

**REPORT OF THE DIRECTORS AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 1998  
FOR  
BRITISH ASSOCIATION FOR OPEN LEARNING**

2374570



**BRITISH ASSOCIATION FOR OPEN LEARNING**

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FOR THE YEAR ENDED 31ST MARCH 1998**

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**BRITISH ASSOCIATION FOR OPEN LEARNING**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST MARCH 1998**

**DIRECTORS:**

C. Jeffries  
Mrs. I. Cooke  
O.D. McLeod  
P. Sinclair  
Mrs. J. Warren  
D. Evans  
Mrs. J. Robinson  
Mrs. H. Bullough  
A.G.A. Elliot  
D. Singleton

**SECRETARY:**

P. Sinclair

**REGISTERED OFFICE:**

Suite 16  
Pixmore House  
Pixmore Avenue  
Letchworth  
Hertfordshire  
SG6 1JG

**REGISTERED NUMBER:**

2374570

**AUDITORS:**

Wickham, Hunt & Co  
Chartered Accountants and  
Registered Auditors  
Venture House  
Fifth Avenue  
Letchworth  
Herts. SG6 2HW

**BANKERS:**

Lloyds Bank  
1 Bancroft  
Letchworth  
Herts.  
SG5 1JG

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 1998**

The directors present their report with the financial statements of the company for the year ended 31<sup>st</sup> March 1998.

#### **CHARITY**

The company is a registered charity and is limited by guarantee. In the event of liquidation the liability of the members is limited to £10.

The charity registration number is 328229.

#### **STATEMENT OF 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 affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to: -

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

#### **PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the promotion of open learning, and to provide members with a nationally recognised federation.

#### **CHAIRMAN'S ANNUAL REPORT**

The financial year 1997/98 has been a year of consolidation for BAOL; much of the strategic planning from the past two years has now been put in place which makes the organisation far more effective in providing a wide range of services for the membership. The main objective for the BAOL Directors and operational team has been to address the current and developing needs of its members, consequently earlier this year an "information needs survey" was distributed to every member of part of a consultation process. This information has now been compiled into a report, which will contribute to the formulation of a three-year strategic plan.

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 1998**

#### **CHAIRMAN'S ANNUAL REPORT Cont...**

I am pleased to report that this year the financial position of BAOL is in a positive state, the membership is growing and the accounts show a small surplus as expected. Management information is now available from the new finance system which is in place and operational. The system is capable of handling all BAOL financial transactions, which will in the longer term save the external costs previously incurred. The marketing officer is developing the system database to manage the support information for all marketing activity. The system allows tracking of the members fee payments and monitoring of project income.

BAOL membership has increased over the past year to approximately 130 members. Many of the new members are representative of the Corporate sector; this reflects the growing interest in the use of open learning and the new technologies in industry. The development of the University for Industry and the increase in companies establishing learning centres as part of their training strategy can only be good news for BAOL. However, this does not mean we can be complacent, we need to continue to recruit new members to further strengthen the organisation.

We have been fortunate in recent years to receive funding for a number of development projects from the DfEE. The Board of Directors recognise this funding could reduce significantly over the forthcoming years and therefore BAOL must look to other sources of income generation.

The financial year 1998/99 will be challenging; much of the activity will be linked to the further development of the BAOL Quality Mark and the full implementation of the system. This is obviously one of the most important developments for BAOL, working with both members and non-members across the UK, providing a vehicle for organisations to achieve a quality award for their products and services in open learning. The Quality Mark pilot was successfully completed in March 1998 and launched at the BAOL Conference held in Oxford in April 1998 with successful organisations being presented with their prestigious awards.

The BAOL Board of Directors has approved an additional post to support the General manager with the ongoing development of the Quality mark, to be appointed from October 1998.

As part of the BAOL strategy it was agreed by the Board of Directors that BAOL would host at least four members' meetings each year at different geographical locations, providing opportunity for BAOL members to exchange good practice and address other current open learning issues. This idea has proved successful and members have requested that these meetings continue.

By far our biggest event of the year was the BAOL Conference held in Oxford in April 1998. Two hundred delegates attended, and a wide range of contributions were made by speakers from a range of sectors which overall made the event a major success. A report on feedback from the Conference was presented to the Board of Directors at their meeting in July 1998. It was agreed a further BAOL Conference would be planned for a date and venue to be agreed in spring 2000. In the interim to ensure opportunities arise for members from other sectors to meet on a more regular basis, two major events will be organised as twenty-four hour workshops, the first to take place in April 1999 at Warwick University.

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 1998**

#### **CHAIRMAN'S ANNUAL REPORT Cont...**

Increasingly organisations are being encouraged to collaborate and form strategic partnerships. As a consequence the Chair and General Manager have been involved in consultations with a number of other key organisations. A meeting with the University for Industry Transition Team and BAOL has taken place. As a result, BAOL has been advised by DfEE to present proposals for project work by September 1998. The team is interested primarily in the BAOL Quality Mark and the expertise of our membership. Key areas the Ufi will address are the issues of quality and kite marking.

BAOL continues to represent its members at the UK Flexible learning Forum, which meets throughout the year, acting as an advisory group to the DfEE on appropriate Government policies. This year the UKFLF provided a response to the Green paper "The learning Age" as a key part of their work.

The need to establish BAOL in Europe has been recognised but with some caution. An opportunity to link into a European network, which could provide benefits for members, came about in March 1998 when the UK, represented by BAOL, signed a declaration with eight European countries to establish a "European Federation for Open Distance Learning". The Federation has now developed its own Constitution and has a mission to create a pan-European network of national networks, which will promote the use of open distance learning methodologies. A website is currently under construction and will initially establish hot links with the eight founder member countries.

As Chair of BAOL I was invited to take part in the Government's "National Advisory Group for Continuing Education and Lifelong Learning" – a sub group looking at "Technology for learning" making key recommendations for the Government Green Paper on Lifelong Learning. The final copy of this report "Changing Learners, Changing Technologies" is now available at the BAOL Head Office.

It is now part of BAOL's continuing strategy to collaborate with other organisations and to form appropriate partnerships to enhance knowledge and learn more about the activities of similar organisations. Working closely with the British Quality Foundation using their Business Excellence Model has helped significantly with the development of the BAOL Quality Mark.

A partnership has also been agreed with the Careers in Action (CII) group who organise the WOLCE exhibition to be held in Birmingham at the NEC in September 1998, which is attended by more than 2000 individuals from across the UK. The Conference organisers have offered BAOL the facility of a free stand and direct involvement in the programme. At the CII event BAOL will take the opportunity to offer delegates information on the Quality Mark and other BAOL services.

Ongoing discussions are taking place with "Technologies For Training" – TFT Ltd another funded DfEE initiative. TFT is a strand DfEE will continue to fund and develop over the next two years alongside the BAOL Quality mark. Similarly BAOL has maintained links with the "Open Distance Learning Quality Council" – ODQLC, who are keen to collaborate in all areas of quality and open learning development.

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 1998**

#### **CHAIRMAN'S ANNUAL REPORT Cont...**

Through the BAOL Bulletin, BAOL recently announced the launch of its own Website [www.baol.co.uk](http://www.baol.co.uk), which provides information on the complete range of services available and general information about BAOL. This will be further developed over the next year and will serve as a communication vehicle for BAOL.

It is not easy to predict the future but the hard work of the Directors, staff and the continuing commitment of members is helping to position BAOL firmly within the training and development sector. The organisation now needs to build on its previous strategy to take initiatives forward into the new millennium.

#### **DIRECTORS**

The directors during the year under review were:

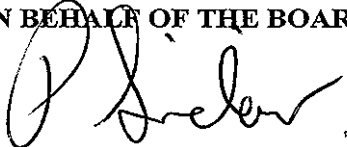
C Jeffries	
Mrs I Cooke	
O D McLeod	
P J Shufflebotham	- resigned 05.09.1997
P Sinclair	- appointed 19.02.1998
Mrs J Warren	
D Evans	
Ms M Adolphus	- resigned 05.09.1997
Mrs J Robinson	
Mrs H Bullough	
AGA Elliot	
D Singleton	- appointed 19.02.1998

#### **AUDITORS**

The auditors, Wickham, Hunt & Co, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

#### **ON BEHALF OF THE BOARD:**



**P Sinclair – Secretary**

**Dated: 30<sup>th</sup> September 1998**

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **REPORT OF THE AUDITORS TO THE MEMBERS OF BRITISH ASSOCIATION FOR OPEN LEARNING**

We have audited the financial statements on pages seven to twelve which have been prepared under the historical cost convention and the accounting policies set out on page nine.

#### **Respective responsibilities of directors and auditors**

As described on page two the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

#### **Basis of 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 of the state of the charitable company's affairs as at 31st March 1998 and of its incoming resources and application of resources, including its income and expenditure in the year then ended, and have been properly prepared in accordance with the Companies Act 1985.

Wickham, Hunt & Co  
Chartered Accountants and  
Registered Auditors  
Venture House  
Fifth Avenue  
Letchworth  
Herts. SG6 2HW

A large, stylized handwritten signature in black ink, likely belonging to a partner or director of Wickham, Hunt & Co, written over a horizontal line.

Dated: 30th September 1998



**BRITISH ASSOCIATION FOR OPEN LEARNING**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 1998**

	Notes	Unrestricted Funds £	Totals 1998 £	Totals 1997 £
<b>INCOMING RESOURCES</b>				
Project income	14	202,607	202,607	233,217
Membership subscriptions		25,137	25,137	19,466
Open learning today		18,338	18,338	22,296
Interest recoverable		1,604	1,604	1,422
		<hr/>	<hr/>	<hr/>
<b>Total incoming resources</b>		247,686	247,686	276,401
		<hr/>	<hr/>	<hr/>
<b>RESOURCES EXPANDED</b>				
Direct project costs	14	100,407	100,407	134,052
Open learning today		37,335	37,335	35,787
Management and administration	15	101,614	101,614	100,610
		<hr/>	<hr/>	<hr/>
<b>Total Resources Expanded</b>		239,356	239,356	270,449
		<hr/>	<hr/>	<hr/>
Net incoming resources	03	8,330	8,330	5,952
Other recognised gains and losses		-	-	-
Net movement in funds		8,330	8,330	5,952
Balances Brought Forward		60,947	60,947	54,995
		<hr/>	<hr/>	<hr/>
Balances Carried Forward		69,277	69,277	60,947
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The notes form part of these financial statements

**BRITISH ASSOCIATION FOR OPEN LEARNING**

**BALANCE SHEET  
31ST MARCH 1998**

	Notes	1998		1997	
		£	£	£	£
<b>FIXED ASSETS:</b>					
Tangible assets	6		7,626		6,252
<b>CURRENT ASSETS:</b>					
Debtors	7	54,344		55,371	
Cash at bank		66,758		107,351	
		121,102		162,722	
<b>CREDITORS:</b> Amounts falling due within one year	8	59,451		108,027	
<b>NET CURRENT ASSETS:</b>			61,651		54,695
<b>TOTAL ASSETS LESS CURRENT LIABILITIES:</b>			<u>£69,277</u>		<u>£60,947</u>
<b>RESERVES:</b>					
Profit and loss account			69,277		60,947
	12		<u>£69,277</u>		<u>£60,947</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.

**ON BEHALF OF THE BOARD:**



Mrs. J. Robinson - DIRECTOR



Mrs. I. Cooke - DIRECTOR

Approved by the Board on 30th September 1998

The notes form part of these financial statements

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1998**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

The financial statements have been prepared under the historical cost convention.

##### **Tangible fixed assets**

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

Office equipment	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance
Exhibition equipment	- 15% on reducing balance
Computer equipment	- Straight line over 3 years

##### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

##### **Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the profit and loss account as incurred.

#### **2. TURNOVER**

Income is derived from invoiced subscriptions, conferences, courses, project management and consultancy fees excluding value added tax.

#### **3. OPERATING PROFIT**

The operating profit is stated after charging:

	1998	1997
	£	£
Depreciation - owned assets	2,138	1,985
Auditors' remuneration	2,085	1,750
Hire of vehicles	3,853	2,302
Directors' emoluments and other benefits etc	-	-
Bookkeeping and Accountancy	5,400	5,400
Consultancy and Advice	815	1,561

#### **4. TAXATION**

No provision for taxation is required within these accounts as in accordance with section 505 of the Income and Corporation Taxes Act 1988, the charity is exempt from corporation tax.

# BRITISH ASSOCIATION FOR OPEN LEARNING

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 1998

### 5. EMOLUMENTS OF EMPLOYEES

Total emoluments of employees during the year were £59,612.11 (including benefits-in-kind of £3,796.33). The average number of employees during the year was 3.

### 6. TANGIBLE FIXED ASSETS

	Office equipment	Fixtures and fittings	Exhibiti- on equipment	Computer equipment	Totals
	£	£	£	£	£
<b>COST:</b>					
At 1st April 1997	4,853	2,834	4,105	14,278	26,070
Additions	-	-	-	3,512	3,512
At 31st March 1998	4,853	2,834	4,105	17,790	29,582
<b>DEPRECIATION:</b>					
At 1st April 1997	2,542	1,104	1,960	14,212	19,818
Charge for year	347	260	322	1,209	2,138
At 31st March 1998	2,889	1,364	2,282	15,421	21,956
<b>NET BOOK VALUE:</b>					
At 31st March 1998	1,964	1,470	1,823	2,369	7,626
At 31st March 1997	2,311	1,730	2,145	66	6,252

### 7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Trade debtors	36,280	53,013
Other debtors	575	96
Prepayments & accrued income	17,489	2,262
	<u>54,344</u>	<u>55,371</u>

### 8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	1998 £	1997 £
Bank loans and overdrafts (see note 9)	2,197	7,387
Trade creditors	12,319	37,317
Other creditors	44,935	63,323
	<u>59,451</u>	<u>108,027</u>

**BRITISH ASSOCIATION FOR OPEN LEARNING**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST MARCH 1998**

**9. LOANS AND OVERDRAFTS**

An analysis of the maturity of loans and overdrafts is given below:

	1998 £	1997 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>2,197</u>	<u>7,387</u>

**10. OBLIGATIONS UNDER LEASING AGREEMENTS**

The following payments are committed to be paid within one year:

	Operating leases			
	Land and buildings		Other	
	1998 £	1997 £	1998 £	1997 £
Expiring:				
Within one year	6,248	5,796	-	-
Between one and five years	-	-	3,853	3,854
	<u>6,248</u>	<u>5,796</u>	<u>3,853</u>	<u>3,854</u>

**11. TRANSACTIONS WITH DIRECTORS**

No remuneration or benefits-in-kind were paid during the year to directors. However directors are reimbursed for any expenses incurred in carrying out their duties. These expenses are mainly mileage allowances and overnight accommodation for attending board meetings and conferences.

The aggregate amount reimbursed for a total of 11 directors was £7,216.

Additionally £4,299 was reimbursed to a Director for providing and installing a new computer system.

**12. RECONCILIATION OF MOVEMENTS IN RESERVES**

	1998 £	1997 £
Profit for the financial year	<u>8,330</u>	<u>5,952</u>
<b>NET ADDITION TO RESERVES</b>	8,330	5,952
Opening reserves	<u>60,947</u>	<u>54,995</u>
<b>CLOSING RESERVES</b>	<u>69,277</u>	<u>60,947</u>

**13. SHARE CAPITAL**

The company is limited by guarantee and therefore has no share capital.