

*Company Report*

**BRITISH ASSOCIATION FOR OPEN LEARNING**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31ST MARCH 2001**

**CHARITY REGISTRATION NUMBER: 328229**

**COMPANY REGISTRATION NUMBER: 2374570**



**Leadermans**

**Chartered Certified Accountants & Registered Auditors**

**St. Michaels House, Norton Way South, Letchworth, Hertfordshire, SG6 1NY**

# **BRITISH ASSOCIATION FOR OPEN LEARNING**

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# **BRITISH ASSOCIATION FOR OPEN LEARNING**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31ST MARCH 2001**

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The directors present their report and the unaudited financial statements for the year ended 31st March 2001.

### **Legal and administrative details**

**Status:** The company is a registered charity and is limited by guarantee. In the event of liquidation the liability of each member is limited to £10.

**Principal address:** Suite 12, Pixmore Centre  
Pixmore Avenue  
Letchworth  
Hertfordshire  
SG6 1JG

The charity's professional advisers are as follows:

**Reporting Accountants:**  
Leadernans  
St. Michaels House  
Norton Way South  
Letchworth  
Herts, SG6 1NY

**Bankers:**  
Lloyds TSB plc  
1 Bancroft  
Hitchin  
Herts  
SG5 1JG

**Charity objectives:** The principal objective of the charity in the year under review was that of the promotion of open learning, and to provide members with a nationally recognised federation.

# **BRITISH ASSOCIATION FOR OPEN LEARNING**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31ST MARCH 2001**

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### **Chairman's Annual Report**

BAOL has successfully met its obligations to members for the year 2000-2001. The strategy to develop the membership and associated services has been maintained. This has been achieved primarily through the marketing activity of the General Manager, the Marketing and Development Manager and the full BAOL team with support from the BAOL Directors.

The BAOL Conferences proceeded as planned with events hosted in both England and Scotland. It should be noted however that although the BAOL budget for 2000-2001 showed a surplus of just over £2,000, this included the contribution from the Warwick Conference for 2001. However, given that the Conference was moved from March 2001 as originally planned, to April 2001, the conference revenues and costs have been allocated to the 2001-2002 financial year. This has resulted in a deficit in the accounts of £16,631 for 2000 - 2001. While this has had a detrimental effect on the presentation of BAOL's financial position, the Directors are of the opinion that BAOL's financial performance, in reality remains on track.

This does however illustrate how BAOL currently operates within tight financial constraints and in the most cost effective way for providing benefits to its' members.

**IRENE COOKE**

*Chair*

*July 2001*

# **BRITISH ASSOCIATION FOR OPEN LEARNING**

## **DIRECTORS' REPORT**

**FOR THE YEAR ENDED 31ST MARCH 2001**

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### **Directors and their interests**

Those who served as directors during the year and up to the date of this report were as follows:

#### **Name of director**

Mrs I Cooke	
Mr D Wolfson	
Mr P Sinclair	
Mr T Elliott	- (resigned 22nd November 2000)
Mr A Rudman	- (resigned 19th March 2001)
Mr D Singleton	
Ms H Thurley	
Mrs J Warren	
Mrs J Robinson	- (resigned 22nd November 2000)
Squadron Leader Paul Brennan	- (appointed 22nd November 2000)
Mr C Hilditch	- (appointed 22nd November 2000)
Mr A Young	- (appointed 22nd November 2000)

No director has any beneficial interest in the charitable company. All directors are members of the company and guarantee to contribute £10 in the event of a winding up. The number of guarantees at 31st March 2001 was 9 (2000: 9).

### **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 surplus or deficit of the company for that year. 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;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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 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.

### **Small company exemptions**

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

# BRITISH ASSOCIATION FOR OPEN LEARNING

## DIRECTORS' REPORT

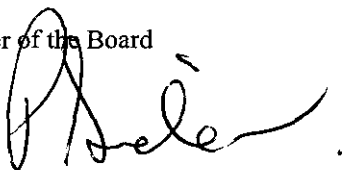
FOR THE YEAR ENDED 31ST MARCH 2001

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### Reporting Accountants

A resolution to reappoint Leadernans Chartered Certified Accountants as Reporting Accountants will be put to the members at the Annual General Meeting.

By order of the Board



Mr P Sinclair, Secretary  
25th July 2001

Suite 12, Pixmore Centre  
Pixmore Avenue  
Letchworth  
Hertfordshire  
SG6 1JG

# **REPORTING ACCOUNTANTS' REPORT TO THE DIRECTORS ON THE UNAUDITED FINANCIAL STATEMENTS OF**

## **BRITISH ASSOCIATION FOR OPEN LEARNING**

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We report on the financial statements for the year ended 31 March 2001 set out on pages 6 to 12.

### **Respective responsibilities of directors and reporting accountants**

As described on page 3, the company's directors are responsible for the preparation of the financial statements, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

### **Basis of opinion**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the financial statements with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

### **Opinion**

In our opinion:

- i the financial statements are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985.
- ii having regard only to, and on the basis of, the information contained in those records:
  - a the financial statements have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act
  - b the company satisfied the conditions for exemption from an audit of the financial statements for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).



**Leadermans**

**Chartered Certified Accountants and Registered Auditors**

**St. Michaels House  
Norton Way South  
Letchworth  
Herts  
SG6 1NY**

25th July 2001

# BRITISH ASSOCIATION FOR OPEN LEARNING

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST MARCH 2001

	Notes	Unrestricted funds £	Restricted funds £	2001 £	2000 £
<b>Incoming resources</b>					
Internet		298	-	298	-
Flexible training strategies project		6,383	-	6,383	54,395
Scottish conference		15,651	-	15,651	-
Quality guide		679	-	679	849
Open learning today		13,433	-	13,433	16,391
Socrates		1,673	-	1,673	-
Membership		70,493	-	70,493	55,325
BAOL conferences		-	-	-	67,809
ADAPT and Quest		-	-	-	10,738
Quality mark		23,669	-	23,669	16,005
University for industry		95	-	95	20,916
Scottish learning		-	-	-	2,082
Deposit interest receivable		1,497	-	1,497	1,006
<b>Total incoming resources</b>		<b>133,871</b>	<b>-</b>	<b>133,871</b>	<b>245,517</b>
<b>Resources expended</b>					
Direct costs		44,776	-	44,776	123,405
Wages and salaries		32,410	-	32,410	40,957
Executive salaries		32,368	-	32,368	30,705
Rent		6,678	-	6,678	6,680
Accountancy fees		1,812	-	1,812	750
Depreciation		1,470	-	1,470	3,034
Loss on sale of fixed assets		-	-	-	925
Other overheads		30,988	-	30,988	36,530
<b>Total resources expended</b>		<b>150,502</b>	<b>-</b>	<b>150,502</b>	<b>242,988</b>
<b>Net movement on funds</b>		<b>(16,631)</b>	<b>-</b>	<b>(16,631)</b>	<b>2,529</b>
<b>Prior year adjustment</b>	9	-	-	-	22,367
<b>Funds at 1st April 2000</b>		<b>59,789</b>	<b>-</b>	<b>59,789</b>	<b>34,892</b>
<b>Funds at 31st March 2001</b>		<b>43,158</b>	<b>-</b>	<b>43,158</b>	<b>59,789</b>



# BRITISH ASSOCIATION FOR OPEN LEARNING

## BALANCE SHEET

AS AT 31ST MARCH 2001

	Notes	£	2001 £	£	2000 £
<b>Fixed assets</b>					
Tangible assets	4		3,262		4,732
			<u>3,262</u>		<u>4,732</u>
<b>Current assets</b>					
Debtors	5	35,332		35,976	
Cash at bank and in hand		72,284		74,834	
		<u>107,616</u>		<u>110,811</u>	
<b>Creditors: amounts falling due within one year</b>	6	<u>(67,720)</u>		<u>(55,754)</u>	
<b>Net current assets</b>			<u>39,896</u>		<u>55,056</u>
<b>Total assets less current liabilities</b>			<u>43,158</u>		<u>59,789</u>
			<u>43,158</u>		<u>59,789</u>
<b>Funds</b>					
Unrestricted funds - general			<u>43,158</u>		<u>59,789</u>
<b>Total funds</b>			<u>43,158</u>		<u>59,789</u>

# BRITISH ASSOCIATION FOR OPEN LEARNING

## BALANCE SHEET

AS AT 31ST MARCH 2001

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The directors are of the opinion that the company is entitled to exemption from audit conferred by Subsection 1 of Section 249A of the Companies Act 1985 for the year ended 31st March 2001.

The directors confirm that no member or members have requested an audit pursuant to Subsection 2 of Section 249B of the Companies Act 1985.

The directors confirm that they are responsible for:

ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985,

and preparing financial statements which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its results for the financial year in accordance with the requirements of Section 226 of the Companies Act 1985, and which otherwise comply with the requirements of this Act relating to financial statements, so far as applicable to the company.

The financial statements have been prepared in accordance with the special provisions relating to small companies within Part VII of the Companies Act 1985 and the Financial Reporting Standard for Smaller Entities (effective March 2000).

*Irene Cooke*

Mrs I Cooke

25th July 2001

For and on behalf of the Managing Committee

# BRITISH ASSOCIATION FOR OPEN LEARNING

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

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### 1 Accounting policies

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charity's financial statements.

#### Basis of accounting

The financial statements have been prepared under the historical cost convention, and are in accordance with applicable accounting standards, and the Charities Statement of Recommended Practice.

#### Depreciation

Depreciation is provided so as to write off the cost of tangible fixed assets over their estimated useful lives at the following annual rates.

Furniture and equipment	- 15% reducing balance
Fixtures and fittings	- 15% reducing balance
Computer equipment	- over 3 years
Exhibition equipment	- 15% reducing balance
Exhibition equipment (purchased after 1st April 98)	- over 3 years

#### Turnover

Turnover represents net invoiced sales of goods, excluding value added tax. Membership subscriptions received from members are included within the financial year of receipt (see note 9). Conference income has been included in the financial year, in which the event is held.

#### Foreign exchange

Assets and liabilities denominated in foreign currencies are translated at year end exchange rates. Exchange differences are included in the statement of financial activities.

#### Taxation

No provision has been made for corporation tax or deferred tax as the company is a registered charity and is therefore exempt.

#### Leased assets

Where assets are financed by leasing agreements that give rights approximating to ownership (finance leases), the assets are treated as if they had been purchased outright. The amount accounted for is the present value of the minimum lease payments payable during the lease term. All other leases are treated as operating leases and their rentals are charged to the profit and loss account on a straight-line basis over the lease term.

### 2 Net incoming resources before transfers

<i>The net incoming resources before transfers is stated after charging or crediting:</i>	<b>2001</b>	<b>2000</b>
	£	£
Depreciation	<b>1,470</b>	<b>3,034</b>

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# BRITISH ASSOCIATION FOR OPEN LEARNING

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31ST MARCH 2001

#### 3 Emoluments of employees

Staff costs, including executive's remuneration, were as follows:

	2001 £	2000 £
Wages and salaries	64,778	71,662
	<u>64,778</u>	<u>71,662</u>

The average number of staff employed by the charity during the year was as follows:

	Number	Number
Management	1	1
Administration	2	2
	<u>2001 £</u>	<u>2000 £</u>
Executive salaries and costs	32,367	30,705

#### 4 Tangible fixed assets

	Office equipment £	Fixtures and fittings £	Computer equipment £	Exhibition equipment £	Total £
<b>Cost</b>					
At 1st April 2000	2,646	2,595	6,709	6,223	18,173
At 31st March 2001	<u>2,646</u>	<u>2,595</u>	<u>6,709</u>	<u>6,223</u>	<u>18,173</u>
<b>Depreciation</b>					
At 1st April 2000	1,908	1,617	6,077	3,839	13,441
Charge for the year	111	147	315	897	1,470
At 31st March 2001	<u>2,019</u>	<u>1,764</u>	<u>6,392</u>	<u>4,736</u>	<u>14,911</u>
<b>Net book value</b>					
At 31st March 2001	<u>627</u>	<u>831</u>	<u>317</u>	<u>1,487</u>	<u>3,262</u>
At 31st March 2000	<u>738</u>	<u>978</u>	<u>632</u>	<u>2,384</u>	<u>4,732</u>

# BRITISH ASSOCIATION FOR OPEN LEARNING

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2001

5	Debtors	2001 £	2000 £
	Trade debtors	27,488	34,484
	Other debtors	7,844	1,492
		<u>35,332</u>	<u>35,976</u>

6	Creditors: amounts falling due within one year	2001 £	2000 £
	Trade creditors	11,469	43,126
	Other creditors	56,250	12,628
		<u>67,719</u>	<u>55,754</u>

'Other creditors' include £12,570 (2000 - £10,204) in respect of taxation and social security.

### 7 Operating lease commitments

At 31 March 2001 the company had annual commitments under non-cancellable operating leases as set out below:

	2001 £
Operating leases which expire:	
Within one year	5,183
Between two and five years	4,950
	<u>10,133</u>

### 8 Remuneration to reporting accountants

The total paid to the reporting accountants by the charity related to the following services:

	2001 £	2000 £
Accountancy and bookkeeping	1,812	750
	<u>1,812</u>	<u>750</u>

### 9 Prior year adjustment

The prior year adjustment shown on page 6 relates to the change in the accounting policy concerning membership subscriptions, as agreed by the board of directors prior to the approval of the 1999 financial statements. The board decided that subscriptions should be included within the financial year of receipt as opposed to when the amount became due for payment (see note 1).

# **BRITISH ASSOCIATION FOR OPEN LEARNING**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31ST MARCH 2001**

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### **10 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 12 directors was £2,563 (1999 - £4,086).

During the year various payments were made for services supplied by companies in which some of the directors of this company had a common interest. These payments totalled £3,829 (1999 - £10,171). All transactions were at arms length and on a purely commercial basis.