

**THE CEED (CHARITY) LIMITED**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**31 MARCH 2006**

**Company Registration Number 2134522**

**Charity Number 298844**



**CHARTERED ACCOUNTANTS  
& BUSINESS ADVISERS**

TUESDAY



A27 \*A2N2WMGZ\* 252  
23/01/2007  
COMPANIES HOUSE

THORNTON HOUSE RICHMOND HILL CLIFTON BRISTOL BS8 1AT TEL: 0117 973 8441 FAX: 0117 973 3781  
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# **THE CEED (CHARITY) LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

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<b>CONTENTS</b>	<b>PAGES</b>
Reference and Administrative Details	<b>1</b>
Trustees' Annual Report	<b>2 to 9</b>
Independent Auditors' report to the Trustees	<b>10 to 11</b>
Statement of Financial Activities	<b>12</b>
Balance sheet	<b>13</b>
Notes to the financial statements	<b>14 to 24</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed income and expenditure account	<b>26 to 28</b>

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# **THE CEED (CHARITY) LIMITED**

## **REFERENCE AND ADMINISTRATIVE DETAILS**

**YEAR ENDED 31 MARCH 2006**

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### **Status**

The legal status of the organisation is that of a charitable company limited by guarantee. The company number is 2134522 and its charity number is 298844.

### **The Directors**

The directors (who are Trustees for the purpose of charity law) who served during the year and since the year end were as follows:

R Griffith  
L Goodridge  
H Nandwani  
M Yazdani  
D Mlewa  
E Maburutse  
Max Kosia  
Verona Vidal  
E Quaynor  
I Curtis  
R Brenchley  
P Mensah  
M Amegashitsi  
S Johnson  
S Elkatip  
M Gournet  
H Ogbu  
V Watkis

### **Company secretary**

S Fubara

### **Registered office**

Ujima House, 97 -107 Wilder Street, St Pauls, Bristol, BS2 8QU

### **Auditors**

Burton Sweet, Chartered Accountants & Registered Auditors, Thornton House, Richmond Hill, Clifton, Bristol BS8 1AT

### **Bankers**

National Westminster Bank plc, 32 Corn Street, Bristol BS99 7UG

# THE CEED (CHARITY) LIMITED

## TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2006

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2006.

#### Objects of the Charity

The CEED (Charity) Limited seeks to advance education and employment by developing the professional and technical skills of its clients, especially of those who have suffered disadvantage by reason of colour, race, nationality or ethnic or national origins.

#### Organisation

The CEED (Charity) Limited is a registered charity and is limited by guarantee. During the year the trustees reorganized the way they carry out the business. The Trustees still meet bi-monthly as a council of management. As of November 2003, three separate committees, Personnel, chaired by one of the Vice Chairs, Finance and Fundraising, Chaired by the Treasurer and Monitoring, chaired by one of the Vice Chairs. The day to day running are entrusted to the managing director who oversees four departments: Training & Employment; Corporate Support; I.T; Media; and Enterprise Development. Each of these departments is run by a manager who reports to the managing director.

The charity owns a trading company Centre for Employment and Enterprise Development Limited. As a Management Committee member you have to take responsibility for a number of areas.

**Leadership** – control of the Management Committee and Organisation figurehead status;

**Administration** – to draw up, circulate, monitor, evaluate and amend all plans and ensure that decisions are taken as and when appropriate;

**Finance** – to oversee financial planning, monitoring budgets and authorise expenditure;

**Fund raising** – to plan and execute a campaign of long term fund raising activities;

**Marketing** – to plan and execute a campaign of promotion of goods and services, and to study the market place and competitors for any changes;

**Employment** – to enforce good systems and practice in all recruitment and employment issues;

**Training** – to identify and coordinate all training and development needs and solutions for the Management Committee and staff members;

**PR / Publicity** – to plan and coordinate all contact with the media and oversee production of newsletters. To monitor and develop the public image of the Organisation and link closely with the community;

**Premises** – to oversee the management of all affairs concerned with the operation of suitable premises and equipment.

# **THE CEED (CHARITY) LIMITED**

## **TRUSTEES ANNUAL REPORT (CONTINUED)**

**YEAR ENDED 31 MARCH 2006**

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### **Role of Chair**

To preside over all general meetings. Responsible for keeping all Honorary Officers and members of the Executive Committee informed of relevant events within the organisation and without. Presenting the Annual Report at the Annual General Meeting, and representing the organisation at external events where possible.

### **Role of Treasurer**

Responsible for maintaining records of all the organisation's financial transactions. Responsible for the administration of the company's Bank Account(s). Responsible for presenting statements of Income and Expenditure during the year and presenting company audited accounts at the Annual General Meeting.

### **Role of Executive Council Member**

Responsible for the formulation of policy and directing generally the affairs of the company.

### **Management Committee Members Duties And Responsibilities**

Key Responsibilities:

To play an active role in the development of the Organisation

Take responsibility for:

Setting Strategy

Monitoring and Evaluation of the Organisation Performance

Fund Raising

Management and Development of paid employees.

### **Composition Of The Management Committee**

The Articles of Association of the Organisation has determined that the composition of the Management Committee of the Organisation shall consist of no less than 8 and no more than 20 members.

The Director will attend all Management Committee meetings. Other members of the Senior Management Team and staff will attend at the invitation of the Management Committee.

### **CEED Members Code Of Conduct**

This Code of Conduct is to be read in conjunction with the Code of Conduct Guidelines for Management Committee Members.

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**THE CEED (CHARITY) LIMITED**  
**TRUSTEES ANNUAL REPORT (CONTINUED)**  
**YEAR ENDED 31 MARCH 2006**

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Members of CEED will:

- Support the aims and objectives of the Organisation and promote the interests of the Organisation and its staff, clients and students in the wider community;
- Work co-operatively with other members in the best interests of the Organisation;
- Acknowledge that differences of opinion may arise in discussion of issues but when a majority decision of the management committee prevails it should be supported;
- Base his or her view on matters before the management committee on an honest assessment of the available facts, unbiased by partisan or representative views;
- Acknowledge that as an individual member, he or she has no legal authority outside the meetings of the management committee and its sub committees;
- Understand that an individual member does not have the right, other than through the chair and management committee's agreement, to make statement or express opinions on behalf of the management committee;
- Declare openly and immediately any personal conflict of interest arising from a matter before the management committee or from any other aspect of management;
- Respect the confidentiality of those items of business, which the management committee decides from time to time, should remain confidential;
- Take or seek opportunities to enhance his or her effectiveness as a member through participation in training and development programmes and by increasing his or her own knowledge of the Organisation;

**Appointment Of Members**

The Management Committee may from time to time at any time appoint any member of the Organisation as a member of the Management Committee, either to fill a casual vacancy or by way of addition to the Management Committee, provided that the prescribed maximum be not thereby exceeded. Any member so appointed shall retain this office only until the next Annual General Meeting, but shall then be eligible for re-election.

No person who is not a member of the Organisation shall in any circumstances be eligible to hold office as a member of the Management Committee.

**ACHIEVEMENTS AND PERFORMANCE AND PLANS FOR FUTURE PERIODS**

Sustainable employment and business is a journey [or an expedition]. Every step and every contribution matters. Our activities for the past year demonstrate the strong foundation we are building to help us become a more sustainable business within the sector we operate.

# THE CEED (CHARITY) LIMITED

## TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2006

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Sustainable development and key-line reporting simply reflect our intention as an organisation to act in a manner that preserves and helps improve the quality of life and community development for many generations to come. Because we touch the lives of so many people, both black and white, we at The CEED Charity Limited have a privileged opportunity to make a positive difference. We also have a responsibility to understand the impact we make on people and the community as a whole.

There have been significant internal developments, which have been progressed to enhance the quality of services to our users and clients, to strengthen the internal structures for staff and increase the sustainability of the organisation. A strategic plan of action is now in place and mechanism for monitoring and reporting on progress and targets achieved are also being implemented. As in previous years, our commitment to engage with people and businesses and get the word out about our activities has been paramount. We recognise that unless the results of our achieved activities get into the hands of those who can use them, our work loses much of its meaning and purpose. For this reason, we put great effort into producing reports that are both accessible and readable to multiple audiences.

We have been making progress in many significant areas of our activities, details of which are contained in other areas of this report to members – and our results show that we have made significant progress in meeting our strategic objectives. Progress has meant change, and thanks are extended to the staff and Board members for their support of the change process, and for the hard work of making the change happen.

Overall, we have made significant progress in some areas of our activities and a dip in some other areas. The Positive Action training continues to open up employment opportunities for unemployed black and minority ethnic communities in sectors that they are under-represented.

Significant in-road into achieving positive outcomes with private sector companies taking positive action trainees through our EQUAL/CREATE programme. New companies and organisations continue to sign-on through our collaborative work with the Race for Opportunity [RFO/Business in the Community [BITC], and take positive action trainees, an indication of hard work and dedicated commitment of our Partnership Managers.

Additionally, valued research reports reflecting positive action beneficiaries, potential placements companies, structures and systems of how we implement the positive action programme has been a key assignment for our External Evaluators [IAGO] and the University of Bath as key local partner of EQUAL/CREATE project.

External partners of our EQUAL/CREATE project increased to 5 this period, and a total of 15 local partners, 50% increase from our last EQUAL/CREATE project.

Our Enterprise Unit is an envy of many related provisions, as dedicated staff continues to break new grounds in helping local businesses in training, advice, mentoring, and financial support. It is pleasing to report that, at the end of our Phoenix Development revenue funding, the Unit is able to negotiate continuous support with the South West Regional Development Agency [SWRDA]. Our plan for the business Incubator units is still in progress – and will be a valued source of support for local micro and small businesses when completed.

The Media Unit is also attracting external interest, as many Colleges aspire to take advantage of our well-equipped studio and resources. The Unit provided a work placement for 2 graduate students in Media from the Bath SPA University, and one of them, has now been employed by CEED.

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# THE CEED (CHARITY) LIMITED

## TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2006

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Whilst we have experienced very low student in-take in our ICT Unit, there is also the uncertainty of our Learn Direct status – this we envisage will result into significant decrease both in student registration and income generation. The very supportive Local Labour Project funded through the Neighbourhood Regeneration Programme came to an end; as a result local people may stand disadvantaged in accessing the BROADMEAD regeneration opportunities.

In this time, and particularly during the last year, we have seen the development of our staff, and emerging new culture of an internal ascension development of staff from unit to unit, and from a lower grade to upper grade. There are still areas to be addressed, but we have made a good start in tapping the skills and competences of our people.

Areas of focus include:

Continuous development of our people

Improving morale and motivation

Accelerating the transformation of the organisation

Increasing the representation of disadvantaged people and business

Improving relations at all levels.

A wider network of our Positive Action programme

We continue to identify new opportunities in collaborative working with local, national and international partners – using this as leverages for our consolidated activities. The Big Lottery has awarded a grant sum of £356,674 to develop new areas of the Positive Action training provision and the project will commence from September this year. We sincerely appreciate the recognition of the Big Lottery in the continuous development of the Charity and its provisions.

We also acknowledge the ongoing contribution and inspiration provided by many individuals and organisations.

In particular, this year we would like to thank our local EQUAL/CREATE partners, our External Evaluators [IAGO], Norton Radstock College, Learning Curve, SWRDA, and a host of positive action host placement companies for their interest in the aspect of our growth as a company and in the wider movement to align business outcomes to a sustainable future.

We remain confident that our businesses will continue to provide a significant contribution to our operations. We will continue to strive to meet our corporate goal of ensuring that CEED is pre-eminent provider of sustainable development primarily to the black and minority ethnic communities and to provide the highest quality of service and support to our wider client base.

Finally, I would like to thank the senior management team, staff and management Board for their continued effort to perform their duties with the greatest degree of commitment, professionalism and productivity - and efforts in fulfilling the difficult mandate of "Opening Up Opportunities" for the people.

### Financial Review

Income has decreased by £245,939 from last year. This was mainly due to a decrease in grant income, traineeships and income from private students. Rental income has also decreased which was due to the loss of a tenant. Room hire was also down due to rooms being used internally and therefore not available for external hire.

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# **THE CEED (CHARITY) LIMITED**

## **TRUSTEES ANNUAL REPORT (CONTINUED)**

**YEAR ENDED 31 MARCH 2006**

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Expenditure has decreased by £66,455. This was mainly due to charitable activities and governance costs decreasing as a result of the decrease in grant income, traineeships and income from private students.

During the year expenditure exceeded income by £187,082. This was increased by £106,780 due to the loss on the revaluation of 16-17 Dean Street from when it had been revalued before as security for a loan, which gave a total loss for the year of £293,862. The free reserves are currently £190,476.

### **Review of activities and future developments**

A review is contained in the charity's full Annual Report.

### **Investment powers and restrictions**

There are no restrictions on the investment powers of the Trustees placed on them by the company's *Memorandum and Articles of Association*.

### **Fund-by-fund analysis of availability of assets**

We confirm that the charity's assets are available and adequate to fulfill the obligations of the charity.

### **Reserves policy**

The Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ("the free reserves") held by the charity should be between 3 and 6 months of the resources expended, which equates to £433,500 to £867,000 in general funds. At this level, the management committee feels that it would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed accordingly. At the balance sheet date free reserves amounted to £190,476. The trustees are looking at ways to increase free reserves.

### **Risk review**

A strategic review has been carried out in the year, which identified the major risks to which the charity is exposed. It is anticipated that the review has resulted in systems being put in place to mitigate those risks. In future it is anticipated that the Trustees will carry out an annual review of the risks faced and the procedures established to mitigate those risks. Internal risks are minimised by the implementation of effective internal control procedures that ensure both appropriate authorisation of all transactions and projects and consistent quality of delivery for all operational aspects of the charity. These procedures are periodically reviewed for their continuing effectiveness.

### **The Directors**

The Board of Directors, who are Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

# THE CEED (CHARITY) LIMITED

## TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2006

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### Responsibilities of the Trustees

Law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going-concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**THE CEED (CHARITY) LIMITED**  
**TRUSTEES ANNUAL REPORT (CONTINUED)**  
**YEAR ENDED 31 MARCH 2006**

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**Auditors**

Burton Sweet were re-appointed as the Charity's auditors during the year and have expressed their willingness to continue in that capacity.

This report and the financial statements have been prepared in accordance with the Companies Act 1985, the charitable Company's Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities".

Registered office:

Ujima House,  
97 -107 Wilder Street,  
St Pauls,  
Bristol, BS2 8QU

Signed by order of the Trustees

S Fubara



Approved by the Trustees on ...14<sup>TH</sup> DEC 2006

# THE CEED (CHARITY) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2006

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We have audited the financial statements on pages 12 to 24 which have been prepared under the historical cost convention and the accounting policies set out on pages 14 to 15.

This report is made solely to the charity's trustees, 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 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 the Trustees and the auditors**

The Trustees' (who are also directors 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 Standards are set out in the Statement of Trustees' responsibilities on page 8.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 1985. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the Charity 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 Trustees' remuneration and transactions with the Charity is not disclosed.

We are not required to consider whether the statement in the Trustees' Report concerning the major risks to which the Charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the Charity's risk management and control procedures.

We read other information contained in the Trustees' Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with United Kingdom 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 judgments 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.

# THE CEED (CHARITY) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES

YEAR ENDED 31 MARCH 2006

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### Opinion

In our opinion the financial statements give a true and fair view of the Charity's and its subsidiary's state of affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Thornton House  
Richmond Hill  
Clifton

Bristol BS8 1AT

..17...January 2007

Burton Sweet

Chartered Accountants & Registered  
Auditors



# THE CEED (CHARITY) LIMITED

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Including Income and Expenditure Account)

YEAR ENDED 31 MARCH 2006

		Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	Note	£	£	£	£
<b>Incoming resources</b>					
<i>Incoming resources from generated funds</i>					
Voluntary income: donations		2,900	-	2,900	979
<i>Incoming resources from charitable activities</i>					
Traineeships		510,342	-	510,342	581,299
Income generation		22,683	-	22,683	5,989
Private students		74,618	-	74,618	160,856
<i>Activities for generating funds</i>					
Grants receivable	2	79	854,921	855,000	933,298
Income from trading subsidiary	3	19,993	-	19,993	11,259
Room and rental hire		55,384	-	55,384	83,410
Fundraising income		4,050	-	4,050	11,697
Interest receivable		747	-	747	1,105
Other incoming resources		626	-	626	2,390
<b>Total incoming resources</b>		<b>691,422</b>	<b>854,921</b>	<b>1,546,343</b>	<b>1,792,282</b>
<b>Resources expended</b>					
<i>Cost of generating funds</i>					
Fundraising and publicity	4	33,820	-	33,820	25,955
Cost of sales from trading subsidiary	5	23,040	-	23,040	25,585
<i>Charitable expenditure</i>					
Charitable of activities	6	673,470	973,048	1,646,518	1,697,471
Governance costs	7	30,047	-	30,047	50,869
<b>Total resources expended</b>		<b>760,377</b>	<b>973,048</b>	<b>1,733,425</b>	<b>1,799,880</b>
<b>Net incoming/(outgoing) resources</b>					
- net income/(expenditure) for the year	8	(68,955)	(118,127)	(187,082)	(7,598)
Gains/(losses) on revaluation of fixed assets	11	(18,554)	(88,226)	(106,780)	-
<b>Transfer between funds</b>					
		(29,498)	29,498	-	-
		(117,007)	(176,855)	(293,862)	(7,598)
<b>Total funds at 1 April 2005</b>		<b>362,386</b>	<b>609,998</b>	<b>972,384</b>	<b>979,982</b>
<b>Total funds at 31 March 2006</b>		<b>245,379</b>	<b>433,143</b>	<b>678,522</b>	<b>972,384</b>

The Charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing


The notes on pages 14 to 24 form part of these financial statements

**THE CEED (CHARITY) LIMITED**  
**CONSOLIDATED AND CHARITY BALANCE SHEETS**  
**YEAR ENDED 31 MARCH 2006**

	Note	2006 Group £	2005 Group £	2006 Charity £	2005 Charity £
<b>Fixed assets</b>					
Tangible assets	11	866,125	961,619	418,668	509,444
<b>Current assets</b>					
Stock	12	5,991	6,277	3,964	5,077
Debtors	13	551,784	684,036	575,361	713,853
Cash at bank		78,375	12,980	65,331	11,868
		<u>636,150</u>	<u>703,293</u>	<u>644,656</u>	<u>730,798</u>
<b>Creditors : Amounts falling due within one year</b>	14	(407,179)	(272,268)	(402,745)	(269,709)
Net current assets		<u>228,971</u>	<u>431,025</u>	<u>241,911</u>	<u>461,089</u>
<b>Total assets less current liabilities</b>		<u>1,095,096</u>	<u>1,392,644</u>	<u>660,579</u>	<u>970,533</u>
<b>Deferred income</b>	15	416,574	420,260	-	-
		<u>678,522</u>	<u>972,384</u>	<u>660,579</u>	<u>970,533</u>
<b>Funds</b>					
Unrestricted		245,379	362,386	227,436	360,535
Restricted	17	433,143	609,998	433,143	609,998
		<u>678,522</u>	<u>972,384</u>	<u>660,579</u>	<u>970,533</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the trustees on 14<sup>TH</sup> DEC 2006 and are signed on its behalf by:

bn  
  
 E Maburutse

The notes on pages 14 to 24 form part of these financial statements

# THE CEED (CHARITY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

### YEAR ENDED 31 MARCH 2006

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#### 1 Accounting policies

- a) The financial statements have been prepared under the historical cost convention, and in accordance with Companies Act 1985, applicable accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities issued in 2005.

The charity has availed itself of Paragraph 3(3) of Schedule 4 of the companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the charity's activities.

- b) These financial statements consolidate the results of the charity and its subsidiary, Centre for Employment and Enterprise Development Limited, on a line by line basis. A separate statement of financial activities is not presented because the charity has taken advantage of the provisions of paragraph 304 of the SORP.
- c) Income from donations is included incoming resources when these are receivable, except as follows:
- I) When donors specify that donations given to the charity must be used in future accounting periods, the income is deferred until those periods.
  - II) When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred until the pre-condition has been met.
- d) Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods. All material grants are disclosed in accordance with the Statement of Recommended Practice.
- e) Resources expended are accounted for on an accruals basis and have been classified under headings that aggregate all costs related to the category. Resources expended include attributable VAT which cannot be recovered.
- f) Resources expended are allocated to direct costs where the costs directly relate to that activity. Certain other costs, which are attributable to more than one category, are apportioned across cost categories as follows:
- |                               |     |
|-------------------------------|-----|
| Support costs                 | 80% |
| Management and administration | 20% |
- g) Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Management and administration costs are those costs incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.
- h) Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:
- |                    |                              |
|--------------------|------------------------------|
| Leasehold property | - Over the term of the lease |
| Fixture & Fittings | - 25% reducing balance       |
| Equipment          | - 15% reducing balance       |

The Trustees consider that the level of repairs and maintenance on buildings will result in the residual value of these assets exceeding the original cost, and therefore have not provided for any depreciation for the year in respect of these assets.



# THE CEED (CHARITY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

### 1 Accounting policies (*continued*)

- i) Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.
- j) Deferred government grants in respect of capital expenditure are treated as deferred income and are credited to the profit and loss account over the estimated useful life of the asset to which they relate.
- k) The charity has arranged a defined contribution scheme for its staff. Pension costs charged in the SOFA represent the contributions payable by the charity in the period.
- l) Rentals applicable to operating lease agreements where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.
- m) Unrestricted funds can be used in accordance with the charitable objects at the discretion of the trustees.
- n) Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.
- o) Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

### 2 Grants receivable

	Unrestricted	Restricted	Total Funds 2006	Total Funds 2005
	£	£	£	£
Bristol C.C - SRB	-	10,778	10,778	39,488
Bristol C.C - ESF	-	20,304	20,304	29,792
Neighbourhood renewal fund	-	17,000	17,000	12,750
Neighbourhood housing - local labour	-	20,000	20,000	35,963
Filton college	-	68,988	68,988	54,409
Bristol university	-	9,500	9,500	9,500
Phoenix fund	-	82,459	82,459	77,169
Phoenix loan fund	-	27,331	27,331	50,730
Learning skills council	-	-	-	50,321
Business link	79	-	79	-
Connexions - learn direct	-	15,104	15,104	14,869
Equality project	-	564,214	564,214	531,515
Objective 2 (BMB)	-	13,188	13,188	26,792
ERDF	-	6,055	6,055	-
	<u>79</u>	<u>854,921</u>	<u>855,000</u>	<u>933,298</u>

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**3 Income from trading subsidiary**

**Centre for Employment  
and Enterprise  
Development Limited  
2006  
£**

**Centre for Employment  
and Enterprise  
Development Limited  
2005  
£**

Vending machine and bar sales

19,993

11,259

19,993

11,259

**4 Cost of generating funds**

Unrestricted	Restricted	Total Funds 2006	Total Funds 2005
£	£	£	£

Marketing and advertising

21,582

-

21,582

21,528

Hospitality

12,238

-

12,238

4,427

33,820

-

33,820

25,955

**5 Cost of trading subsidiary**

**Centre for Employment  
and Enterprise  
Development Limited  
2006  
£**

**Centre for Employment  
and Enterprise  
Development Limited  
2005  
£**

Cost of sales

8,349

8,262

Administrative expenses

14,691

17,323

23,040

25,585

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**6 Charitable expenditure**

	Unrestricted	Restricted	Total Funds 2006	Total Funds 2005
	£	£	£	£
Wages and salaries	343,150	347,627	690,777	689,886
College fees and training resources	16,998	9,298	26,296	57,882
Training	9,494	-	9,494	12,077
Allowances for trainees	194,452	260,000	454,452	545,471
Travel and car parking	-	1,105	1,105	2,259
Conferences, membership and subs	10,513	-	10,513	12,319
Resources	7,489	-	7,489	6,295
Room hire	16,417	-	16,417	17,109
Childcare expenses	1,570	-	1,570	4,056
Create partnership	3,895	208,814	212,709	85,323
<b>Support costs:</b>				
Telephone	7,954	1,400	9,354	10,100
Postage, printing and stationery	20,080	2,718	22,798	34,910
Consultancy fees	-	82,994	82,994	32,422
Heat and light	8,558	5,690	14,248	13,590
Rates and water	6,053	4,018	10,071	13,772
Other office costs	-	22,634	22,634	39,504
Staff travel and subsistence	3,734	11,899	15,633	24,698
Depreciation	7,237	-	7,237	27,220
Office costs	4,737	8,831	13,568	9,078
Bank charges	4,808	-	4,808	4,197
Bad debts	-	-	-	39,575
Loss/(gain) on disposal of fixed assets	(1)	-	(1)	2,242
Other	6,332	6,020	12,352	13,486
	<u>673,470</u>	<u>973,048</u>	<u>1,646,518</u>	<u>1,697,471</u>

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**7 Governance costs**

	Unrestricted	Restricted	Total Funds 2006	Total Funds 2005
	£	£	£	£
Wages and salaries	3,895	-	3,895	3,944
Audit fees	11,513	-	11,513	8,600
Professional fees	14,101	-	14,101	37,893
Trustee expenses	538	-	538	432
	<u>30,047</u>	<u>-</u>	<u>30,047</u>	<u>50,869</u>

**8 Net incoming resources for the year**

This is stated after charging:

	2006	2005
	£	£
Depreciation	7,237	27,220
Auditors' remuneration	11,513	8,600
Accountancy fees	-	-
Management committee remuneration	-	-
Payment of committee expenses	<u>538</u>	<u>432</u>

11 members of the management committee had expenses reimbursed during the year.

**9 Staff costs and numbers**

The aggregate payroll costs were:

	2006	2005
	£	£
Wages and salaries	612,341	611,450
Social security costs	61,007	61,007
Other pension costs	17,429	17,429
	<u>690,777</u>	<u>689,886</u>

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2006**

**9 Staff cost and numbers (*continued*)**

No employee received emoluments of more than £60,000.

The average weekly number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2006 No.	2005 No.
Number of administrative staff	6	6
Number of management staff	3	3
Number of technical staff	16	16
	<u>25</u>	<u>25</u>

**10 Taxation**

The charity is exempt from corporation tax on its charitable activities.

**11 Tangible fixed assets**

Consolidated:	Freehold buildings £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2005	943,257	267,098	1,210,355
Revaluations	(106,780)	-	(106,780)
Additions	2,396	20,846	23,242
Disposals	-	(1,400)	(1,400)
At 31 March 2006	<u>838,873</u>	<u>286,544</u>	<u>1,125,417</u>
<b>Depreciation</b>			
At 1 April 2005	15,724	233,012	248,736
Charge for the year	3,711	8,244	11,955
Disposals	-	(1,399)	(1,399)
At 31 March 2006	<u>19,435</u>	<u>239,857</u>	<u>259,292</u>
<b>Net book value</b>			
At 31 March 2006	<u>819,438</u>	<u>46,687</u>	<u>866,125</u>
At 31 March 2005	<u>927,533</u>	<u>34,086</u>	<u>961,619</u>

# THE CEED (CHARITY) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2006

### 11 Tangible fixed assets *(continued)*

Charity:	Freehold buildings £	Office equipment £	Total £
<b>Cost</b>			
At 1 April 2005	479,384	236,294	715,678
Revaluations	(106,780)	-	(106,780)
Additions	2,396	20,846	23,242
Disposals	-	(1,400)	(1,400)
At 31 March 2006	<u>375,000</u>	<u>255,740</u>	<u>630,740</u>
<b>Depreciation</b>			
At 1 April 2005	-	206,234	206,234
Charge for the year	-	7,237	7,237
Disposals	-	(1,399)	(1,399)
At 31 March 2006	<u>-</u>	<u>212,072</u>	<u>212,072</u>
<b>Net book value</b>			
At 31 March 2006	<u>375,000</u>	<u>43,668</u>	<u>418,668</u>
At 31 March 2005	<u>479,384</u>	<u>30,060</u>	<u>509,444</u>

The revaluation was carried out by CJ Hole Surveying on 8 December 2005 at a market value of £375,000.  
The historical cost of this property is £481,780.

### 12 Stocks

	Group 2006 £	Group 2005 £	Charity 2006 £	Charity 2005 £
Stock	3,964	5,077	3,964	5,077
Trading stocks for resale	2,027	1,200	-	-
	<u>5,991</u>	<u>6,277</u>	<u>3,964</u>	<u>5,077</u>

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**13 Debtors**

	<b>Group 2006</b>	<b>Group 2005</b>	<b>Charity 2006</b>	<b>Charity 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	145,567	151,298	145,567	151,298
Owed by trading subsidiary	-	-	23,804	29,817
Grants receivable	209,738	412,310	209,738	412,310
Other debtors	129,948	118,224	129,721	118,224
Provision for partners income	66,531	-	66,531	-
Prepayments	-	2,204	-	2,204
	<u>551,784</u>	<u>684,036</u>	<u>575,361</u>	<u>713,853</u>

Included within the above are other debtors falling due after more than one year:

	<b>Group 2006</b>	<b>Group 2005</b>	<b>Charity 2006</b>	<b>Charity 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other debtors	<u>24,006</u>	<u>59,249</u>	<u>24,006</u>	<u>59,249</u>

Other debtors falling due after more than one year relates to YEDF loans which are repayable over a maximum period of three years and carry interest at a fixed rate of 9% per annum for the duration of the loan.

**14 Creditors: amounts falling due within one year**

	<b>Group 2006</b>	<b>Group 2005</b>	<b>Charity 2006</b>	<b>Charity 2005</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank overdrafts	61,201	118,490	61,201	118,490
Trade creditors	204,759	88,939	204,759	88,939
PAYE/NIC liability	20,862	16,246	20,862	16,246
Other creditors	68,727	70	66,533	-
Accruals and deferred income	51,630	48,523	49,390	46,034
	<u>407,179</u>	<u>272,268</u>	<u>402,745</u>	<u>269,709</u>

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**15 Amounts falling due after more than one year**

**Government grants**

**2006                      2005**

**£                              £**

**Received and receivable**

At 1 April 2005

435,004                      435,004

At 31 March 2006

435,004                      435,004

**Amortisation**

At 1 April 2005

14,744                      11,058

Credit to profit an loss account

3,686                      3,686

At 31 March 2006

18,430                      14,744

Net balance at 31 March 2006

416,574                      420,260

**16 Commitments under operating leases**

At 31 March 2006 the charity had annual commitments under non-cancellable operating lease as set out below.

**2006                      2005**

**Land and                      Land and**  
**Buildings                      Buildings**

**£                              £**

**Operating leases which expire:**

Within 2 to 5 years

1,708                      1,708



**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**17 Movement in funds**

	At 01-Apr 2005 £	Incoming resources £	Outgoing resources £	Transfers £	At 31-Mar 2006 £
<b>Restricted funds</b>					
Restricted donation	346,085	-	(77,089)	-	268,996
Training unit development reserve	50,000	-	(11,137)	-	38,863
Media centre	-	79,288	(73,718)	-	5,570
Enterprise unit	-	128,202	(118,549)	-	9,653
Local labour project	-	20,000	-	-	20,000
Training unit	163,183	564,214	(729,657)	2,260	-
ITU	-	27,104	(15,104)	-	12,000
CPRU	-	8,782	(30,000)	21,218	-
Phoenix loan fund	50,730	27,331	-	-	78,061
Learning skills council (PAX)	-	-	(6,020)	6,020	-
	<u>609,998</u>	<u>854,921</u>	<u>(1,061,274)</u>	<u>29,498</u>	<u>433,143</u>
<b>Unrestricted funds</b>					
Charity general funds	415,245	671,429	(737,337)	(29,498)	319,839
Revaluation	-	-	(18,554)	-	(18,554)
Trading subsidiary	(52,859)	19,993	(23,040)	-	(55,906)
	<u>362,386</u>	<u>691,422</u>	<u>(778,931)</u>	<u>(29,498)</u>	<u>245,379</u>
<b>Total funds</b>	<u>972,384</u>	<u>1,546,343</u>	<u>(1,840,205)</u>	<u>-</u>	<u>678,522</u>

The transfer from the charity general funds represents expenditure incurred on the restricted funds during the year.

Restricted donation and training unit development reserve represent amounts donated towards the purchase and development of the freehold property.

**THE CEED (CHARITY) LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2006**

**18 Analysis of net assets between funds**

	<b>Tangible Fixed assets £</b>	<b>Other Net assets £</b>	<b>Total £</b>
<b>Restricted funds</b>			
Restricted donation	268,996	-	268,996
Training unit development reserve	38,863	-	38,863
Media centre	-	5,570	5,570
Local labour project	-	20,000	20,000
ITU	-	12,000	12,000
Enterprise unit	-	9,653	9,653
Phoenix loan fund	-	78,061	78,061
	<u>307,859</u>	<u>125,284</u>	<u>433,143</u>
<b>Unrestricted funds</b>			
Charity general funds	110,809	190,476	301,285
Trading subsidiary	447,457	(503,363)	(55,906)
	<u>558,266</u>	<u>(312,887)</u>	<u>245,379</u>
	<u>866,125</u>	<u>(187,603)</u>	<u>678,522</u>

Unrestricted funds of £110,809 are represented by fixed assets. Only £190,476 is therefore available as free reserves.

**19 Company limited by guarantee**

The company is limited by guarantee and as such has no issued share capital. In the event of the event of the company being wound up the liability of the members is limited to £1 each.

**THE CEED (CHARITY) LIMITED**  
**MANAGEMENT INFORMATION**

**YEAR ENDED 31 MARCH 2006**

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**The following pages do not form part of the statutory financial statements  
which are the subject of the auditors' report on pages 10 & 11.**

**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2006**

Charity:	Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£	£
<b>Incoming resources</b>				
Donations	2,900	-	2,900	979
<i>Grants Receivable</i>				
Bristol C.C - SRB	-	10,778	10,778	39,488
Bristol C.C - ESF	-	20,304	20,304	29,792
Neighbourhood renewal fund	-	17,000	17,000	12,750
Neighbourhood housing - local labour	-	20,000	20,000	35,963
Filton college	-	68,988	68,988	54,409
Bristol university	-	9,500	9,500	9,500
Phoenix fund	-	82,459	82,459	77,169
Phoenix loan fund	-	27,331	27,331	50,730
Learning skills council	-	-	-	50,321
Business link	79	-	79	-
Connexions - learn direct	-	15,104	15,104	14,869
Equality project	-	564,214	564,214	531,515
Objective 2 (BMB)	-	13,188	13,188	26,792
ERDF	-	6,055	6,055	-
<i>Income from activities in furtherance of charities objects</i>				
Traineeships	510,342	-	510,342	581,299
Income generation	22,683	-	22,683	5,989
Private students	74,618	-	74,618	160,856
<i>Activities in generating funds</i>				
Room and rental hire	55,384	-	55,384	83,410
Other fundraising income	4,050	-	4,050	11,697
Bank interest receivable	747	-	747	1,073
Other income	626	-	626	2,390
<b>Total incoming resources</b>	<b>671,429</b>	<b>854,921</b>	<b>1,526,350</b>	<b>1,780,991</b>

**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 MARCH 2006**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
<b>Resources expended</b>				
<i>Cost of generating funds</i>				
<b>Fundraising and publicity</b>				
Marketing and advertising	21,582	-	21,582	21,528
Hospitality	12,238	-	12,238	4,427
	<u>33,820</u>	<u>-</u>	<u>33,820</u>	<u>25,955</u>
 <i>Charitable expenditure</i>				
<b>Charitable activities</b>				
Wages and salaries	364,150	347,627	711,777	689,886
College fees and training resources	16,998	9,298	26,296	57,882
Training	9,494	-	9,494	12,077
Allowances for trainees	194,452	260,000	454,452	545,471
Travel and car parking	-	1,105	1,105	2,259
Conferences, membership and subs	10,513	-	10,513	12,319
Resources	7,489	-	7,489	6,295
Room hire	16,417	-	16,417	17,109
Childcare expenses	1,570	-	1,570	4,056
Create partnership	3,895	208,814	212,709	85,323
<b>Support costs:</b>				
Telephone	7,954	1,400	9,354	10,100
Postage, printing and stationery	20,080	2,718	22,798	34,910
Consultancy fees	-	82,994	82,994	32,422
Heat and light	8,558	5,690	14,248	13,590
Rates and water	6,053	4,018	10,071	28,022
Other office costs	-	22,634	22,634	39,504
Staff travel and subsistence	3,734	11,899	15,633	24,698
Depreciation	7,237	-	7,237	27,220
Office costs	4,737	8,831	13,568	9,078
Bank charges	4,808	-	4,808	4,197
Bad debts	-	-	-	39,575
Loss/(gain) on disposal of fixed assets	(1)	-	(1)	2,242
Other	6,332	6,020	12,352	13,486
	<u>694,470</u>	<u>973,048</u>	<u>1,667,518</u>	<u>1,711,721</u>

**THE CEED (CHARITY) LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 MARCH 2006**

	Unrestricted Funds	Restricted Funds	Total Funds 2006	Total Funds 2005
	£	£	£	£
<b>Governance costs</b>				
Wages and salaries	3,895	-	3,895	3,944
Audit fees	11,513	-	11,513	8,600
Professional fees	14,101	-	14,101	37,893
Trustee expenses	538	-	538	432
	<u>30,047</u>	<u>-</u>	<u>30,047</u>	<u>50,869</u>
<b>Total resources expended</b>	<u>758,337</u>	<u>973,048</u>	<u>1,731,385</u>	<u>1,788,545</u>
<b>Net incoming/(outgoing) resources</b>	<u>(86,908)</u>	<u>(118,127)</u>	<u>(205,035)</u>	<u>(7,554)</u>

# THE CEED (CHARITY) LIMITED

## KEY PERFORMANCE INDICATORS

YEAR ENDED 31 MARCH 2006

	2006	2005	2004	2003	2002
Total Income	1,526,350.00	1,520,263.00	1,780,991.00	1,180,380.00	1,102,950.00
Total Funds	660,579.00	820,142.00	978,078.69	950,627.00	1,084,354.00
Total Investments	n/a	n/a	n/a	n/a	n/a
Return on investments	n/a	n/a	n/a	n/a	n/a
Governance costs as % of total income	1.97%	7.44%	2.86%	6.00%	15.52%
Governance costs as % of total expenditure	1.74%	6.55%	2.84%	6.00%	16.13%
Fundraising costs as % of total expenditure	1.95%	1.96%	1.45%	1.60%	0.95%
Fundraising costs as % of voluntary income	486.62%	486.62%	204.76%	187.67%	
Number of employees	25	25	18	18	11
Average salary	24,493.64	24,458.00	27,937.67	22,497.33	24,938.64
Payroll costs as % of total income	45.26%	36.11%	34.31%	34.34%	27.21%
Payroll costs as % of total expenditure	39.90%	31.81%	38.08%	38.08%	28.32%