

REGISTERED COMPANY NUMBER: 1975246 (England and Wales)
REGISTERED CHARITY NUMBER: 293464

MYRRH LIMITED
DIRECTORS' REPORT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 JULY 2011

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MYRRH LIMITED

COMPANY NO	1975246 (England & Wales)
REGISTERED CHARITY NO	293464
DIRECTORS	Mrs Desiree Howells (Chair) Mr Bernard Borland Dr Michael Dulake Ms Pauline Farrell Cllr Mrs Daphne Marchant Rev Dr Robert Kaggwa Ms Karen Roberts Mr Michael McLoughlin Mr Andrew Stables Mr Colin Garvey Mr Stephan Breban
COMPANY SECRETARY	Dr Michael Dulake
REGISTERED OFFICE	52 Ossory Road London SE1 5AN
AUDITORS	Christopher & Co Chartered Accountants Statutory Auditors 51a Anson Road Tufnell Park London N7 0AR
BANKERS	Unity Trust Bank Plc Nine Brindley Place 4 Oozells Square Birmingham B1 2HB

MYRRH LIMITED

(REGISTERED COMPANY NUMBER: 1975246)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
For the year ended 31 July 2011

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DIRECTORS' REPORT

For the year ended 31 July 2011

The directors, who are also trustees for the purpose of Charity Law, present their report with the financial statements of the charitable company for the year ended 31 July 2011. The directors have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

Structure, Governance and Management**Governing Document**

The charitable company is a private company, limited by guarantee, as defined by the Companies Act 2006 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 of the charitable company being wound up members are required to contribute an amount not exceeding £1.

Recruitment and Appointment of Directors

The board of directors shall consist of not less than three or more than fifteen provided that at all times at least 75% of the directors shall be Roman Catholic. Subject to the Articles of Association, the directors may appoint a person who is willing to act as a director either to fill a vacancy or as an additional director. A director so appointed shall hold office only until the next following Annual General Meeting whereupon he or she shall retire or seek reappointment.

No person shall be appointed or reappointed as a director at any general meeting unless he or she has attained the age of 18 years and is recommended by the directors, or not less than fourteen nor more than thirty-five clear days before the date appointed for the meeting, notice executed by a member has been given to the company of the intention to propose a person for appointment or reappointment stating the particulars required by the Articles and providing a notice executed by that person of his or her willingness to be appointed or reappointed. Due notice and particulars, in accordance with the Articles, must also be given to all persons who are entitled to receive notice of the general meeting.

Under the requirements of the Articles, a director shall retire at the close of the Annual General Meeting nearest to the fourth anniversary of his or her appointment and he or she shall be eligible for reappointment for a further four years only, unless, in accordance with the Articles he or she is reappointed annually by the directors.

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 charitable company's board of directors meets regularly throughout the year and is 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 charitable company's principal objectives are to

- advance the education of the public by the provision of vocational education and training, and
- promote all or any activities for the benefit of the community now or hereafter deemed by law to be charitable.

Provided that these objectives shall at all times be consistent with the ethics of the Roman Catholic Church or agency thereof.

(continued)

DIRECTORS' REPORT

For the year ended 31 July 2011 (continued)

Our Aims

The main aim of the charitable company, which is based in Lambeth and Southwark, is to provide vocational training, particularly to unemployed local people and across the wider London area. Training is provided in mixed-gender groups in a culturally sensitive environment. There is considerable evidence to show that Lambeth and Southwark are areas of social and economical deprivation.

We are committed to raising standards of learning and of training and assessment of learners.

Our Objectives

In setting our objectives and planning our activities the directors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

We strive to undertake rigorous, honest and objective self-assessment of the quality of our provision. To this end, all learners and work placement providers are actively encouraged to provide feedback on the training process. The whole process of self-assessment focuses on the learner and its purpose is to evaluate and then improve the quality of the learner's experience.

During the year we continued to

- Identify strengths, so that the best use can be made of them, maintaining them as strengths and building on them
- Identify weaknesses, so that they can be eliminated
- Identify those areas which are neither strengths nor weaknesses, but which have the potential to make a substantial difference to the training provided if they are improved
- Take effective action to bring about improvements

Our Ethos

Myrrh seeks to break down barriers to training that exists for some in the local community. This will be achieved using high standards of training and personal development with the aim of meeting current labour market needs locally and nationally. We will provide a supportive learning environment and a commitment to the development and transmission of ideas, knowledge and appropriate skills. Myrrh does not charge fees for its training and welcomes learners from all backgrounds. Entrance interviews and assessments are undertaken to ensure that potential learners are aware of what is expected of them, whilst they undertake training at Myrrh.

We are an equal opportunity organisation and are committed to a working and learning environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or learners who are or become disabled.

Myrrh recognises its responsibility to safeguard the welfare of its students and will ensure that relevant and effective safeguarding practices exist and are actively promoted within Myrrh. All our students have the right to be safe and protected, both within Myrrh and whilst engaged in Myrrh-related activities, and their welfare and well being is of paramount importance.

In all our activities we see Myrrh as acting in the common good in the communities in which we work.

(continued)

DIRECTORS' REPORT

For the year ended 31 July 2011 (continued)

Training

We offer training in Carpentry and Joinery, Painting and Decorating, Catering, Childcare, Care and Motor Vehicle Maintenance. In addition Literacy and Numeracy support is available to all Learners that require help. Additional Support is also provided on a one-to-one basis or for learning to take place in a smaller group setting.

Learner Numbers

Our training activities cater for 16 - 18 year old learners and adult learners (19+). During the year learner numbers were

16 - 18 year old learners - 49

Adult learners – 570

Principal Funding Sources

The principal funding sources for the year were by way of grant and contract income from the Skills Funding Agency and Young People's Learning Agency, as set out in note 2. In addition, other income was generated from departmental takings, mostly motor vehicle and catering.

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 £11,497 (2010 £89,720). This difference was primarily due to a decrease in contract income compared with the previous year. The main factor leading to a reduction in contract income was that we were unable to recruit our contracted amount of 16 – 18 year old learners. This resulted in a reduction of £49,424 in the contract income that would have otherwise been received.

Future Developments

The lease on one of the charitable company's buildings has recently been renewed and major refurbishment work is being considered. The directors plan to ensure that, notwithstanding these matters, that the charitable company will provide continuous education and training to the highest standards and that the effects of possible funding cuts and refurbishment work, will be minimised.

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
Cllr Mrs Daphne Marchant
Rev Dr Robert Kaggwa
Ms Karen Roberts (resigned January 2011)
Mr Michael McLoughlin
Mr Andrew Stables
Mr Colin Garvey
Mr Stephan Breban

(continued)

DIRECTORS' REPORT

For the year ended 31 July 2011 (continued)

Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

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 charitable company and the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- observe the methods and principles in the Charity SORP,
- make judgements and estimates that are reasonable and prudent,
- 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 at any time, the financial position of the charitable company and to 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.

Disclosure of Information to Auditors

So far as the directors are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each director has taken all the steps that ought to have taken as a director in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Reserves Policy

The directors have examined the charitable company's requirements for reserves in the light of the future developments and its main financial risks. They have decided that general unrestricted funds should be conserved as much as possible over the coming two years to serve as a buffer against possible funding cuts and expected renovation costs. Over the last three years the unrestricted cash reserves have ranged between 3 and 6 months of total expenditure.

Risk Management

The directors have considered the major risks to which the charitable company is exposed to ensure that where appropriate systems and procedures have been established to mitigate the risks the charity faces. These systems and procedures cover such matters as health and safety, internal controls to provide assurance against fraud and error and the possible diversity of funding.

Fixed Assets

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

Auditors

The auditors, Christopher & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Signed on behalf of the board



Mr Andrew Stables
Director

Approved by the Board 18 April 2012

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 2011 on pages nine to sixteen. 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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and 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

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 financial statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

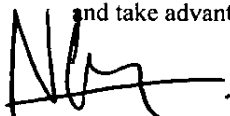
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**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MYRRH LIMITED**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Report of the Trustees



Nicholas Christopher (Senior Statutory Auditor)
for and on behalf of Christopher & Co
Chartered Accountants
Statutory Auditors
51a Anson Road
Tufnell Park
London
N7 0AR

Date 18 April 2012

MYRRH LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
Incorporating the Income and Expenditure Account
For the year ended 31 July 2011

(REGISTERED COMPANY NUMBER: 1975246)

		Restricted Funds	Unrestricted Funds	2011 Total	2010 Total
	Notes	£	£	£	£
INCOMING RESOURCES					
Incoming resources from charitable activities					
Grant and Contract Income	2	99,292	1,362,512	1,461,804	1,554,429
Activities for generating funds.					
Interest Receivable		-	4,245	4,245	3,672
Other Income		-	12,630	12,630	11,948
Total Incoming resources		99,292	1,379,387	1,478,679	1,570,049
RESOURCES EXPENDED					
Costs of generating funds.					
Charitable Activities	3	99,292	1,080,344	1,179,636	1,181,791
Fundraising and publicity	4	-	21,570	21,570	7,241
Governance costs	5	-	265,976	265,976	291,297
Total resources expended	6	99,292	1,367,890	1,467,182	1,480,329
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES					
		-	11,497	11,497	89,720
TOTAL FUNDS BROUGHT FORWARD		-	1,545,143	1,545,143	1,455,423
TOTAL FUNDS CARRIED FORWARD	10	-	£1,556,640	£1,556,640	£1,545,143

All the company's activities in the above two financial years were derived from continuing operations
The financial statements are comprised of pages 9 to 16

MYRRH LIMITED**(REGISTERED COMPANY NUMBER: 1975246)****BALANCE SHEET****At 31 July 2011**

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible Assets	7	<u>938,452</u>	<u>959,025</u>
CURRENT ASSETS			
Debtors	8	28,827	32,374
Cash at bank and in hand		<u>713,719</u>	<u>621,691</u>
		<u>742,546</u>	<u>654,065</u>
CREDITORS. Amounts falling due within one year	9	<u>(124,358)</u>	<u>(67,947)</u>
NET CURRENT ASSETS		<u>618,188</u>	<u>586,118</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>1,556,640</u></u>	<u><u>1,545,143</u></u>
TOTAL FUNDS	10	<u><u>1,556,640</u></u>	<u><u>1,545,143</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

Signed on behalf of the
Board of Directors



Mr Andrew Stables
Director



Mr Michael McLoughlin
Director

Approved by the board on 18 April 2012

The financial statements are comprised of pages 9 to 16

NOTES TO THE FINANCIAL STATEMENTS**For the year ended 31 July 2011**

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 Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006, and in accordance with Statement of Recommended Practice, Accounting and Reporting by Charities

b) Incoming resources

Income from contracts is included in the statement of financial activities based on work completed in the year. Any retrospective adjustments made by the funders are reflected as soon as the company is made aware of them. Grant income is taken up in the year to which it relates.

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.

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 £200 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

e) Pensions

Myrrh has two pension schemes, one for teaching staff and the other for non-teaching staff. Both are multi-employer defined benefit schemes, under which Myrrh is only obliged to pay employer's contributions as set by the scheme providers and, in the case of non-teaching staff, a cessation fee should it ever stop making such contributions or wish to leave the scheme. Pension costs are taken up as incurred.

(continued)

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 July 2011 (continued)

1 ACCOUNTING POLICIES (continued)

f) 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

	2011 £	2010 £
Skills Funding Agency/Learning and Skills Council	1,337,934	1,554,429
Young People's Learning Agency	123,870	-
	<u>1,461,804</u>	<u>1,554,429</u>
Contractual Services	1,362,512	1,450,429
Hardship Funds Grant	58,592	67,000
Childcare Funds Grant	40,700	37,000
	<u>1,461,804</u>	<u>1,554,429</u>

During the previous year the Learning and Skills Council ceased to operate and the administration of the funding was transferred to the Skills Funding Agency and Southwark Council

3 CHARITABLE ACTIVITIES – Education Services

Charitable Expenditure	Restricted Funds £	Unrestricted Funds £	Total 2011 £	Total 2010 £
Teaching Staff Costs	-	543,219	543,219	566,351
Teaching Expenses	99,292	112,733	212,025	171,236
General Education Expenditure	-	69,048	69,048	85,654
Support Cost				
Premises & Equipment Costs	-	171,014	171,014	191,156
Support Staff Costs	-	183,111	183,111	166,176
Support Service Expenses	-	1,219	1,219	1,218
	<u>99,292</u>	<u>1,080,344</u>	<u>1,179,636</u>	<u>1,181,791</u>

4 FUNDRAISING AND PUBLICITY

	Restricted Funds £	Unrestricted Funds £	Total 2011 £	Total 2010 £
Advertising	-	21,570	21,570	7,241
	<u>-</u>	<u>21,570</u>	<u>21,570</u>	<u>7,241</u>

(continued)

NOTES TO FINANCIAL STATEMENTS
For the year ended 31 July 2011 (continued)

5 GOVERNANCE COSTS

Governance costs	Restricted Funds £	Unrestricted Funds £	Total 2011 £	Total 2010 £
Salaries and office costs	-	258,576	258,576	280,143
Legal and Professional Fees	-	400	400	1,804
Audit Fees	-	7,000	7,000	9,350
	<u>-</u>	<u>265,976</u>	<u>265,976</u>	<u>291,297</u>

6 TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total £
Education Services	726,330	25,723	427,583	1,179,636
Fundraising and Publicity	-	-	21,570	21,570
Governance costs	229,091	-	36,885	265,976
	<u>955,421</u>	<u>25,723</u>	<u>486,038</u>	<u>1,467,182</u>

Staff Costs

	2011 £	2010 £
Wages and Salaries	827,702	850,739
Social Security Costs	73,982	73,405
Pension Costs	53,736	52,588
	<u>955,420</u>	<u>976,732</u>

Other Costs

	2011 £	2010 £
Premises	171,014	191,156
General Education and Teaching	255,350	229,504
Management and Administration	17,977	18,169
Support Services	1,219	1,218
Legal and Professional	7,400	11,154
Miscellaneous	33,078	25,010
	<u>486,038</u>	<u>476,211</u>

	2011 Number	2010 Number
The average number of employees analysed by function, was		
Education Services	20	20
Governance	<u>5</u>	<u>5</u>
	<u>25</u>	<u>25</u>

(continued)

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 July 2011 (continued)

7 TANGIBLE FIXED ASSETS

	Land and Buildings £	Plant and Equipment £	Total £
COST OR VALUATION:			
At beginning of year	1,000,000	415,744	1,415,744
Additions in year	-	5,150	5,150
At 31 July 2011	1,000,000	420,894	1,420,894
DEPRECIATION			
At beginning of year	61,120	395,599	456,719
Charge for year	15,280	10,443	25,723
At 31 July 2011	76,400	406,042	482,442
NET BOOK VALUE			
At 31 July 2011	923,600	14,852	938,452
At 31 July 2010	938,880	20,145	959,025

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 2011 is represented by

	Land and Buildings £	Plant and Equipment £	Total £
Valuation in 2011	788,000	-	788,000
Cost	212,000	420,894	632,894
	1,000,000	420,894	1,420,894

8 DEBTORS: Amounts Falling Due Within One Year

	2011 £	2010 £
Prepayments and Accrued Income	28,827	32,374

(continued)

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 July 2011 (continued)

9 CREDITORS: Amounts Falling Due Within One Year

	2011 £	2010 £
Trade Creditors	44,809	32,518
Taxation and Social Security	21,504	20,445
Accruals	8,621	14,984
YPLA Repayment	49,424	-
	<u>124,358</u>	<u>67,947</u>

10 RECONCILIATION OF FUNDS	At 1 August 2010 £	Funds Received £	Funds Expended £	At 31 July 2011 £
Restricted Funds				
Hardship Funds Grant	-	58,592	58,592	-
Childcare Funds Grant	-	40,700	40,700	-
Initial Teachers Training	-	-	-	-
	<u>-</u>	<u>99,292</u>	<u>99,292</u>	<u>-</u>
Unrestricted Funds				
Revaluation Fund	823,160	-	-	823,160
General Funds	721,983	1,379,387	1,367,890	733,480
	<u>1,545,143</u>	<u>1,379,387</u>	<u>1,367,890</u>	<u>1,556,640</u>
	<u>1,545,143</u>	<u>1,478,679</u>	<u>1,467,182</u>	<u>1,556,640</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 2006 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)

NOTES TO FINANCIAL STATEMENTS

For the year ended 31 July 2011 (continued)

11 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds	Unrestricted Funds	Total
	£	£	£
Fund balances at 31 July 2011 are represented by			
Tangible Fixed Assets	-	938,452	938,452
Current Assets	-	742,546	742,546
Current Liabilities	-	(124,358)	(124,358)
Total Net Assets	-	<u>1,556,640</u>	<u>1,556,640</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 (2010 nil).

14 COMMITMENTS AND CONTINGENT LIABILITIES

There were no capital commitments or contingent liabilities at the balance sheet date. The company has a rental commitment on one of its premises of £75,000 per annum, index linked, under a 10 year lease (with a 5 year break clause) commencing in February 2011.

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.

Myrrh has an ongoing obligation to pay employer's pension contributions in respect of its staff. It has no influence over the level of such contributions, which are set periodically by the scheme providers, based on actuarial valuations. The contributions for the current year amounted to £53,736 and are expected to remain at approximately this level for the coming year.

THESE NOTES FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS