>DIRECTORS</b>	Mrs Desiree Howells (Chair) Mr Bernard Borland Dr Michael Dulake Ms Pauline Farrell Mr Lloyd Booker Mr Eugene Byrne Cllr. Mrs Daphne Marchant Sr Bernadette Porter Rv Dr Robert Kaggwa Mrs Mairead Harrington Ms Karen Roberts Mr Michael McLoughlin Mr Andrew Stables Mr Colin Garvey
<b>COMPANY SECRETARY</b>	Dr Michael Dulake
<b>REGISTERED OFFICE</b>	52 Ossory Road London SE1 5AN
<b>AUDITORS</b>	Christopher & Co Chartered Accountants Registered Auditors 51a Anson Road Tufnell Park London N7 0AR
<b>BANKERS</b>	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB

**MYRRH LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**For the year ended 31 July 2008**

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## **MYRRH LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 31 July 2008**

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The directors present their report and the audited financial statements of the company for the year ended 31 July 2008.

#### **Structure, Governance and Management**

##### **Governing Document**

The company is a private company, limited by guarantee and without any share capital. It was incorporated on 6 January 1986 and was registered as a charity on 14 January 1986. It was established under a Memorandum of Association which established the objects and powers of the company and it is governed under its Articles of Association. In the event the company is wound up members are required to contribute an amount not exceeding £1.

##### **Recruitment and Appointment of Directors**

The directors of the company are also charity trustees for the purpose of Charity Law and under the company's Articles are known as members of the Council of Management. Under the requirements of the Memorandum and Articles of Association at each Annual General Meeting one third of the directors for the time being shall retire from the office. The directors to retire are those who have been longest in office since their last election or appointment. As between directors of equal seniority the directors to retire are selected by lot unless they agree otherwise. A retiring director shall be eligible for re-election by the members. The directors may, at the meeting at which a director retires in the manner aforesaid, fill the vacated office by nominating a person thereto, and in default the retiring director shall, on offering himself for re-election, be deemed to have been re-elected, unless it is expressly resolved by the members not to fill such vacated office, or unless a resolution for the re-election of such director shall not have been approved by members.

No person other than a director retiring at the meeting shall be eligible for election as a director at any meeting unless, that person is recommended by the directors for election; or the secretary is given in writing by a member duly qualified to attend and vote at the meeting, not less than 4 or more than 28 intervening days before the date set for the meeting, of that member's intention to propose such person and of that person's willingness to be elected. The company may at General Meeting increase the number of directors, and decide in what rotation the additional directors shall retire, and may make the appointments necessary for effecting any such increase.

##### **Directors Induction and Training**

Most new directors are already familiar with the practical work of the company having visited the college and observed its activities prior to their appointment. Additionally, new directors are briefed regarding directors' powers, duties and obligations and are provided with copies of the Memorandum and Articles of Association, the latest annual report and audited accounts, and other relevant information.

##### **Organisational Structure**

The company has a board of approximately 14 directors who meet regularly throughout the year and are responsible for the strategic direction and policy of the company. In addition there are various sub-committees of directors, with specific responsibilities, who report to the board. At present the board has directors from a variety of professional and ethnic backgrounds relevant to the work of the company.

The chair is responsible for ensuring that the company delivers the services specified and that the key performance indicators are met. The college principal has responsibility for day to day operational management, staff supervision and for ensuring that staff continue to develop their skills and working practices in line with best practice.

##### **Objectives and Activities**

The company's principal objectives continue to be to:

- provide training and help, especially to those who find it hard to find suitable training elsewhere;
- improve trainees chances of finding suitable employment locally by providing good quality, inclusive learning experiences and access to recognised qualifications;
- Promote all or any activities for the benefit of the community now or hereafter by law to be charitable.

(continued)

## **MYRRH LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 31 July 2008 (continued)**

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#### **Achievement and Performance**

The directors are constantly striving to improve the delivery and quality of educational services provided.

#### **Financial Review**

The net surplus for the year was £32,752 (2007 net deficit: £64,121). This surplus was due to additional funds being received from the Learning and Skills Council. The directors wish it to be noted that they are pleased with the results for the year.

#### **Future Developments**

The directors are developing plans to ensure that improvements continue to be made in the company's ability to provide education and training to the highest standards.

#### **Directors**

The directors currently in office and throughout the year, except as stated, were as follows:

Mrs Desiree Howells (Chair)  
Mr Bernard Borland  
Dr Michael Dulake  
Ms Pauline Farrell  
Mr Lloyd Booker  
Mr Eugene Byrne  
Ms Cecilia Burnette-Benson (resigned 2 April 2008)  
Cllr. Mrs Daphne Marchant  
Sr Bernadette Porter  
Rv Dr Robert Kaggwa  
Mrs Mairead Harrington  
Ms Karen Roberts  
Mr Michael McLoughlin (appointed 7 February 2008)  
Mr Andrew Stables (appointed 7 February 2008)  
Mr Colin Garvey (appointed 7 February 2008)

Mrs Mairead Harrington resigned subsequent to the year end, but before the date of this report.

#### **Directors' 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 the company's affairs at the end of its financial year and of its income and expenditure for the year. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make adjustments and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue to be in business.

The directors are responsible for maintaining proper accounting records, which disclose with reasonable accuracy the company's financial position at any time and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

(continued)

## **MYRRH LIMITED**

### **DIRECTORS' REPORT**

**For the year ended 31 July 2008 (continued)**

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#### **Disclosure of Information to Auditors**

In accordance with company law, as the company's directors, we certify that:

- So far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

#### **Risk Management**

The directors have a duty to identify and review the risks to which the company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

#### **Fixed Assets**

The movements in fixed assets during the year are set out in note 7.

#### **Auditors**

A resolution to reappoint Christopher & Co will be proposed at the Annual General Meeting in accordance with Section 385 of the Companies Act 1985.

The above report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Signed on behalf of the board

*Desirée Howells*

Mrs Desirée Howells  
Chair of the Board of Directors

Approved by the Board: 23<sup>rd</sup> April 2009

## **MYRRH LIMITED**

### **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF MYRRH LIMITED**

We have audited the financial statements of Myrrh Limited for the year ended 31 July 2008 on pages 7 to 14. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective Responsibilities of Directors and Auditors**

As described on page 4, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards of Auditing (UK and Ireland).

We report to you on our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

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

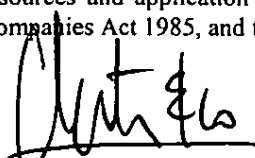
#### **Basis of Audit Opinion**

We conducted our audit in accordance with Auditing Standards 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the company's state of affairs as at 31 July 2008 and of its incoming resources and application of resources, for the year then ended and have been properly prepared in accordance with the Companies Act 1985, and the information given in the Report of the Directors is consistent with the financial statements.



Christopher & Co  
Chartered Accountants  
Registered Auditors  
51a Anson Road  
Tufnell Park  
London N7 0AR

Date: 23<sup>rd</sup> April 2009

**MYRRH LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**Incorporating the Income and Expenditure Account**  
**For the year ended 31 July 2008**

		<b>Restricted Funds</b>	<b>Unrestricted Funds</b>	<b>2008 Total</b>	<b>2007 Total</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from charitable activities:</b>					
Grant and Contract Income	2	129,152	1,613,413	1,742,565	1,658,419
<b>Activities for generating funds:</b>					
Interest Receivable		-	20,494	20,494	20,497
Other Income		-	28,495	28,495	12,226
<b>Total Incoming resources</b>		<b>129,152</b>	<b>1,662,402</b>	<b>1,791,554</b>	<b>1,691,142</b>
<b>RESOURCES EXPENDED</b>					
<b>Costs of generating funds:</b>					
Charitable Activities	3	123,550	1,314,682	1,438,232	1,398,093
Fundraising and publicity	4	-	7,154	7,154	2,184
Governance costs	5	-	307,814	307,814	354,986
<b>Total resources expended</b>	6	<b>123,550</b>	<b>1,629,650</b>	<b>1,753,200</b>	<b>1,755,263</b>
<b>NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		5,602	32,752	38,354	(64,121)
<b>GAINS ON REVALUATION OF FIXED ASSETS FOR CHARITIES OWN USE</b>					
		-	-	-	823,160
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>-</b>	<b>1,409,118</b>	<b>1,409,118</b>	<b>650,079</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	10	<b>£5,602</b>	<b>£1,441,870</b>	<b>£1,447,472</b>	<b>£1,409,118</b>

All the company's activities in the above two financial years were derived from continuing operations.  
The financial statements are comprised of pages 7 to 14.



**MYRRH LIMITED**

**BALANCE SHEET**

**At 31 July 2008**


	Note	2008 £	2007 £
<b>FIXED ASSETS</b>			
Tangible Assets	7	<u>1,000,400</u>	<u>1,049,812</u>
<b>CURRENT ASSETS</b>			
Debtors	8	32,150	35,407
Cash at bank and in hand		<u>481,478</u>	<u>417,770</u>
		<u>513,628</u>	<u>453,177</u>
<b>CREDITORS: Amounts falling due within one year</b>	9	<u>(66,556)</u>	<u>(93,871)</u>
<b>NET CURRENT ASSETS</b>		<u>447,072</u>	<u>359,306</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>1,447,472</u></u>	<u><u>1,409,118</u></u>
<b>TOTAL FUNDS</b>	10	<u><u>1,447,472</u></u>	<u><u>1,409,118</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

Signed on behalf of the  
Board of Directors

*Desirée Howells.*

Mrs Desiree Howells  
Chair of the Board of Directors

  
Mr Andrew Stables  
Director

Approved by the board on: 23<sup>rd</sup> April 2009

The financial statements are comprised of pages 7 to 14.

## **MYRRH LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 July 2008**

---

#### **1 ACCOUNTING POLICIES**

##### **a) Basis of accounting**

These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets, in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2005) issued in March 2005 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

##### **b) Incoming resources**

The annual allocation from the LSC, which is intended to meet recurrent costs, is credited to the statement of financial activities in accordance with funding achieved in the year. Any retrospective adjustments made by the LSC are reflected as soon as the company is made aware of them.

Restricted funds represent funds received which are to be used for a specific purpose. Unrestricted funds can be used to carry out any of the company's objectives.

Income from contracts, and other services rendered is included to the extent of the completion of the contract or service concerned.

##### **c) Resources expended**

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

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information.

Charitable expenditure comprises direct expenditure attributable to the provision of Education and includes an allocation of overheads consistent with use of the resources.

Governance costs include those costs which relate to the charity's compliance with constitutional and statutory requirements and include audit fees, legal and professional fees, and the costs of the senior management team and related office costs.

##### **d) Tangible fixed assets**

Equipment costing less than £500 per individual item is written off to the income and expenditure account in the year of acquisition, unless part of a major refit. All other equipment is capitalised at cost.

Depreciation is provided at the following annual rates to write off each asset over its estimated useful life

Freehold building	-2% straight line on its open market value
Plant and equipment	-20% straight line on cost

(continued)

**MYRRH LIMITED****NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 July 2008 (continued)****1 ACCOUNTING POLICIES (continued)****e) Taxation**

As an exempt charity the company benefits by being exempt from corporation tax on income it receives from tuition fees, interest and rents.

The company is exempted from levying VAT on most of the services it provides to students and is not registered for VAT. For this reason the company is unable to recover input VAT it suffers on goods and services purchased.

**2 GRANT AND CONTRACT INCOME**

	2008 £	2007 £
Learning and Skills Council	<u>1,742,565</u>	<u>1,658,419</u>
Contractual Services	1,613,413	1,523,023
Hardship Funds Grant	68,839	69,542
Childcare Funds Grant	50,000	32,300
Initial Teachers Training Grant	10,313	-
Capital Allowance Grant	-	33,554
	<u>1,742,565</u>	<u>1,658,419</u>

**3 CHARITABLE ACTIVITIES – Education Services**

Charitable Expenditure	Restricted Funds £	Unrestricted Funds £	Total 2008 £	Total 2007 £
Teaching Staff Costs	-	748,259	748,259	731,201
Teaching Expenses	118,839	78,395	197,234	175,252
General Education Expenditure	4,711	145,412	150,123	157,321
<b>Support Cost</b>				
Premises & Equipment Costs	-	181,126	181,126	167,452
Support Staff Costs	-	157,092	157,092	164,504
Support Service Expenses	-	4,398	4,398	2,363
	<u>123,550</u>	<u>1,314,682</u>	<u>1,438,232</u>	<u>1,398,093</u>

**4 FUNDRAISING AND PUBLICITY**

	Restricted Funds £	Unrestricted Funds £	Total 2008 £	Total 2007 £
Advertising	-	7,154	7,154	2,184
	<u>-</u>	<u>7,154</u>	<u>7,154</u>	<u>2,184</u>

(continued)

**MYRRH LIMITED**

**NOTES TO FINANCIAL STATEMENTS**  
For the year ended 31 July 2008 (continued)

**5 GOVERNANCE COSTS**

	Restricted Funds	Unrestricted Funds	Total 2008	Total 2007
	£	£	£	£
Governance costs				
Salaries and office costs	-	288,574	288,574	310,418
Legal and Professional Fees	-	10,680	10,680	36,489
Audit Fees	-	8,560	8,560	8,079
	<u>-</u>	<u>307,814</u>	<u>307,814</u>	<u>354,986</u>

**6 TOTAL RESOURCES EXPENDED**

	Staff Costs	Depreciation	Other Costs	Total
	£	£	£	£
Education Services	905,351	51,716	481,165	1,438,232
Fundraising and Publicity	-	-	7,154	7,154
Governance costs	247,831	-	59,983	307,814
	<u>1,153,182</u>	<u>51,716</u>	<u>548,302</u>	<u>1,753,200</u>

**Staff Costs**

	2008	2007
	£	£
Wages and Salaries	989,594	993,882
Social Security Costs	83,240	86,831
Pension Costs	80,348	74,254
	<u>1,153,182</u>	<u>1,154,967</u>

**Other Costs**

	2008	2007
	£	£
Premises	181,126	167,451
General Education and Teaching	295,641	266,533
Management and Administration	32,686	40,923
Support Services	4,398	2,363
Legal and Professional	19,240	44,569
Miscellaneous	15,211	12,417
	<u>548,302</u>	<u>534,256</u>

	2008 Number	2007 Number
The average number of employees analysed by function, was:		
Education Services	25	25
Governance	5	5
	<u>30</u>	<u>30</u>

(continued)

**MYRRH LIMITED**

**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 July 2008 (continued)**

**7 TANGIBLE FIXED ASSETS**

<b>COST OR VALUATION:</b>	<b>Land and Buildings £</b>	<b>Plant and Equipment £</b>	<b>Total £</b>
At beginning of year	1,000,000	387,981	1,387,981
Additions in year	-	2,304	2,304
At 31 July 2008	<u>1,000,000</u>	<u>390,285</u>	<u>1,390,285</u>

**DEPRECIATION**

At beginning of year	15,280	322,889	338,169
Charge for year	15,280	36,436	51,716
At 31 July 2008	<u>30,560</u>	<u>359,325</u>	<u>389,885</u>

**NET BOOK VALUE**

At 31 July 2008	<u>969,440</u>	<u>30,960</u>	<u>1,000,400</u>
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At 31 July 2007	<u>984,720</u>	<u>65,092</u>	<u>1,049,812</u>
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Leasehold land and buildings were valued at 17 November 2006, by Kinleigh, Folkard & Hayward Limited, Chartered Surveyors, on the basis of existing use value. The directors consider that the amount at which land and buildings are carried fairly reflects their current open market value.

Cost or valuation at 31 July 2008 is represented by:

	<b>Land and Buildings £</b>	<b>Plant and Equipment £</b>	<b>Total £</b>
Valuation in 2007	788,000	-	788,000
Cost	212,000	390,285	602,285
	<u>1,000,000</u>	<u>390,285</u>	<u>1,390,285</u>

**8 DEBTORS: Amounts Falling Due Within One Year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Prepayments and Accrued Income	<u>32,150</u>	<u>35,407</u>

(continued)

**MYRRH LIMITED**

**NOTES TO FINANCIAL STATEMENTS**  
**For the year ended 31 July 2008 (continued)**

**9 CREDITORS: Amounts Falling Due Within One Year**

	2008	2007
	£	£
Trade Creditors	29,650	56,437
Taxation and Social Security	25,484	26,290
Accruals	11,422	11,144
	<u>66,556</u>	<u>93,871</u>

10 RECONCILIATION OF FUNDS	At 1 August 2007 £	Funds Received £	Funds Expended £	At 31 July 2008 £
<b>Restricted Funds</b>				
Hardship Funds Grant	-	68,839	68,839	-
Childcare Funds Grant	-	50,000	50,000	-
Initial Teachers Training Grant	-	10,313	4,711	5,602
	<u>-</u>	<u>129,152</u>	<u>123,550</u>	<u>5,602</u>
<b>Unrestricted Funds</b>				
Revaluation Fund	823,160	-	-	823,160
General Funds	585,958	1,662,402	1,629,650	618,710
	<u>1,409,118</u>	<u>1,662,402</u>	<u>1,629,650</u>	<u>1,441,870</u>
	<u>1,409,118</u>	<u>1,791,554</u>	<u>1,753,200</u>	<u>1,447,472</u>

**Purposes of Restricted Funds**

**Hardship Funds:** This fund is to assist needy students with the costs of travel, books, materials, protective clothing etc and registration fees with awarding bodies.

**Childcare Funds:** This fund is to provide childcare fees for students.

**Initial Teachers Training:** This fund covers the cost of additional training for teaching staff to ensure they are fully accredited to the highest standards.

**Purposes of Unrestricted Funds**

**Revaluation Fund:** This fund is required by the Companies Act 1985 and represents the amount by which land and buildings exceed their historical cost.

**General Funds:** These are incoming resources receivable or generated for the objects of the charity without specified purpose. These funds provide working capital and financial flexibility and their level is kept under regular review by the directors.

(continued)

## MYRRH LIMITED

### NOTES TO FINANCIAL STATEMENTS For the year ended 31 July 2008 (continued)

#### 11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Fund balances at 31 July 2008 are represented by:			
Tangible Fixed Assets	-	1,000,400	1,000,400
Current Assets	5,602	508,026	513,628
Current Liabilities	-	(66,556)	(66,556)
Total Net Assets	<u>5,602</u>	<u>1,441,870</u>	<u>1,447,472</u>

#### 12 SHARE CAPITAL

The company is limited by guarantee and does not have a share capital. Each member's guarantee is limited to £1.

#### 13 RELATED PARTY TRANSACTIONS

No director received any remuneration during the year, or had any personal interest in any contract or transaction entered into by the company during the year (2007: Nil).

#### 14 COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at the balance sheet date. The company occupies one of its premises under a 5 year lease which commenced in February 2006. The rent is £58,000 per annum, index linked.

The company also occupies a building which is owned by the Roman Catholic diocese of Southwark. These premises are occupied under an informal licence agreement under which no rent is payable but the company is responsible for the upkeep and good decorative condition of the internal part of the building and for its general running costs. The company's occupation of the building is conditional upon it continuing to be used for the activities of a charitable educational institution and for no other purpose. Given this overriding condition the company does not consider that the provision of the use of the premises has any financial 'market value' in the generally accepted sense and accordingly no value is attributed thereto within the financial statements. The company is currently in the process of formalising this arrangement.

**THESE NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS**