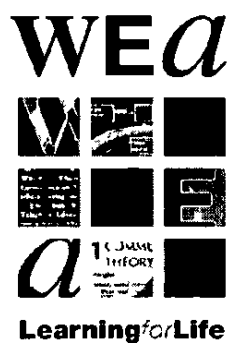


Trustees' Annual Report and Financial Statements 2009/10



Workers' Educational Association

Company limited by guarantee in England and Wales (Number 2806910) and Registered Charity (Number 1112775), and in Scotland (Number SCO39239)



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Company limited by guarantee in England and Wales (Number 2806910) and Registered Charity (Number 1112775), and in Scotland (Number SCO39239)

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Trustees & Officers

Patrons

Baroness Shephard of Northwold
Stephen Twigg, MP

Board of Trustees

Professor Richard Taylor - Chair
Colin Barnes - President
Christopher Morton - Deputy President
Lynne Smith - Deputy President
Peter Cooper - Honorary Treasurer
David Freeman
Gordon Vowles
Ruth Tanner
Cathal Lynch
Anne King
Foizul Islam
Rosemary Mayes

Audit Committee

Anne King - Chair (from 13 04 10)
David Freeman - Chair (until 13 04 10)
Janet Racklyeft
Paul Vogel
Gordon Vowles
David Lanch

Company Secretary:

Ian Pearce (IPCEP Ltd)

Senior Management Team:

General Secretary / Chief Executive:

Richard Bolsin

Association Strategic Directors

Education & Strategy
Finance & Resources
Communications & Development

Peter Templeton
David Webber
John Nixon

WEA Scotland Secretary

Joyce Cannon

Regional Directors

Eastern
East Midlands
London
North East
North West
Southern
South West
West Midlands
Yorkshire & Humber

Carolyn Daines
Mike Attwell
Soraya Patrick
Nigel Todd
Gregory Coyne
John Williams
Steven Martin
Peter Caldwell
Ann Walker

* Association Officers

Association Committee

Colin Barnes*
Christopher Morton*
Lynne Smith*
Peter Cooper*
Robin Cook
Gordon Vowles
David Freeman
Ruth Tanner
Ellen Carling
Jennifer Adshead
Kathleen Ryder
John Whinray
Elisabeth Dunnett (until 18 11 09)
Hugh Humphrey (from 18 11 09)
Cathal Lynch
Alasdair Nicolson
Helen Wildman
Moyra Riseborough (until 18 6 10)
Mary Kirby (from 18 06 10)

Principal Professional Advisers & Registered Office

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Pension Fund Trustees & Administrators:

The Pensions Trust
Verity House
6 Canal Wharf
Leeds LS11 5BQ

Solicitors:

Taylor Vinters Solicitors
Merlin Place
Milton Road
Cambridge CB4 0DP

Solicitors:

Bates, Wells & Braithwaite
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London EC4M 6YH

Balfour & Manson, Solicitors
54-66 Frederick Street
Edinburgh EH2 1LS

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Registered Charity Number (England and Wales) 1112775

Registered Charity Number (Scotland) SC039239

Registered Company Number (England and Wales) 2806910

Chair's Message

In this my fourth Report, and last in my current term of office as Chair of the WEA Trustees, I am reflecting on a year in which WEA has continued to evolve to meet the needs of our beneficiaries at a time of great change and challenge for voluntary organisations and providers of adult education

I reported last year that, to respond to such issues, Trustees had established strategic priorities on learners, members and volunteers, tutors, campaigning and public profile, and diversifying income, and I am delighted to be able to reflect on the progress on a number of these, as I shall outline below

Information elsewhere in the report will show that we have continued to reach out to learners in our target groups, with vibrant and relevant offerings rooted in each of our three curriculum strands. The overall quality of WEA provision is still good ensuring that classes are attractive to learners and, while enrolling at the first class remains a popular option, learners are now able to enrol and interact with WEA in a number of non-traditional ways by using the internet. Tutors play a vital role in all of this, and we have been pleased to involve many of them in communications and development activities during the year.

The membership scheme continues to flourish and numbers of members are increasingly active in forums on our website and in campaigning for adult education. We have also been successful in gaining significant funding for a number of volunteering projects during the year. Our effective partnerships with many organisations, at local, regional and national levels are important in helping us to make the case for such funding. I am particularly pleased for instance that we are revitalising our historical relationship with the Co-operative Group and College, through a new partnership agreement described later in the report.

As well as funding for volunteer development activities, WEA has been successful in attracting funding to support our work with learners in communities on such themes as active citizenship, digital inclusion, tackling racial inequality, health and well-being, history and the arts. We have diversified and increased funding during 2009/10 and have delivered a sound financial performance, although we remain heavily dependent on funding from government sources to enable us to meet the needs of our beneficiaries.

WEA firmly believes that, in a civilised society, it is the state's responsibility to fund all forms of adult education and indeed we have benefited from such funding for most of our 107 year existence. We have campaigned tirelessly for this throughout the year and there is no doubt WEA is in the eye of, and perceived as an important voice by, government policy makers.

Our reliance on state funding for much of our work, at a time of economic difficulty and considerable reductions in government spending, does however pose significant risks to our ability to fully deliver our mission and may do so indeed to the Association's survival in its present form. Trustees have therefore initiated a major exercise, New Look, to review all aspects of WEA's operations and organisation and to build on and accelerate the positive changes described above to redesign WEA to better face up to the challenges we will face over the coming years. We are currently going through the planning phase for this and changes will be implemented in time for the 2011/12 financial year.

The changes necessary will be far-reaching, but the Association's capacity to evolve is clear from much of what I have said above. I am confident that, with the continued commitment and enthusiasm for what we stand for of our staff, volunteers, members, learners and partners WEA will be able to reinvent itself, and to do so in a way, which is consistent with our historical mission and purpose, but also responsive to the needs of today's fast changing society.

Professor Richard Taylor
Chair

1 December 2010

Trustees' Report

The Board of Trustees of the Workers' Educational Association (who are also its Directors and the members of the company in company law) present the report and financial statements for the year ended 31 July 2010. The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the requirements of the Statement of Recommended Practice for Accounting and Reporting by Charities (revised March 2005), the Charities Acts and the Companies Acts.

1. Aims & Objectives

The Workers' Educational Association (WEA) is the UK's largest voluntary provider of adult education. Ever since it was founded in 1903 to support the educational needs of working men and women, the WEA has maintained its commitment to provide access to education and learning for adults from all backgrounds, and in particular those who have previously missed out on education.

The vision of the WEA is to be the recognised voice of adult learners, and the leading provider of adult and community learning in the UK by any standard.

In achieving this vision, the WEA aims to involve learners, volunteers, members and other partners in

- Influencing and campaigning on behalf of adult learners
- Removing barriers to learning
- Being responsive in the heart of communities
- Making the most effective use of all our resources
- Promoting learning for life
- Changing and enriching lives through learning - at individual and community levels
- Promoting adult education world-wide

The WEA operates through fundamental values that underpin its work. These include

- Creating equality and opportunity, and challenging discrimination
- Believing in people, communities and their potential to change through education
- Putting the learner at the centre of everything we do
- Challenging and questioning ourselves

Public Benefit

The Trustees are aware of, take account of and have regard where relevant to, the Charity Commission Guidance on Public Benefit. The Charity's object is set out in its Memorandum and Articles and the Trustees' current interpretation of these is set out in the first section of this report, while the report as a whole covers the Association's activities and achievements throughout England and Scotland pursuant to this object. The strength of the Association is based on active support for its values within and outside the organisation: a belief in the improving and potentially transforming nature of education, and awareness that the WEA is part of a continuing social movement dedicated to changing and improving people's lives through education.

Some examples of how the public achieve benefit from the Association in relation to its aims are

- WEA provides people with guidance on how to raise awareness of adult learning among parliamentary candidates, and influence and campaign on behalf of adult learners for the values it believes in. Following last year's public consultation on informal adult learning and the

Campaigning Alliance for Lifelong Learning (CALL)'s successful lobby of parliament on the importance of adult learning, the WEA and other organisations used the publication of the Learning Through Life report as an opportunity to generate a dialogue around adult education with local prospective parliamentary candidates (PPCs) in the run up to the 'general election. Along with other organisations in CALL, students, members, volunteers, tutors and staff were all invited to get involved and speak up on behalf of lifelong learning. Through the campaign people sent over 4,000 postcards to their local MPs across the country.

- In June 2010, the WEA sent packs to Members of Parliament which included a foldout entitled 'Making Britain Better'. The leaflet maps the way in which adult and lifelong learning make a difference nationally and locally and contributes to the objectives of 17 government departments. In essence "it provides an insight into the way the WEA creates educational opportunities" in communities for people who would otherwise not have access to learning and supports the needs of adults with learning or physical disabilities or who have missed out on education previously.
- Removing Barriers to Learning and Enriching Lives Through Learning – the WEA coordinated 'Learning for Community Involvement' (LfCI) Project aims to engage adults from disadvantaged communities in learning programmes and activities, within selected curriculum areas and enhance their capacity to influence decisions in their local community, encouraging and supporting people to see the many ways they can be involved in their communities. The project works in partnerships to effectively reach targeted individuals and groups and identify their needs and interests.
- The WEA organise courses which help learners progress from beginner level to level three of the Trinity English for Speakers of Other Languages (ESOL) tests, a requirement for British citizenship.
- Being responsive in the heart of communities - the WEA works with other public bodies to provide access to employment, volunteering, education, leisure, health and more satisfying lifestyles for clients recovering from mental illness, drugs and alcohol abuse. This has increased their confidence, self-esteem and helped to remove barriers to inclusion in education, such as memories of previous bad experiences at school.
- The WEA is playing a key role in a new initiative to support volunteers and promote learning in their homes, workplaces and communities. Anyone can become a Community Learning Champion and their role is to explain the value of learning to others - friends, relatives, and workmates - and encourage them to get involved. The WEA will be providing training to 825 community educators as part of a new one-year project. As one of the organisations involved in the Department for Business and Innovation Skills Learning Revolution project, the WEA is training and supporting 400 voluntary 'Learning activists' across all English regions. This project's outcome is the engagement of 8,000 adults in community-based self-organised learning groups.
- Promoting learning for life – although WEA courses do not always award a qualification, they give learners at over 1,500 venues across England and Scotland the confidence to go on to college to achieve qualifications and skills needed to access employment and workforce development.
- A survey carried out recently by WEA has provided valuable information about the motivations, progression and achievement of WEA students over the three years since they completed their courses. The 2009 Learner Impact Survey was sent to 10,000 people who attended community and workplace courses in the academic year 2005/06.

Over 1,000 completed the survey, enough to analyse the results by region, course subject, and student background. Of the respondents, 57% have gone to other courses, 21% of learners went on to do a qualification, 39% went on to do voluntary or community activity and 13% of Black and Minority Ethnic learners were in a better job.

- Changing and enriching lives through learning at individual and community levels - Volunteers in WEA branches organise around 5,000 courses across the country each year. In response to local interest, the WEA runs the Active Citizenship project, a community based political education and training programme where learners are equipped with the skills, knowledge and experience to become effective citizens and community leaders. During 2009/10 WEA significantly increased the proportion of its learners with physical or learning disabilities and increased the proportion from a Black or Minority Ethnic group, while more than one third of learners, in England, live in disadvantaged wards.
- WEA supports the work of other organisations outside the United Kingdom. It gives an annual grant of £12,000 to WEA Zambia.
- WEA is playing a key role in a new £1.4 million project to establish successful approaches to challenge the digital divide and deliver 200 community-based computing courses in each of the next three years. The Digital Activist Inclusion Network (DAIN) project recruits, trains and supports more than 100 volunteers, who will encourage people who feel excluded from digital technology to get involved in using it. DAIN fits well with the aims of the WEA to champion educational opportunities for those who have missed out in some way.

The WEA sets its policies taking into cognisance its commitment to providing benefits to the public. Factors that are considered include:

- Fees take into consideration the financial circumstance of potential learners and are designed to attract maximum number of learners.
- In accordance with Skills Funding Agency guidelines, assistance is offered to potential learners who are unable to pay the fees the WEA charges for its courses, so that they are not excluded from the opportunity to benefit, whether they choose to take up the opportunity or not.
- WEA targets specific grants and funding that enable it to meet its aims of benefiting potential and future learners.
- Making available Discretionary Learner Support Funds to support learners who would not otherwise have benefited from WEA courses because of challenging childcare and transport costs in accordance with Skills Funding Agency guidelines.
- WEA's policy on concession to older learners complies with the public benefit principle in that the Association provides concessions, subject to affordability, to any learner in financial hardship, regardless of age, by applying the Skills Funding Agency framework for assessing need.

2. Structure, Governance and Management

Structure

The WEA is a charity registered in England and Wales (number 1112775) in Scotland (number SC039239) and is constituted as a company registered in England and Wales and limited by guarantee (number 2806910). WEA's objects and powers are set out in its Memorandum and Articles of Association approved by the WEA National Conference 2005 and amended by the Trustees acting as company members on 19 December 2005, 6 March 2006, 2 May 2007, 9 July 2008 and 10 March 2009.

The Trustees, officers and professional advisers of the Charity are listed on pages 4 and 5. The WEA is one of the UK's biggest charities, and operates at local, regional, and national levels. It is made up of 9 regions and over 400 local branches in England and 7 Local Associations within WEA Scotland.

Through these local and regional centres, during 2009/10 the WEA organised over 10,000 courses ranging from arts and history to active citizenship and basic skills in numeracy and literacy. It enrolled over 124,000 adult learners of all ages and from all walks of life and, following the recent relaunch of its membership scheme, now has around 40,000 individual members.

Courses are created and delivered in response to local need, often in partnership with local community groups and organisations.

There is a proud tradition of voluntary and democratic practice within the Association, which is controlled by its members. At branch, regional and national levels, voluntary members are involved in the planning and provision of courses, as well as the governance of the Association.

The WEA is a national charity supported by the Government through funding from Skills Funding Agency in England, and in Scotland by the Scottish Government and Local Authorities. The Association also raises funds nationally and regionally from a variety of other sources, including the European Union, the National Lottery, other public bodies, donations and legacies from other supporters.

Governance

The Charity is governed by its Trustees who are also the Directors and members of the company, and meet four times a year. They ensure that the Association's activities carry into effect the Charity's object. Their work includes setting the strategic direction and agreeing the financial strategy and operational budgets.

The Board of twelve Trustees is made up of four Association Officers, four representatives of English Regions and Scotland and four external Trustees. A full term for any Trustee is four years and they may be re-appointed to serve for a further one term in any given office.

The Association Committee represents all Association members between Association Conferences and acts as the principal advisory body to the Board of Trustees. As well as the Association Officers, the Association Committee is made up of one voluntary representative elected from each English Region and two elected from WEA Scotland. The Board of Trustees considers recommendations, advice, and information received from the Association Committee, Association Conference, English Regional, and Scottish Committees, local and other committees across England and Scotland, staff reports and consultations with WEA members and stakeholders. Trustees formed three functional Governance Committees, reflecting the three Association Strategic Directorates – Education & Strategy, Finance & Resources and Communications & Development. The General Secretary meets regularly with the President, the Chair of the Trustees and other officers to ensure that they are all kept fully informed. Delegated decisions made at other levels of the Association are regularly reported to the Board to ensure Trustees have full information to fulfil their roles.

Other Committees in operation are Audit, Risk Management, and Pensions Advisory Committee. Other groups include Capital Expenditure, Leasing and Property Board (CAPEX), Joint Union Negotiating Council (JUNC), Constitutional Working Group, Regional Chairs' Group, Regional Treasurers' Group, and Conference Planning Group.

The Audit Committee (chaired by a Trustee) reports to the Board of Trustees and normally consists of

six or seven members, including two Trustees, three other voluntary members and one independent. It meets four times a year to consider reports from both external and internal auditors. The Audit Committee is responsible for reviewing and monitoring audit related aspects relating to the preparation and production of the Trustees' Annual Accounts. It reviews the performance and results of external and internal auditors' work and reports regularly to Trustees. It makes recommendations regarding the appointment of auditors and approves their terms of engagement.

Trustee Recruitment, Appointment, Induction and Training

Two of the four Association Officers (President, two Deputy Presidents and the Treasurer), are elected to those positions by each biennial Association Conference for rolling four year terms.

A further four "internal" Trustees are appointed following their nomination by and from the Association Committee from representative members of English Regions and Scotland. Finally, four "external" Trustees are appointed to the Trustee Board for the particular strengths they can bring to the Board in respect of their background, ability to lead and influence and their knowledge and experience of education, charity governance, management or other relevant areas of expertise.

All new Trustees are required to sign the National Council for Voluntary Organisations (NCVO) Code for Best Behaviour and make a full Declaration of Interests, which is retained by the Company Secretary and updated annually.

Under the NCVO Code for Best Behaviour, all new Trustees are given an induction pack on the work of the charity and the legal roles and responsibilities of Trustees and receive an induction briefing by an existing Trustee and the General Secretary. All Trustees are required to attend training events held regularly. Trustees are also encouraged to attend external training events. A regular programme of induction, training and development is provided for Association Committee members and Trustees.

Management

WEA Trustees have delegated day-to-day leadership and management of the Charity's affairs and implementation of agreed policies and strategies to the General Secretary. The General Secretary is assisted by the Association Management Team (AMT) made up of Strategic and Regional Directors and the WEA Scottish Secretary, which operates within a scheme of delegation. The role of reviewing and monitoring the various contracts and projects (including the Skills Funding Agency contract) which the Association is engaged in is performed by the Contract Management Board, which consists of AMT, Project Managers and other staff invited as need arises.

Employee Involvement

The Association seeks to engage all employees and volunteers in its activities and achievements. There are a number of routine communication methods, such as management meetings, departmental staff meetings, regular emails and an email system 'First Class' that operates like an intranet. All staff are kept up-to-date by the General Secretary with the activities and development of the Association, such as Trustees' decisions after each cycle of Trustees and Association Committee meetings. The recognised trade union is engaged in consultation through the Joint Union Negotiating Council and through the Health and Safety Committee both of which meet quarterly, or more often as required.

Equality and Diversity

In its Memorandum and Articles of Association, the WEA commits itself to oppose discrimination in matters of gender, sexual orientation, race, faith, age, disability, and to operate within an equal opportunities framework. This commitment is applied in WEA's drive to develop the diversity of its

staff and volunteers through equal opportunity policies, training, targets, and practical action, such as in the delivery of the WEA's education, its employment practices and for the organisation of its voluntary membership. The Association's Equality schemes are published on the WEA website and monitored by an Equality and Diversity Scrutiny Panel.

Risk Management, Audit and Internal Controls

The Risk Management Committee includes two Trustees, who support management in assessing and prioritising risks and risk-mitigating strategies across the Association. Through the Risk Management Committee, the Board of Trustees monitors the major risks to which the charity is exposed and ensures the implementation of effective risk management strategies.

The following key principles underpin the Association's approach to risk, risk management and internal controls -

- The Risk Management Committee has responsibility for overseeing risk management within the Association as a whole
- An open and receptive approach to solving risk problems is adopted by the WEA
- The Association is cautious and prudent in recognising and disclosing financial and non-financial implications of risk
- The Association Schedule of Risks - which records the key risks facing the Association, the likely impact, actions to mitigate the risk, and who is responsible for action - is the key risk management document
- The Association Management Team is collectively responsible for encouraging good risk management practice throughout the Association, with each Director being responsible for risk management in his or her Region or function
- The Director of Finance and Resources provides functional leadership

The work of the Committee involves identifying the operational, financial, and reputational risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence and proposing means of monitoring, managing, and mitigating the risks. The Committee continues to assess the risks (as identified in the risk register) that WEA faces and reports to the Trustees on the current state of risk identification, analysis, and monitoring practices.

The Risk Management Plan describes the WEA's approach to risk management, details the key risks facing the WEA in fulfilling its mission and achieving its business objectives and describes the arrangements for managing risks.

The Risk Management Committee has reviewed the risk management statement and schedule of risks, against the effectiveness of the Association's internal control system. Since the Association formalised its risk management arrangements, its adequacy has been reconsidered whenever significant adverse events have occurred. The Risk Management Committee invites Regional and Association Strategic Directors to the Risk Management Committee on a rotational basis to consider evolving and other risks in their area of responsibility. Fraud Risk Assessments are carried out for all regions, Association Services and WEA Scotland. These reviews identify additional risks to those previously identified.

Some of the top risks facing the Association are currently identified as -

- Move to more local funding at regional levels
- Rising cost of pensions
- Comprehensive Spending Review
- Staff morale, industrial relations, and performance issues caused by organisational changes

Each identified risk has been assessed to determine the nature of the risk, the possible impact and whether the risk has increased or decreased since the last version of the plan

The Trustees recognise that, to achieve the objectives of the charity, the nature of some of the WEA's work requires acceptance of some risks which are outside the WEA's control, and cannot therefore be eliminated or fully managed. Where this happens, there is active and clear monitoring of such risk. The Trustees are satisfied that systems are in place to monitor, manage, and mitigate WEA's exposure to major risks.

The Trustees have reviewed the adequacy of the Association's internal controls. The charity's internal audit plan includes the audit of risk management processes within the charity and risk management efficacy is based on the Association's Risk Register.

Internal audit is carried out by WEA Internal Auditors, Mazars. It is determined largely by the Association's regulations, policies and strategy on managing risks. The work provides the Association's Trustees, Audit Committee and its managers with independent and objective assurance that

- the Association's risk assessments are reviewed and risk management plans in place
- an independent opinion is received on the effectiveness of the prevention and detection processes and procedures put in place to manage the risk of fraud, and on the adequacy of the Association's internal control systems and procedures

Audit recommendations are systematically followed up and monitoring reports are regularly received by the Audit Committee.

The key procedures which the Trustees have established with a view to providing effective internal control are as follows:

- **Corporate Accounting and Procedures**
Responsibility levels are communicated throughout the Association. This includes delegation of authority and clear authorisation and approval levels, control processes, segregation of duties and accounting policies.
- **Quality and Integrity of Personnel**
The competence and integrity of personnel are ensured through high recruitment standards and subsequent training. Vetting procedures and Criminal Records Bureau checks are undertaken for staff holding sensitive positions. High quality of personnel is seen as an essential part of the control environment.
- **Budgetary Process**
Each year, Trustees approve the annual budget taking account of the key risk areas. Performance is monitored and relevant action taken throughout the year through the periodic reporting to Management, Regional Committees and the Trustees of variances from budget, quarterly updated forecasts for the year and information on the key risk areas.
- **Investment Appraisal**
Capital Expenditure is regulated by the budgetary process and authorisation levels through the Capital Expenditure, Leasing, and Property Board (CAPEX).

Contribution of Volunteers

Volunteers are drawn from the Association's 40,000 or so members, and play a crucial part in achieving the objectives of the Association. The WEA has more than a thousand volunteers supporting the work of the Association by serving as Trustees, regional or local committee members or running branch activities. They also play key roles in organising local courses where no other provision exists, they would not be viable without their input. The significant contribution of volunteers to the work of the WEA was identified as a strength in the latest Ofsted inspection report.

The WEA values the skills, enthusiasm and many hours of time given by volunteers as they directly support a significant part of the WEA's national, regional, branch and local operations and activities. It is also important to highlight the importance and roles that volunteers play in governance. Some of the volunteers use their professional expertise, while others give their time and energy in work that is not related to their everyday jobs. Many volunteers may be retired or not in paid employment.

An estimate has been made of the number of hours that volunteers provide to the Association at no cost during the year. No value on this work has been incorporated into the accounts, but if valued at £20 per hour the total would come to nearly £1.69m (See Table 1 below).

Table 1: Estimated time given by volunteers to WEA

Activities	2009/10 (‘000s)	2008/09 (‘000s)
Governance	6.2	5.4
Regional & Branch Activities	66.6	54.8
Conferences*	9.5	1.3
Portfolio Services	2.1	2.4
Total hours	84.4	63.9
If costed @ £20 per hour	£1,688	£1,278

**There was a WEA biennial conference in October 2009*

Pensions

The WEA in England and Scotland operates a final salary pension scheme called the WEA Pension Scheme managed by The Pensions Trust. It provides benefits on a final remuneration basis. The Scheme is funded and is contracted out of the state scheme, and staff members' contribution rates vary between 6% and 7%. The WEA as the employer, contributes at 19.6% (rising to 22.2% from August 2010).

As part of the agreed Recovery Plan to address the WEA Pension Scheme deficit, the Association agreed an increased contribution rate of 22.2% of relevant payroll costs as the employer's contribution (with effect from August 2010). In addition, the rate at which members build up pension in the Scheme is being reduced from 1/66th (1.5%) per annum to 1/80th (1.25%) per annum for future contributions.

The Association also participates in the Teachers' Pension Scheme, which is part of the Government's superannuation scheme, with contributions at 6.4% and 14.1% from staff members and employer respectively. In Scotland, relevant Association staff are part of the Scottish Teachers Scheme, which is part of the Scottish Public Pensions Agency. Their current contribution rates are 6.4% and 14.9% for staff members and employer respectively. Other members of staff are in the State Pension Scheme. Additional notes on the Pensions Schemes are contained in note 18 to the Financial Statements.

The Association's property at Luke Street, London has also been assigned as a contingent asset with The Pensions Trust as part of the agreed plan. Based on the actuarial calculations with the contingent asset security, the deficit repair contributions (over and above the existing plan) are payable until January 2027.

Network of Relationships

There is a wide network of funders and various partnerships that support the delivery of the Association's work. Details of many of these are contained in Appendices 1 and 2 to the Financial Statements.

The WEA also has affiliated relationships with other WEA institutions outside of England and Scotland, and a number of organisations linked to the trade union movement and adult education bodies. In a recent development, The Co-operative Movement and the WEA which first joined forces over a hundred years ago, announced a revival of their partnership. The Association supports WEA Zambia with an annual grant of £12k. The provision enables WEA Zambia to concentrate on the informal economy (market traders, etc.) particularly around resisting corruption as well as the education of carers working within the context of high levels of HIV/AIDS.

3. Achievements and Performance

General Secretary's Overview

On balance this has been a successful year for the WEA, busy, eventful and not without challenge or setback. For many WEA staff, 2009/10 has been a more difficult year, marking the end of their working relationship with the WEA. It has not been an easy time for those affected and our thanks and best wishes are extended to those who left the WEA in 2009/10.

As a result of formula changes and reductions in the WEA's main contract with the Skills Funding Agency, the Association had to make cuts of about £1m for 2010/11 to balance the budget. Yet the overall economic and fiscal position of the UK means the Association faces an increasingly difficult and uncertain period over the next five years, although even within that bleak outlook there is the odd gleam of opportunity.

Following extensive assessment in Spring 2010, the WEA was awarded the Matrix standard for its information, advice and guidance services. Matrix is a national quality standard awarded to education providers and the WEA's assessors commented in particular on the passion, sheer enthusiasm and dedication with which WEA staff and volunteers deliver sensitive and learner-centred services across England.

The Association's own self assessment also shows continuing improvement in the quality of the provision, all of which is now judged to be either good or outstanding. In its most recent assessment in October 2010, the Skills Funding Agency also assessed the financial health of the Association as 'Excellent'. Another measure of the WEA's success during 2009/10 is the continuing rise in membership of the organisation.

Over the last 12 months, the WEA has won a number of new, external contracts which have brought in considerable and much-needed additional income to the Association.

This and the achievement in delivering the contract with the Skills Funding Agency almost perfectly to target have enabled the WEA to deliver a financial surplus for the year. This could not have happened without the concerted efforts of staff and volunteers in identifying partners and opportunities, writing

bids, undertaking due diligence on the submissions and, when successful, delivering the contracted programmes, often against very tight and demanding timescales. Some of the outcomes of that work have also helped to position the WEA much more promisingly for the future. All of these represent good outcomes for the WEA, and offer firm evidence of effective management of contract performance through 2009/10.

Much of last year was also dominated by the prospect of the General Election which took place in May. The WEA campaigned actively in the lead-up to the election by making available on its web-site an information pack "Speak Up for Lifelong Learning". The WEA received widespread congratulations for the initiative, and in particular the quality of the information pack.

Following the election, the Association turned its focus towards ensuring that the new House of Commons is well informed about the WEA. The "Making Britain Better" pack was aimed at informing the newly elected MPs at Westminster about the widespread work of the Association and how it impacts on numerous Government Departments. The pack shows that the WEA's work impacts measurably on the work of 17 Government Departments, as well as many more locally provided services. The pack, which also received wide acclaim, was launched at the House of Commons at an event hosted by one of the WEA's Patrons, Stephen Twigg MP, at which the Minister of State for Further Education, Skills and Lifelong Learning, John Hayes, spoke warmly of the WEA and its work.

Educational Achievements in England¹

The Association attracted over 69,700 learners in England in the academic year 2009-10, with 112,530 enrolments (see Tables 2 and 3 below).

In 2009-10 there has been a strong emphasis on meeting contract, quality and budget targets. The WEA has effectively managed contract performance in 2009-10 to deliver 100% of its main Skills Funding Agency contract and meet literacy, numeracy and Initial Teacher Training targets.

Table 2: Courses and Enrolments Data – English Regions			
Academic Year	2009/10	2008/09	2007/08
Number of Courses	9,390	10,748	10,699
Course Hours	210,659	247,747	238,123
Learner Enrolment Hours	2,675,470	3,028,598	2,881,451
Average class size	12	11.7	11.7
Average Course Hours	22.43	23.05	22.26
Enrolments (All)	112,530	126,158	125,099
Source: Enrolment Profile Statistics, September 2010			

Falling learner numbers and enrolments over the last three academic years can be partly attributed to the increase in provision of Skills for Life courses which attracts greater funding per student. The implication of this policy decision is that the Skills Funding Agency contract targets are achieved more quickly. In addition, the increase in the Skills Funding Agency's rate of 'co-funded' element means that fee remission for an increasing number of students on income related benefits delivers the contract target with fewer learners.

Following on from the five Areas for Improvement identified in the 2008/09 Consolidated Self Assessment, indicated below are brief updates on progress made during the 2009/10 academic year.

¹ All figures in this report for 2009/10 are from Enrolment Profile Statistics (EPS) September 2010.

Table 3: Characteristics of Starters by Percentage - English Regions			
Academic Year	2009/10	2008/09	2007/08
Female	74.6%	74.4%	74.6%
Male	25.4%	25.6%	25.4%
Declaration of a Physical Disability	23.6%	24.8%	20.4%
Declaration of a Learning Disability	9.1%	9.4%	8.2%
Declaration of a Black or Minority Ethnic	17.5%	16.5%	15.9%
Living in disadvantaged wards	32.8%	34.0%	34.2%
On income related benefit	32.6%	34.5%	33.2%
16-18 years of age	0.8%	0.8%	0.9%
19-24 years of age	4.4%	4.5%	4.5%
25-34 years of age	13.0%	12.9%	12.6%
35-44 years of age	14.7%	15.0%	14.1%
45-54 years of age	12.8%	13.1%	12.5%
55-64 years of age	20.3%	20.6%	21.1%
65 & over	34.0%	33.3%	34.3%

Source: Enrolment Profile Statistics, September 2010

1: Insufficient Progress in clarifying gender and disadvantage issues.

Ongoing monitoring takes place through the Single Equality Scheme (SES) and Equality and Diversity Impact Measures (EDIMs). Review of male participation is in progress.

2: Underdeveloped Systems to monitor safeguarding arrangements.

Policies and procedures for safeguarding have been reviewed and revised.

3: Insufficient Formative Assessment and feedback on learners' progress in some courses.

The grant fund project for tutors to develop resources to share practice in formative assessment is ongoing. Materials will be finalised and disseminated during Autumn 2010.

4: Inconsistent engagement with tutors.

A key success of the Education & Strategy Conference was the tutor-led workshops. The engagement with and support for tutors through current practice sharing in formative assessment and embedding sustainability has been impeded by the delay in launching Moodle (a web-based tool to facilitate the delivery of on-line national training and development).

5: Gaps in Communication of strategic direction and priorities with field staff and tutors.

Good progress with regard to the completion of the first Association-wide tutor survey and a successful Education and Strategy Conference. However, there has been a delay to the staff survey and launching Moodle.

All judgements in each Area of Improvement are incorporated into the annual Development and Improvement Plan with an improvement objective and associated actions. These are monitored through the Education & Strategy Board and Committee.

Educational Achievements in Scotland

In Scotland, the financial year 2009/10 was the second year of the three-year Education and Organisation Development Strategic Planning cycle. The Association was successful in achieving the targets set out for the financial year.

There were 11,921 enrolments recorded on 963 courses, with 5,669 class meetings held in over 210 locations throughout Scotland. The reduction of around 6% in the overall enrolments in comparison with previous year (see Table 4 below) is due in part to the ending of the WEA/Unison Return to Learn programme funded by the Scottish Government and the end of the EU Job Rotation Workplace Learning programme in the Lanarkshires.

Workplace Learning now represents 49% of provision and includes a wide range of programmes including Workplace Literacy and Numeracy, English at Work, employee development and employability programmes, including the UK Future Jobs Fund.

Partnership working is the hallmark of all the Association's work in Scotland. This represents a key factor in community learning and enables the Association to extend its reach and impact despite shrinking resources. The development of programmes which integrate employability skills, family learning and creative opportunities for young people and volunteers was a major achievement in the year.

Building on the successes in community led to social documentary history. During the year, the Association in Scotland worked with veterans of the Korean War culminating in the publication of their stories in the Forgotten War. Many WEA groups joined together in a wide range of learning programmes on the theme of 'The Gude Cause' in celebration of the Women's Suffrage Movement thanks to an Awards for All grant from the National Lottery.

Table 4: Courses and Enrolments Data – WEA Scotland			
Academic Year	2009/2010	2008/2009	2007/2008
Total Enrolments	11,921	12,652	14,520
Female Enrolments	8,160	7,971	10,309
Male Enrolments	3,761	4,681	4,211
Total courses run	963	963	1,350
Total class meetings	5,669	4,165	6,670
% workplace learning programmes	49%	48%	43%

Communications & Development

The beginning of 2009/10 was dominated by the planning and organisation of the Association Conference in Glasgow. With support from many staff and volunteers, especially from WEA Scotland, the event was a major success and provided the Association with extensive high profile external awareness.

The Membership Scheme continues to expand, and WEA now has nearly 40,000 members providing a rich source of opinion, volunteers, learners and potential income. Communications dedicated to members, supported by focussed website material and services, will continue to be developed as part of the programme to engage members and gain support for the Association's cause and campaigns.

Public awareness generally has continued to grow with all the indicators showing increased interest and knowledge of WEA activities through press coverage, newsletter downloads and online course searches.

Changes in the political landscape have given the Association opportunities to undertake new initiatives promoting its work, achievements and democratic status to the Coalition Government and Opposition Parties

The team's involvement with the Festival of Learning campaign resulted in the Association being awarded nearly £50k funding, to support regional and branch events held to celebrate adult education. This participation led by the WEA's Marketing Manager has helped to create strong links with key civil servants in the sector.

Charitable fundraising as a means of diversifying income remains a high priority. Promoting the need and providing opportunities for supporters to donate, consider a legacy or purchase merchandise are on going. A new fundraising campaign aimed initially at members has been prepared and the Association is hoping for a positive response.

In the Information Technology (IT) area of the Directorate, major personnel problems led to a difficult period during the first half of 2010. The loss of key management resources combined with an extensive hardware and systems renewal programme, led to disruption and reduced customer services. The appointment of an Interim IT Manager and deployment of additional external expertise, have alleviated the key issues. The new Data Centre located in Milton Keynes is now fully operational. Longer term plans as to how the Association provide and support IT needs are being formulated.

Property activity during the year included the relocation of London Region to new office and educational facilities, and refurbishment projects were approved for Nottingham and London Luke Street properties, the latter now occupied by Association Services.

Staffing, Development & Training

WEA's staff and tutors represent its biggest resource and investment. The Association maintains an extensive suite of Human Resources (HR) policies to enhance people's motivation and help them perform effectively. The good working relations with the recognised Trade Union paves the way from prompt resolution of staffing issues.

During 2009/10, the Association reviewed many of the existing HR policies for staff. As a result, revised policies were issued to cover the following: Employees' Handbook and Policies, Safeguarding, Equality & Diversity, Probation, Reference, Induction, and Leavers Policy and Procedures. Other policies are in the process of being revised.

Due to the pressures on costs, the Association took a decision not to make any pay award in 2009/10. In order to ensure an appropriate structure is in place to manage the business, in line with the uncertainty on funding, and wider reshaping plans, the Association made some posts redundant in the year. These were managed in accordance with agreed job security and redundancy agreements. There were also early retirements during 2009/10.

A variety of internal and external training events and conferences were organised and attended by staff, volunteers and Trustees. These included sessions on Funding Provisions, Focus on Leadership, Equality & Diversity, Developments in Governance and Trustees' Conference, Coaching Skills and Time Management. Briefing sessions were also organised for Trustees on the new requirements of the Office of Standards in Education, Children's Services and Skills (Ofsted) and Risk Management. The Development & Training team also organised specific Joint Education Unit & Development and Training programmes covering Continuous Professional Development (CPD) for Teacher trainers, CPD for tutors and Education team staff, Internal Verifier training and Skills for Life courses amongst several others.

Attendance at Association training events for staff, volunteers and Trustees increased during the year, and events consistently had high evaluation ratings. A total of 180 members of staff and 18 volunteers from various governance committees attended at least one WEA event during the year. With annual spend of £0.55m, the Association is committed to ensuring that its staff, volunteers and staff are adequately trained to carry out the tasks and responsibilities.

4. Going Concern

The Trustees have carried out a review of the Association's financial performance and its reserves position, and believe that the Association has adequate financial resources and is well placed to manage the business risks. The Association's planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. The Trustees have a reasonable expectation that the Association has adequate resources to continue in operational existence for the foreseeable future, and believe that there are no material uncertainties that call into doubt the WEA's ability to continue. The accounts have therefore been prepared on the basis that the WEA is a going concern.

5. Financial Review

The financial strategy for 2009/10 formed part of the 2009/12 three year financial strategy which built on previous years' financial plans. These plans were designed to ensure the sustainability and future viability of the WEA. The overall aim of the 2009/12 financial strategy is to ensure that resources are used efficiently to contribute to improving levels of reserves, meet learner targets and achieve educational priorities. The financial strategy was submitted to the Learning and Skills Council (now replaced by Skills Funding Agency) in July 2009 in accordance with its requirements. In the 2009/12 three year plan, the Association aims to channel maximum levels of resources to the direct benefit of learners and deliver required quality improvements in teaching and learning. During the year, the Association also maintained prudent financial management controls over its resources. The Skills Funding Agency assessed the financial health of the Association as 'Outstanding' in its recent assessment in September 2010.

The marked improvements in budgetary and financial control took a dent with the uncovering of a fraud incident in December 2009. Since then, the Association has reviewed the internal controls over the areas of weakness. The Association is writing off £194k in this financial year (2008/09 - £179k). This would have had significant impact on the financial performance for the year, which started with a planned consolidated budget surplus £50k, if the Association had not secured other grants and income to improve its overall position.

The Association recorded a surplus of £0.54m after FRS17 pensions adjustments (£0.60m surplus before FRS17 adjustments). Total income for 2009/10 was £32.21m including WEA Scotland (2008/09 - £30.00m). This shows an increase £2.21m (7.4%) from the previous year. Additional grants became available during the year, which enhanced the volume of educational provision that the Association put through. Total resources expended in 2009/10 were £31.62m, which is an increase of £1.78m over the previous year.

Reserves Policy

The Board of Trustees conducts an annual review on the level of unrestricted reserves in the General Fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables estimation of the level of reserves that will maintain a base reserve sufficient to protect WEA's ongoing programme of work and investment in strategic capital development. The Board approved a reserve target level in the financial strategy for the years 2008-2011. The target for free reserves at 31st July 2010 was £2.69m, this is made up of one month's average unrestricted expenditure (£2.09m) plus annual capital expenditure (£0.50m), and £0.10m for

contingencies

Free reserves available (defined as unrestricted funds less designated funds) as at 31st July 2010 amounted to £0.93m in deficit, after deducting the pension deficit on FRS17 basis. The figure would have been £3.55m without the pension deficit. The shortfall on targeted free reserves as at 31st July 2010 was £1.00m after recognising the pension deficit, and an excess of £3.48m without the deficit.

Fig. 1 - WEA Income 2009/10 (£m)

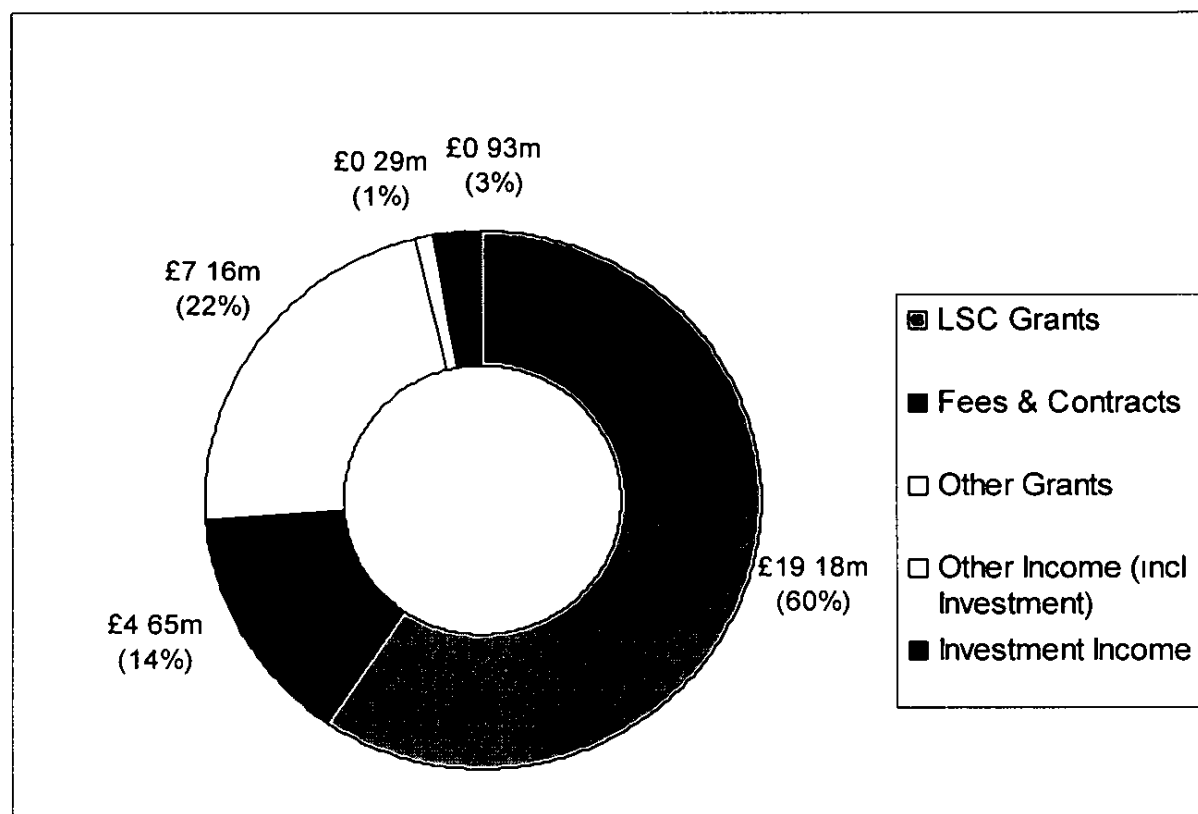


Fig. 2 WEA Expenditure 2009/10

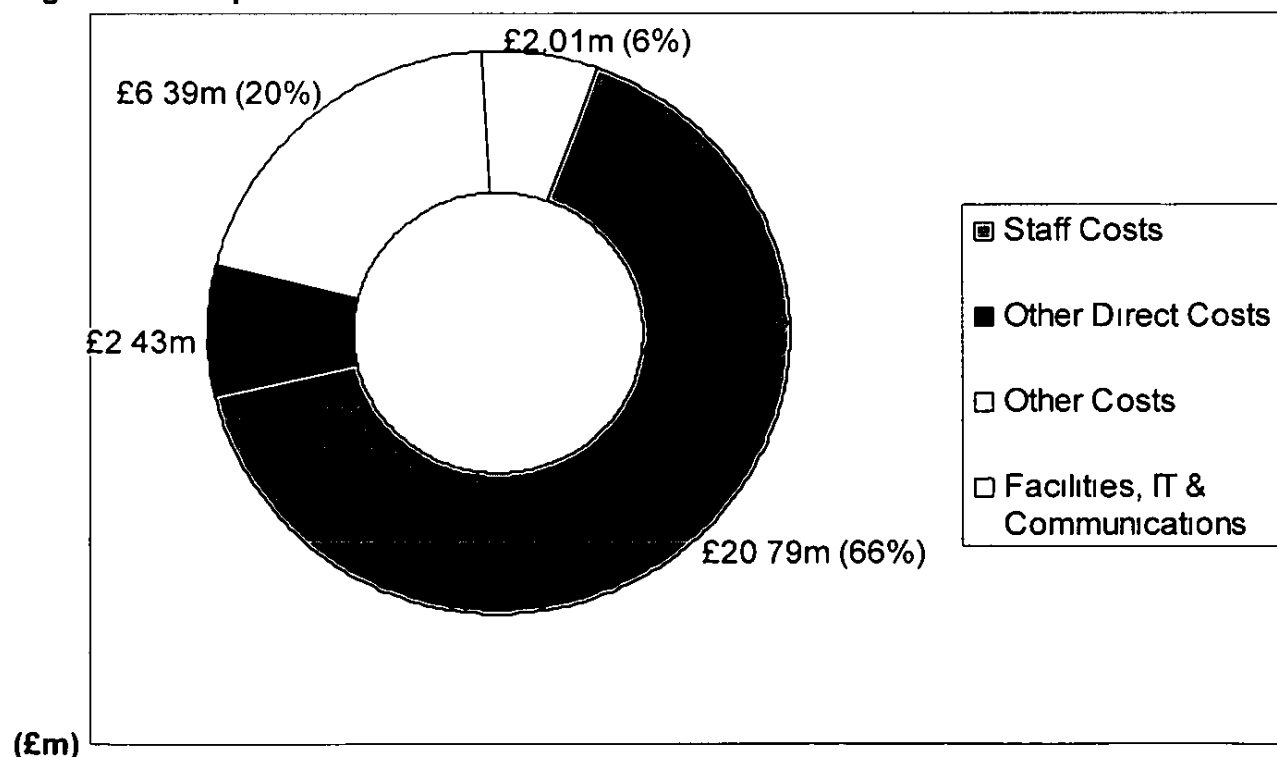
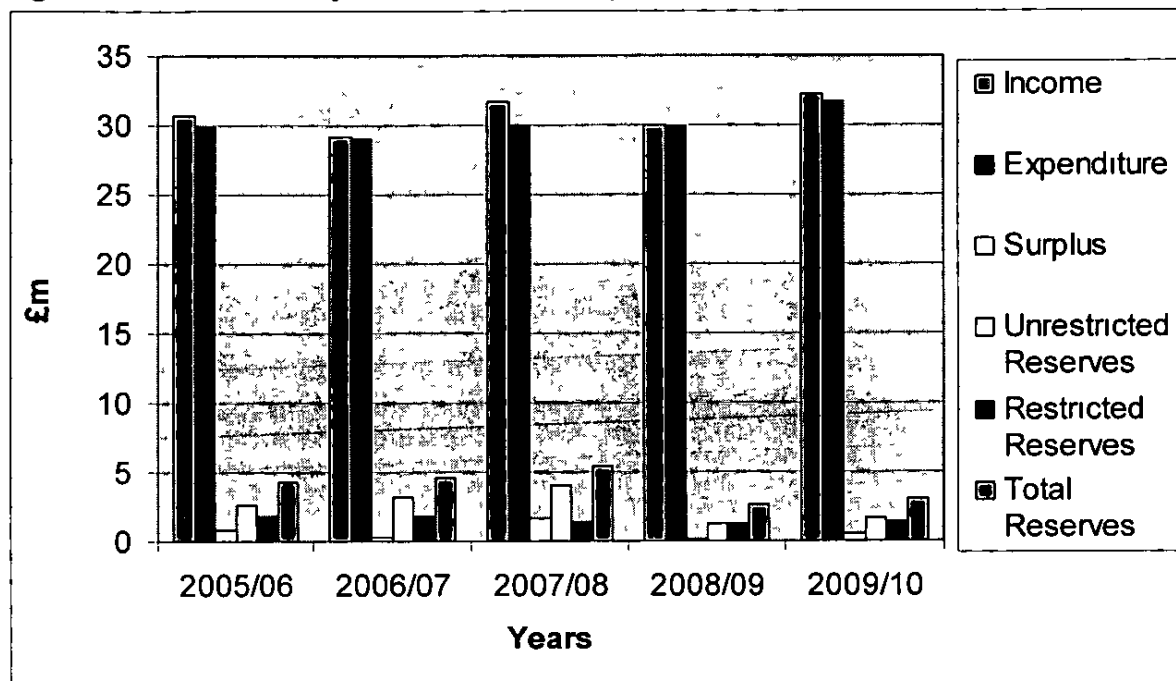


Fig. 3 - Five Year Analysis of Income, Expenditure and Reserves Trends (£m)



The total reserves of £3 12m shown in the financial statements are made up of balances on both Unrestricted and Restricted Activities listed as follows

Unrestricted Fund Balance of £1 69m is made up of

- General funds, which are the operating and base reserves (£2 52m),
- branch funds (£1 07m),
- regional branch reserve fund (£0 33m), and
- fixed assets fund (£2 25m), less pension fund deficit of (£4 48m)

Restricted reserve funds balance of £1 43m are required to be used for particular projects on which expenditure will be incurred in future financial years

Branches are expected to maintain reserves levels in line with the regional branch reserves policy

Treasury Management & Investments

The objective of the Association's Treasury management policy is to optimise returns consistent with cash flow requirements and with an overriding need to protect the capital value of the Association's funds

Association funds are deposited only with UK clearing banks, and no investments are made in any other instruments. Treasury management is carried out within the context of the Association's statutory background, its Memorandum and Articles of Association and the Financial Memorandum with the Skills Funding Agency

During the year, the Association earned lower income from its investments, principally due to lower net interest rates and reduction in cash available for placement with banks

Cash Flow & Capital Expenditure

In line with the Treasury policy, the Association aims to maintain a healthy cash position, and its cash reserves are sufficient to ensure that the balances are never overdrawn

Based on the 18 months cashflow projections, the Association does not anticipate any liquidity problems

The increase in cash and short term deposits for the year ended 31 July 2010 was £0.26m compared to £1.57m decrease in 2008/09. The increase in liquid resources is due to the increase in surplus generated from activities during the year.

The Association's revised budget of £505k on Capital Expenditure for 2009/10 is consistent with the phase of the current 2009/12 financial strategy plan. Top of the list of expenditure for the year are Repairs and Alterations to Buildings, Development of WEAmis (WEA Management Information System), and Rolling Programme to replace personal computers and central servers.

Principal Funding Sources Including Any Borrowings

The WEA receives its principal funding from the Skills Funding Agency which provided around 60% of WEA's income from charitable activities for the year (2008/09 - 68%). There are no outstanding loans against the Association.

Commercial Activities

The Association does not currently engage in any substantial commercial activities. The trading company, WEA Enterprises Limited, a wholly owned subsidiary of the WEA formed in March 2007, has not commenced trading.

5. Challenges & Future Plans

Challenges

The financial year 2009/10 has been a difficult year. As a result of formula changes and reductions in the WEA's main contract with the Skills Funding Agency, the Association had to make cuts of about £1m for 2010/11 to balance the budget. In terms of contract management, all regions will need to plan for 5% more 'learner hours' for 2010/11 than in 2009/10 but with no increased funding. The funding position for 2011/12 and beyond depends on the outcome of the Comprehensive Spending Review (CSR) and the Association's ability to advocate the need for lifelong learning, especially in disadvantaged communities.

Unfortunately there are no signs that the overall picture for 2010/11 and 2011/12 or the medium term will improve as cuts to public sector funding bite more deeply. During 2009/10, the WEA has anticipated this and is already planning through a "New Look" project for significant change to reduce costs of overheads and management. The impact of New Look will be far-reaching, and will affect everyone in the WEA, staff and volunteers.

One of the key challenges for 2010/11 is to improve the Association's education provision from 'good' to 'outstanding' in the context of the revised Common Inspection Framework used in the sector in England. There has been good progress in this direction over the last year although there are some persistent issues preventing the Association from making a judgement of 'outstanding' as indicated in the Association's Consolidated Self Assessment Report for 2009/10.

A further challenge is the period of high levels of change we are in and will be in for the foreseeable future. There is a need for clear, transparent and confident leadership. We have therefore identified leading and managing change and supporting staff through change as a high priority in all our development and training including that for Trustees and regional governance. With the reduction in the training budget (alongside other budgets) for 2010/11, the Association will endeavour to utilise what is available in the most efficient ways.

Financial pressures on the Association have a direct impact on the provision of central services, and the radical changes anticipated from the "New Look" project will provide the opportunity to redefine needs against reduced funding. However, in areas such as IT, the demand is expanding for quality and responsive support services. Increased reliance and deployment of computer based solutions and the use of electronic storage, communications and work environments make this inevitable. A key challenge will be to support such enabling technology and the strategic change that it facilitates within ever decreasing budgets.

Whilst the economic climate currently discourages staff turnover and causes job reduction, in the medium/longer term we may find it difficult to attract high calibre people. The likely outcome will be a gradual extension in the use of external expertise for specific work, or selective outsourcing. Changes in the economic environment and advances in technology will bring about newer and improved ways of working. Where practical, the Association will encourage and support its staff to embrace such initiatives.

The growth in the Membership scheme will also increase costs as the Association services the high numbers involved. Promoting electronic communication, merchandise sales and fundraising activity will be required, but in due course the viability of the free scheme will need review.

Plans for the Future

The Association plans to keep attracting income from other funders to help offset at least some of the financial pressure. Further improvements will also be needed within a context of reduced resources and the need for income diversification and continuing efficiency improvements.

The year witnessed the launch of a new partnership between the WEA and the Co-operative Group and Co-operative (Co-op) College. The WEA will be working with the Co-op College to provide support to new Co-op Trust Schools and Academies around governance (through WEA members) and in the teaching of citizenship, health and well-being where the WEA has particular strengths and expertise. There are also plans to work together to explore aspects of shared history and to campaign together on issues shared in common with the WEA. Currently that includes enabling the Government to develop its ideas for the big society alongside Co-op and WEA models of democratic membership following the Minister of State for Life Long Learning, John Hayes, speaking publicly of his admiration of our two organisations and his wish to extend similar models across the sector.

2010/11 (and onwards) will see significant change in the Communications & Development operations following the retirement of its Director. The function will be devolved to other senior managers as an interim measure. The new agenda and plans for those activities will be dictated by the strategic decisions arising from New Look outcomes. A separate review of the IT Department structure and operations is underway, and plans are expected to identify new arrangements and investment in improvements to Management Information Systems, hardware and software in this critical area.

In overall terms for 2010/11, the WEA's two main priorities will be

- i) To maintain the Association's capacity and focus to continue to provide education for learners by continuously looking outwards and to keep building new partnerships and opportunities in Branches, Locally, Regionally and as a single Association
- ii) To continue to reduce management and overhead costs through significant restructuring through the New Look project

Statement of Trustees' Responsibilities for Financial Statements

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards) and applicable law

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its net incoming resources for that period. In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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 charity will continue to operate

The Trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They 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 Trustees ensure that there are appropriate financial and management controls in place sufficient to safeguard public funds and that these funds are used only in accordance with the conditions under which they have been made available. In addition the Trustees are responsible for ensuring the economic, efficient and effective management of the Association's resources so that the benefits that should be derived from the application of public funds from the Skills Funding Agency and others are not put at risk

In so far as each of the Trustees of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the charitable company's auditor in connection with preparing the audit report) of which the charitable company's auditor is unaware. Each Trustee has taken all of the steps that he/she should have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information

Auditors

Crowe Clark Whitehill have expressed their willingness to continue as auditors for the next financial year

Approved on behalf of Trustees

Professor Richard Taylor
Chair

1 December 2010

Independent Auditor's Report to the Members of the Workers' Educational Association

We have audited the financial statements of the Workers' Educational Association for the year ended 31 July 2010 set out pages 29 to 45. These financial statements have been prepared in accordance with the accounting policies set out therein.

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 and to the charity's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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 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 charitable company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of the Workers' Educational Association for the purpose of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and for being satisfied that the financial statements give a true and fair view, are set out in the Statement of Trustees' Responsibilities.

We have been appointed auditors under the Companies Act 2006 and under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report to you in accordance with those Acts.

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

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 United Kingdom Generally Accepted Accounting Practice and have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006. We also report to you if in our opinion the information given in the Trustees' Annual Report is not consistent with the financial statements.

In addition, we report to you if, in our opinion, the charitable company has not kept adequate accounting records, if the charity's financial statements are not in agreement with those records, if we have not received all the information and explanations we require for our audit or if certain disclosures of Trustees' remuneration specified by law are not made.

We read the Trustees' Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (United Kingdom and Ireland) 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 charitable 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 charity's affairs as at 31 July 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006, and
- the information given in the Trustees' Annual Report is consistent with the financial statements

Pesh Framjee
Senior Statutory Auditor
For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
London

Crowe Clark Whitehill LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

Independent Auditors' Report on Regularity to the Members of the Workers' Educational Association ('the charitable company') and the Skills Funding Agency

In accordance with the terms of our engagement letter and further to the requirements of the Skills Funding Agency, we have carried out a review to obtain assurance about whether, in all material respects, the expenditure and income of the Workers' Educational Association ('the charitable company') for the year ended 31 July 2010 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them

This report is made solely to the charitable company's members, as a body and the Skills Funding Agency. Our review work has been undertaken so that we might state to the Corporation and the Skills Funding Agency those matters we are required to state to it in a 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 Corporation and the Skills Funding Agency, for our review work, for this report, or for the opinion we have formed.

Respective responsibilities of the Members of the Worker's Educational Association and Auditors

The Members of the charitable company are responsible, under the requirements of the Further & Higher Education Act 1992, subsequent legislation and related regulations, for ensuring that expenditure and income are applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this review are established in the United Kingdom by our profession's ethical guidance and the audit guidance set out in the Audit Code of Practice and the Regularity Audit Framework issued by the Skills Funding Agency. We report to you whether, in our opinion, in all material respects, the College's expenditure and income for the year ended 31 July 2010 have been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Basis of opinion

We conducted our review in accordance with the Audit Code of Practice and the Regularity Audit Framework issued by the Skills Funding Agency. Our review includes examination, on a test basis, of evidence relevant to the regularity and propriety of the College's income and expenditure.

Opinion

In our opinion, in all material respects the expenditure and income for the year ended 31 July 2010 have been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Crowe Clark Whitehill LLP

Chartered Accountants

WEA

Workers' Educational Association -England & Wales Charity registration 1112775,
Company No 2806910 Scotland Charity registration SC039239

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31st JULY 2010

		Total Unrestricted funds £' 000	Total Restricted funds £' 000	Total Funds 2009/10 £' 000	Total Funds 2008/09 £' 000
Incoming resources	<i>Notes</i>				
Incoming resources from generated funds					
Voluntary Income		28	61	89	221
Activities for generating Funds		35	-	35	35
Investment Income	19	929	1	930	1,106
Incoming resources from charitable activities					
Education Activities	2	24,463	6,527	30,990	28,320
Other incoming resources		166	1	167	319
Total Incoming Resources		25,621	6,590	32,211	30,001
Resources expended					
Cost of generating funds		6	-	6	28
Charitable activities					
Education Provision	3	24,419	6,648	31,067	29,369
Governance costs	4	348	1	349	266
Exceptional Items	3	194	-	194	179
Total Resources expended		24,967	6,649	31,616	29,842
Net incoming/ (outgoing) resources before transfers		654	(59)	595	159
Transfers		(220)	220	-	-
Net income for the financial year		434	161	595	159
Actuanal Losses on Pension Scheme	18e	(55)	-	(55)	(3,011)
Net Increase/(Decrease) in Funds		379	161	540	(2,852)
Fund Balances Brought Forward *		1,307	1,274	2,581	5,433
Total funds at 31 July 2010		1,686	1,435	3,121	2,581

* Included in the Restricted Fund Balance is £18k balance on Endowment Funds

All of the Charity's activities are derived from continuing operations during the above two financial periods

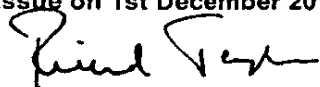
WEA

Workers' Educational Association -England & Wales Charity registration 1112775,

BALANCE SHEET AS AT 31st JULY 2010

		2009/10 £' 000	2008/9 £' 000
	<i>Notes</i>		
Fixed Assets			
Tangible Fixed Assets	8	2,615	2,422
Current Assets			
Debtors	9	1,451	1,309
Short term deposits	16	4,865	6,062
Cash at bank and in hand	16	2,114	659
Total Current Assets		8,430	8,030
Creditors, amounts falling due within one year	10	(3,378)	(3,494)
Net Current Assets		5,052	4,536
Creditors- amounts falling due after one year			
Pension liability	18	(4,476)	(4,377)
Provisions for liabilities & charges		(70)	-
Net Assets Including Pension Liability		3,121	2,581
Represented by:			
Unrestricted Funds	13		
General Funds		2,520	2,255
Fixed Asset Fund		2,246	2,111
Branch Funds		1,066	1,067
Regional Branch Reserve Fund		330	251
Unrestricted Funds Excluding Pension Reserve		6,162	5,684
Pension Reserve	18	(4,476)	(4,377)
Total Unrestricted Funds		1,686	1,307
Restricted funds:	13		
Revenue grant funds		1,047	945
Fixed Asset Fund		370	311
Endowment funds	13	18	18
Total Restricted Funds		1,435	1,274
Total Funds		3,121	2,581

The financial statements on pages 29 to 45 were approved by the Board of Trustees and authorised for issue on 1st December 2010, and are signed on its behalf by.



Professor Richard Taylor - Chair



Peter Cooper- Honorary Treasurer

WEA

Workers' Educational Association - charity registration 1112775, Company No 2806910

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st JULY 2010

	<i>Notes</i>	2009/10 £'000	2008/9 £'000
Net cash Inflow/(Outflow)from Operating Activities	14	1,052	(1,010)
Return on Investments and Servicing of Finance	15	17	126
Capital Expenditure			
Purchase of tangible fixed assets	8	(811)	(687)
Cash Inflow/(Outflow) before Management of Liquid Resources and Financing	16	258	(1,571)
Management of Liquid Resources:			
Increase/(Decrease) in short term deposits		(1,197)	(468)
Increase/(Decrease) in Cash		1,455	(1,103)

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets and in accordance with the Companies Act 2006 and Statement of Recommended Practice (SORP), Accounting and Reporting by Charities published in 2005, the Charities Act 2006 and applicable UK accounting standards. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005, and applicable United Kingdom law and accounting standards. The financial statements have been prepared on a going-concern basis as discussed on page 20 of the Trustees' report.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the object of the charity, and which have not been designated for other purposes.

Restricted Funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each material restricted fund are set out in the notes to the financial statements. The funds are maintained on a project by project basis or in accordance with the agreed restrictions on their use. The restricted funds reserves and movements on them are shown on a region by region basis in the notes to the accounts.

Designated Funds are funds with no limitations or stipulations placed on them by external agencies or donors but are internally restricted by the Trustees for specific purposes.

Incoming Resources

All incoming resources are included in the SOFA when the Association is entitled to the income, its receipt is sufficiently certain and the amounts can be quantified with reasonable accuracy.

Voluntary Income is received by way of donations and gifts and is included in full in the SOFA when receivable. Volunteer time is not included in the financial statements.

Grants Receivable are recognised when the conditions for receipt have been met and there is reasonable assurance of receipt, unless these relate to a specific future period in which case they are deferred.

Service Level Agreements are recognised in line with performance. These relate to fees and contract income.

Skills Funding Agency (SFA) grants are recognised on accruals basis.

Capital Grants received towards the cost of tangible fixed assets are credited to the SOFA in full in the year in which they are received and treated as restricted or designated funds according to the nature of the grant. A transfer is made annually to general purposes funds in equal instalments on the same basis as the depreciation of the asset concerned.

Resources Expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have all been allocated to activities on a basis consistent with the use.

Governance Costs comprise management of the Charity's assets, organisational management and compliance with constitutional and statutory requirements.

Cost Allocation the Association considers that it has just one activity, which is Education Provision, to which the majority of costs are directly attributable.

Branches

The Charity carries out much of its activities through a national network of non-autonomous branches and local associations which operate under the Charity's same registration numbers. These run courses for the Charity locally and receive support from the Charity through advice, publicity and meeting tutor costs. These Branch activities are included in the Charity's accounts.

WEA

Notes to the Financial Statements Year Ended 31st July 2010

1 Accounting policies (Continued)

Fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Computers regardless of cost are capitalised.

Capital Project items are capitalised and depreciated over 3 years from the time when the project commenced or in line with the life of the project.

Software costs (excluding maintenance costs), costing £1,000 or more are capitalised over 3 years in line with the Association's policies.

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

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded equipment	over the life of the project
Other equipment	over 3 to 10 years
Computer software	over 3 years

Investments and Management of Liquid Resources

The Association's Treasury Policy allows investment in UK institutions that meet rating requirements from a recognised rating agency. Investments in any fund should not exceed six months. The Association's Treasury management limit investments to the lower of £1m or 25% of total investments with any one UK bank per annum.

The Association's Cash flows comprise of increases or decreases in cash. Cash includes cash in hand and at bank. No deposits and short term investments are included in cash. Liquid resources comprise assets held as a readily disposable store of value. They include short term deposits and other investments held as part of the Association's treasury management activities.

Movements in all short-term investments, deposits and cash repayable at the end of the investment periods are reported under the heading of management of liquid resources.

Pension costs

Retirement benefits to employees are provided by the Teachers Pension (TP) and the charity's own Workers' Educational Association Pension Scheme (WEA Scheme) whose Trustee and Administrator is The Pensions Trust.

These are defined benefit schemes, the former being externally funded. Contributions to the TP are recognised as incurred, being a multi-employer pension scheme. The contributions are determined by qualified actuaries on the basis of triennial valuations using projected unit method for the WEA's scheme and quinquennial valuations using the prospective benefit method for the TP scheme.

For the WEA Scheme, the difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate. Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the Income and Expenditure Account or the Statement of Financial Activities in accordance with FRS 17 'Retirement Benefit'. The surplus/ (deficit) arising from the adoption of Financial Reporting Standards (FRS) 17 is recognised as addition/(reduction) in general reserves.

Rentals Payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year in which they fall due.

Provisions and Contingences are recognised when the following three conditions are met - the Association has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount of the provision represents the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Contingent liabilities, including liabilities that are not probable or which cannot be measured reliably, are not recognised but are disclosed unless the possibility of settlement is considered remote. Contingent Assets are not recognised, but are disclosed where an inflow of economic benefit is probable.

Agency Arrangements- the Association acts as an agent in the collection and payment of Learner Support Funds (LSF).

Related payments received from the Skills Funding Agency (SFA) and subsequent disbursements to students are excluded from the Statement of Financial Activities and are shown separately in note 21, except for the 5 percent of the grant received which is available to the Association to cover costs relating to the grant. The Association employs one member of staff who is dedicated to the administration of the Learner Support Fund applications and payments.

WEA

Notes to the Financial Statements Year Ended 31st July 2010

2. Incoming Resources from charitable activities

	Unrestricted	Restricted	TOTAL 2009/10	TOTAL 2008/9
	£ '000's	£ '000's	£ '000's	£ '000's
Educational Provision				
Fees and contracts	4,484	438	4,922	4,867
Skills Funding Agency grants	19,182	3	19,185	19,251
Other grants receivable	763	6,068	6,831	4,184
Other income from activities	34	18	52	18
Total incoming resources from charitable activities	24,463	6,527	30,990	28,320

2a. Analysis of income from charitable activities

	TOTAL 2009/10 £ '000's	TOTAL 2008/09 £ '000's
Unrestricted grants		
Skills Funding Agency core grant	19,049	19,025
Other Skills Funding Agency grants and contracts	133	120
Total Skills Funding Agency unrestricted grants	19,182	19,145
Skills Funding Agency restricted grants	3	106
Total Skills Funding Agency unrestricted & Restricted grants	19,185	19,251
Other unrestricted grants:		
Local Authority grants	435	482
Fixed asset grants	2	97
Sundry other grants	326	39
Total Other unrestricted grants	763	618
Total Other Restricted Grants	6,068	3,566
Total Unrestricted & restricted Grants	26,016	23,435

3 Resources expended on charitable activities

	Unrestricted	Restricted	TOTAL 2009/10	TOTAL 2008/9
	£ '000's	£ '000's	£ '000's	£ '000's
Educational provision				
Tutor Costs	6,208	736	6,944	7,485
Other Direct Costs	12,188	3,890	16,078	15,310
Grants Payable	40	258	298	49
Support Costs-note 5	5,983	1,764	7,747	6,525
Total resources expended on charitable activities	24,419	6,648	31,067	29,369
Fundraising costs	6	-	6	28
Governance costs	348	1	349	266
Other costs (Exceptional item)*	194	-	194	179
Total resources expended	24,967	6,649	31,616	29,842

* Relates to loss suffered by the Association as a result of the IT fraud incident as explained on page 20 of the Trustees' Report. The Association has entered a default judgement against the individual, and is also making a claim against its Fidelity Guarantee insurance policy.

WEA

Notes to the Financial Statements Year Ended 31st July 2010

4 Governance Costs

	2009/10 £' 000	2008/9 £' 000
Governance Costs include the following		
External Audit Fees		
Baker Tilly Audit LLP	41	99
Crowe Clark Whitehill (CCW) LLP (Note 7)	88	-
Internal Audit fees		
Mazars LLP	43	41
Legal and Professional Fees	60	9
Trustees Meetings and other Costs	17	18
Support Costs	100	99
Total governance costs	349	266
Legal and Professional costs represent the costs of strategic planning and providing support to Trustees		

5. Support Costs

	Educational		Governance	
	2009/10 £ '000's	2008/9 £ '000's	2009/10 £ '000's	2008/9 £ '000's
Corporate/ Regional management	5,739	4,564	100	99
Facilities Management	969	1,012	-	-
IT & Communication	1,039	949	-	-
Total support Costs	7,747	6,525	100	99

6 Core Staff Costs

	2009/10 £ '000's	2008/9 £ '000's
Wages and salaries	18,099	18,097
Social security costs	1,155	1,126
Pension costs	1,320	1,422
Redundancy costs	215	87
Total staff Costs	20,789	20,732

The above figure does not include Agency staff employed by the Association at a cost of £141,879 (2008 £129,413)

The average number of full time equivalent employees during the year was as follows

	2009/10	2008/9
		Restated
Staff*	411	400
Tutors	337	366
Total average number of employees	748	766
Number of employees earning £60,000 per annum and above are as follows		
£60,000 - £70,000	5	1
£110,000 - £120,000	1	1
	6	2

These employees are in the WEA defined benefit scheme administered by The Pensions Trust

7. Analysis of charitable expenditure

	2009/10 £ '000's	2008/9 £ '000's
Charitable expenditure includes		
External auditors' remuneration (CCW)	45	-
Other assurance services performed by external auditors* (CCW)	43	-
Other assurance services performed by external auditors* (Baker Tilly)	41	51
Internal auditors' remuneration	43	41
Depreciation	619	690
Operating Lease Charges	524	538
Total	1,315	1,368

* Other assurance services performed by the External Auditors include the Audit of Learner Records and Regularity Audit to meet the conditions of LSC / SFA grant

* Staff FTEs for previous year have been restated to adjust for error in calculation

WEA

Notes to the Financial Statements Year Ended 31st July 2010

8. Tangible Fixed Asset Schedule

	Land and Buildings £ '000's	Equipment £ '000's	Total 2009/10 £ '000's
Cost			
At 1 August 2009	2,247	2,994	5,241
Additions	143	668	811
Disposal	-	(187)	(187)
At 31 July 2010	2,390	3,475	5,865
Depreciation			
At 1 August 2009	708	2,111	2,819
Charge for the year	61	557	618
Disposal	-	(187)	(187)
At 31 July 2010	769	2,481	3,250
Net book value			
At 31 July 2010	1,621	994	2,615
At 1 August 2009	1,539	883	2,422

9 Debtors: amounts falling due within one year

	2009/10 £ '000's	2008/9 £ '000's
Trade debtors	692	507
Other debtors	166	182
Prepayments	182	174
Other grant income receivable	411	446
Total	1,451	1,309

10. Creditors: amounts falling due within one year

	2009/10 £ '000's	2008/9 £ '000's
Trade creditors	874	1,115
Accruals	1,653	1,842
Social security & other taxes	398	411
Deferred Income	453	126
Total	3,378	3,494

Deferred income relate to grants for which income has been received during the year but where the conditions for income recognition have not yet been met. All the deferred income from the previous year has been released.

11 Financial commitments -operating leases

As at 31st July 2010, the charity had annual commitments under non-cancellable operating leases as follows:

	Land & Building Leasehold £ '000's	Total 2009/10 £ '000's	Total 2008/9 £ '000's
Expiry date:			
Within one year	175	175	167
One to five years	182	182	149
Over five years	167	167	135
Total financial commitments - leases	524	524	451

WEA

Notes to the Financial Statements Year Ended 31st July 2010

12 Analysis of net assets by fund

	Unrestricted Funds £ '000's	Restricted Funds £ '000's	Total Funds 2009/10 £ '000's	Total Funds 2008/9 £ '000's
Net assets				
Tangible Fixed Assets	2,245	370	2,615	2,422
Net Current Assets	3,987	1,065	5,052	4,536
Pension Liability & Provisions	(4,546)	-	(4,546)	(4,377)
Net Assets	1,686	1,435	3,121	2,581

13 Statement of funds

	At 1 August 2009 £ '000's	Income £ '000's	Expenditure £ '000's	Transfers £ '000's	At 31 July 2010 £ '000's
Unrestricted Funds					
General fund	2,255	22,790	22,290	(196)	2,520
Fixed Asset Fund	2,111	285	189	-	2,246
Branch funds	1,067	2,547	2,445	(103)	1,066
Regional Designated Branch Reserve	251	-	-	79	330
Pension Fund	(4,377)	-	99	-	(4,476)
Total unrestricted funds	1,307	25,622	25,023	(220)	1,686
Restricted funds					
Revenue	945	6,371	6,489	220	1,047
Fixed Asset Fund	311	219	160	-	370
Total restricted funds	1,256	6,590	6,649	220	1,417
Endowment Funds	18	-	-	-	18
Total Funds	2,581	32,212	31,672	-	3,121

Fixed Asset Fund represents the part of the Association's funds balance represented by purchase of Fixed Assets

Regional Branch Reserve Fund represents the balance of accumulated funds transferred from branches to Regions in line with the Association's policy of ensuring balances of funds at branches are kept at levels that are sufficient, but not excessive. Part of the balance on this fund is made available each year for Branches to bid into for the development of local activities supporting the WEA and the Association's regional priorities

WEA**Notes to the Financial Statements Year Ended 31st July 2010****13 . Statement of funds (continued)****Analysis of Endowment funds:**

	At 1 August 2009 £ '000's	Income £ '000's	Expenditure £ '000's	Transfers £ '000's	At 31 July 2010 £ '000's
Fred Sedgewick Fund	5	-	-	-	5
Margaret James Fund	2	-	-	-	2
Reuben George Fund	10	-	-	-	10
Summer School Fund	1	-	-	-	1
Total endowment funds	18	-	-	-	18

Following a relaxation of the rules relating to spending the capital of permanent endowment funds, the Trustees on 9th July 2009 resolved to remove the permanent endowment restriction and spend the capital of the following funds Fred Sedgewick Fund, Margaret James Fund, Reuben George Fund and Summer School Bursary. The funds have been left in the endowments "as the purposes restrictions still apply although both income and capital can now be spent"

The **Jeffery-Machin Foundation Fund** was established from a bequest from Mrs Brenda Jeffery-Machin for the encouragement of liberal studies (excluding sociology) for the benefit of learners in the County of Hampshire. This fund is included in note 13 within Restricted Funds with a balance of £136,161 (2008/09 £243,013)

The **Fred Sedgewick Scholarship Fund** was established in 1984 with a donation of £1,000 to Yorkshire North District by Mrs Gladys Sedgewick in the name of her late husband, the former distinguished Secretary of the District. It is used to provide scholarships for students attending tutorial classes or other classes run jointly by the WEA and Leeds University. With Mrs Sedgewick's agreement the bequests of Miss Bella Travis and Mrs John Boothroyd were added bringing the capital of the fund to £1,300 in total.

The **Margaret James Fund** was left to the President of the WEA in 1935 "to fund a University scholarship for the benefit of a working class woman, preferably a member of a Workers' Education class". The exact terms of the bequest were left to be decided by the then President of the WEA.

The **Reuben George Fund** was set up in 1938 from appeal funds as a memorial to Mr Reuben George, one of the founders of the Swindon WEA branch and the first WEA Western District Chairman. Its purpose is to provide financial assistance to enable disadvantaged learners to attend WEA summer schools.

The **Summer School Bursary** was set up in the Southern Region to provide financial assistance to visually handicapped students attending summer school courses. Subject to the Charity Commission scheme for Thames and Solent District, it had a permanent endowment, with a capital sum of £1,000.

WEA
Notes to the Financial Statements Year Ended 31st July 2010
13 Statement of Restricted revenue funds
Restricted Revenue Funds

	At 1 August 2009 £ '000's	Received Income £ '000's	Accrued/ Deferred/ Matched/ Income £ '000's	Transfer from/(to) General Fund £ '000's	Funded Expenditure £ '000's	At 31 July 2010 £ '000's
Lottery funded projects						
Association Services						
Big Lottery Fund - Family Learning	54	222	61	-	(330)	7
North East						
Moving on Up	4	17	-	-	(21)	-
The Right to Learn	-	12	-	-	(2)	10
South West						
Volunteer Revival	6	(1)	-	-	(5)	-
West Midlands						
Big Lottery Fund - Reaching Communities	(1)	72	-	-	(70)	1
Big Lottery Fund - CHEST	7	69	-	-	(64)	12
Big Lottery Fund - Community Research	-	30	-	-	(7)	23
Big Lottery Fund - Birmingham Health	-	-	-	-	(1)	(1)
Scottish Association						
Awards for All - Lothian Local Association	2	-	-	-	(1)	1
Heritage Lottery Fund - Bathgate Once More	-	21	-	-	-	21
A4ALL - West of Scotland Local Association	-	7	-	-	-	7
Awards for All - Womens Suffrage Project	10	-	-	-	(10)	-
Total lottery fund projects	82	449	61	-	(511)	81
Other projects						
European Social Fund	(10)	1,147	73	227	(1,401)	36
Other	873	4,870	(230)	(7)	(4,576)	930
Total restricted revenue funds	945	6,466	(96)	220	(6,489)	1,047

Where restricted funds are in deficit, this is due to expenditure paid in advance and is expected to be covered when the grants are received

WEA**Notes to the Financial Statements Year Ended 31st July 2010****14 Reconciliation of change in resources to net cash inflows from operating activities**

	2009/10 £ '000's	2008/9 £ '000's
Net Incoming Resources	595	159
Depreciation	618	672
Other Finance Charges	1,116	1,080
Increase in Debtors	(142)	236
Increase/(Decrease) in creditors and provisions	(46)	(1,183)
Interest Receivable	(17)	(126)
Other Finance Income	(913)	(981)
Non cash movements in respect of FRS17	(159)	(867)
Net Cash Inflow/(Outflow) from Operating Activities	1,052	(1,010)

15 Return on investments and servicing of finance

	2009/10 £ '000's	2008/9 £ '000's
Income from investments and interest receivable	17	126
Net Cash inflow for return on investments and servicing of finance	17	126

16 Analysis of change in net funds

	At 1 August 2009 £ '000's	Cash Flow £ '000's	At 31 July 2010 £ '000's
Net Cash.			
Short Term Deposits	6,062	(1,197)	4,865
Cash at Bank	659	1,455	2,114
Total net funds	6,721	258	6,979

Cash at bank balance at 31 July 2010 has been re analysed into Cash at Bank and short term deposits
Prior year balance has been restated

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year

Trustees Expenses	2009/10 £ '000's	2008/9 £ '000's
Trustee Travel	9	11
Trustee Subsistence & Accommodation	4	4
Trustee Training	2	1
Trustee Catering	2	2
	17	18

The number of Trustees reimbursed out of pocket travel and subsistence expenses was 12 (2008/09 12)

The Trustees hold indemnity insurance. During the year, the Association spent £1,838 (2008/09 £1,365) to purchase this indemnity insurance policy

WEA

Notes to the Financial Statements Year Ended 31st July 2010

18. Pension schemes

The pension schemes operated by the Association are the Teachers Pension (TP) and the WEA pension scheme whose Trustee and Administrator is The Pensions Trust (WEA Scheme)

Teacher's Pension Scheme: The WEA participates in the Teachers' Pension Scheme (England and Wales) ("the Scheme"), for its teaching staff. This is a multi-employer defined benefits pension scheme and it is not possible or appropriate to identify the assets and which are liabilities of the Scheme attributable to the Association.

The latest actuarial valuation of the Scheme by the Government Actuary published in November 2006 relating to the period 1 April 2001 to 31 March 2004 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) exceeded the value of the Scheme's assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) by 2.0%

From 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the standard contribution rate has been assessed at 19.75%, and the supplementary contribution rate has been assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years) a total contribution rate of 20.5%. This translates into an employer contribution rate of 14.1% and employee contribution rate of 6.4%. The cost-sharing agreement has also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

The WEA Scheme provides benefits on a final remuneration basis. The scheme is funded and is contracted out of the State scheme. The employer has paid contributions at the rate of 19.60% of pensionable salaries over the accounting period. Members under the age of 30 have contributed at the rate of 5% of pensionable salaries and members aged 30 and over at the rate of 7.00% of pensionable salaries.

	WEA Scheme
Last Actuarial valuation	30-Sep-08
Next Actuarial valuation	30-Sep-11
Actuarial method	Projected unit
Market value of the assets at the date of last valuation	£11,833 million
Proportion of members accrued benefits covered by the actuarial value of assets	53%

The following disclosures are made in accordance with FRS 17. The Trustees have relied upon advice from The Pensions Trust in determining the financial assumptions.

Principal assumptions	2010	2009
Discount rate	5.40%	6.00%
Expected return on the scheme assets	6.38%	6.69%
Rate of increase in salaries	3.20%	4.00%
Rate of increase of pensions payment subject to LPI increases	3.10%	3.10%
RPI Maximum of 2.5%	2.25%	2.25%
Rate of increase for deferred pensioners subject to statutory revaluation	3.20%	3.10%
Inflation assumptions	3.20%	3.10%

The assumed life expectations on retirement age of 60 are

Life expectancy at age 60 for someone who is currently 60

Life expectancy at age 60 for someone who is currently 45

Male=26.1 years	Male=25.3 years
Female=29.0 years	Female=28.2 years
Male=27.0 years	Male=26.32 years
Female=29.9 years	Female=29.1 years

WEA

Notes to the Financial Statements Year Ended 31st July 2010

18. WEA Pensions schemes (continued)

a) The amounts recognised in the balance sheet are as follows		
	2009/10	2008/9
	£ '000's	£ '000's
Present Value of funded obligations	(20,734)	(18,605)
Fair Value of plan assets	16,258	14,228
Deficit	(4,476)	(4,377)
Amounts in the balance sheet		
Liabilities	(4,476)	(4,377)
Assets	-	-
Net Liability	(4,476)	(4,377)
b) Reconciliation of Present Value of Scheme Liabilities and Assets		
	2009/10	2008/9
	£ '000's	£ '000's
Change in the Present Value of the defined benefit Scheme obligation		
Opening defined Benefit Obligations	18,605	16,308
Service Costs	627	461
Interest Costs	1,116	1,080
Contribution by Employees	274	273
Actuarial Losses	1,023	1,102
Benefits Paid	(911)	(619)
Closing defined benefit obligations	20,734	18,605
c) Change in the Fair Value of the Scheme Assets as follows:		
	2009/10	2008/9
	£ '000's	£ '000's
Opening fair value of the Scheme Assets	14,228	14,174
Expected Return	913	981
Actuarial gains	968	(1,909)
Contribution by employer	786	1,328
Contribution by employees	274	273
Benefits Paid	(911)	(619)
Closing fair value of the scheme assets	16,258	14,228
Actual Return on Scheme Assets	1,881	(928)
d) The amounts included within the Statement of Financial Activities as follows.		
	2009/10	2008/9
	£ '000's	£ '000's
Current Service Costs	627	461
Expected return on scheme assets	(913)	(981)
Interest on pension liabilities	1116	1080
Total amounts charged within net incoming resources	830	560

WEA

Notes to the Financial Statements Year Ended 31st July 2010

18 WEA Pensions schemes (continued)

e) Analysis of the amount recognised in the Statement of total recognised gains and losses (STRGL)

	2009/10 £ '000's	2008/09 £ '000's
Net actuarial losses recognised in year	(55)	(3,011)
Net cumulative actuarial loss	<u>(3,714)</u>	<u>(3,659)</u>

f) Pension Scheme expected rate of return

	2009/10	2008/09
	Expected rate of return (%) p a	Expected rate of return (%) p a
Equities	8.00	8.40
Bonds	4.60	4.70
Cash	0.50	0.50
Market Value of Assets	<u>6.27%</u>	<u>6.38%</u>

In setting the expected return on the assets as at 31 July 2010, the assumptions used have taken account of the opinions of leading investment houses, yields on government bonds, on quality corporate bonds and the views of The Pensions Trust in-house investment consultancy practice

g) Fair Value of assets

	Value at 31-Jul-10	Proportion	Value at 31-Jul-09	Proportion
	£'000's		£'000's	
Equities	7,365	45%	6,361	45%
Bonds	7,809	48%	6,340	44%
Property	1,018	6%	852	6%
Other	66	1%	675	5%
Total Value of Assets	<u>16,258</u>	<u>100%</u>	<u>14,228</u>	<u>100%</u>

h) Amounts for the current and previous periods are as follows

	2009/10 £ '000's	2008/9 £ '000's	2007/8 £ '000's	2006/7 £ '000's	2005/6 £ '000's
Defined benefit obligation	20,734	18,605	16,308	16,115	14,874
Scheme Assets	16,258	14,228	14,174	14,380	13,078
(Deficit)	<u>(4,476)</u>	<u>(4,377)</u>	<u>(2,134)</u>	<u>(1,735)</u>	<u>(1,796)</u>

WEA**Notes to the Financial Statements Year Ended 31st July 2010****h) Amounts for the current and previous periods (continued)**

	2009/10	2008/9	2007/8	2006/7	2005/6
	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's
Experience adjustments on scheme liabilities	352	(527)	(19)	(74)	903
As a percentage of the present value of scheme assets	1 7%	-2 8%	-0 1%	-0 5%	-6 1%
Experience adjustments on scheme assets	968	(1,909)	(1,560)	63	690
As a percentage of the Present Value of scheme assets	6 0%	-13 4%	-11 0%	0 4%	5 3%

l) The Pensions Trust- WEA Pension Scheme**FRS 17 Disclosures for the year ending 31 July 2010**

The Scheme is a defined benefit (final salary) funded pension scheme The Scheme is open to new entrants

The Scheme assets do not include investments issued by the sponsoring employer nor any property occupied by the sponsoring employer

The overall expected rate of return on the Scheme assets has been based on the average expected return for each asset class, weighted by the amount of asset in each class

The employer expects to contribute £1,043,000 for the year starting 1st August 2010* The current arrangements as regards to contribution levels are described in the Schedule of contributions dated 23 December 2009

The Scheme holds Contingent Assets in the form of a security in favour of the Trustees over the office property situated at 4 Luke Street, London EC2A 4NT which was valued at £1,100,000 on 27 November 2009, in respect of all sums which are, or may become due and payable by the sponsoring employer to the Scheme

The Scheme holds quoted securities and these have been valued at bid- price

* The employer contribution shown above includes an allowance for the cost of Death in Service Insurance Premium, Administrative Expenses and PPF levies

WEA

Notes to the Financial Statements Year Ended 31st July 2010

19 Investment Income

	2009/10 £ '000's	2008/9 £ '000's
Interest on cash deposits	17	125
Interest on pension scheme assets	913	981
	930	1,106

20 Investments in Subsidiaries

At 31st July 2010, the charity owned the entire aggregate share capital of 100 ordinary shares (2008/9- 100 shares) of WEA Enterprises Ltd. At 31st July 2010 the aggregate of share capital and reserves of WEA Enterprises Limited was £100 (2008/9 £100)

WEA Enterprises Limited has not traded during the period and was dormant for the year, with nil net assets at 2009/10 and 2008/9 nil. Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are immaterial in the opinion of directors.

21. Amounts Disbursed as Agents

	2009/10 £ '000's	2008/9 £ '000's
Learner Support Funds		
Skills Funding Agency Grants - Hardship Funds	130	135
Skills Funding Agency Grants - Childcare	114	207
Skills Funding Agency Grants - ESOL	23	23
	267	365
Disbursed to Students		
Staffing & Other Costs	252	346
Administration Fees	12	14
Balance unspent as at 31 July 2010 included in Creditors in note 10	3	5

22 Related Party Transactions

Owing to the nature of the Association's operations and the composition of the board of Trustees, being drawn from local, public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Association's Financial Regulations and normal procurement procedures. During the year, there were no related party transactions (2008/09 £Nil).

23 Provisions	Dilapidations	Onerous lease	Total
At 1st August 2009	-	-	-
Provisions Charged	30	40	70
Provisions released	-	-	-
At 31 July 2010	30	40	70

The Association is required to perform dilapidation repairs on leased properties prior to the properties being vacated at the end of their lease term. Provision for such costs are made where a legal obligation is identified and the liability can be reasonably determined. WEA has also provided for an onerous lease on a quantified vacated office building. It is difficult to ascertain the level of provision to be made as a result of the onerous lease. These provisions are reviewed annually as at the statement of financial position date and are adjusted to reflect the latest best estimate of the present obligation concerned. The adjustments are reflected in the statement of financial activities for the year.

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Appendix I Restricted Funds - ESF

Year Ended 31st July 2010

For information of the Trustees only

	At 1 August 2009 £	Received income £	Accrued/Def erred/Match income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2010 £
Restricted Funds - European Social Fund (ESF) and other European funding						
East Midlands						
ESF - DAIN (Digital Activist Inclusion Network)	(10,548)	173,718	72,581	227,438	(448,621)	14,568
Southern						
ESF - Steps to Success	-	43,154	-	-	(43,154)	-
Scottish Association						
ESF - Skills for Life Project 2010	-	7,519	-	-	(7,519)	-
ESF - Tutor Training & E-training Project 2010	-	6,018	-	-	(6,018)	-
ESF - ESOL Quality Development Project 2009	-	59,111	-	-	(59,111)	-
Grundtvig - Study Visits	-	817	-	-	(817)	-
Grundtvig - Mentoring Project	-	8,310	-	-	(8,310)	-
ESF - North East Workskills Project	-	93,700	-	-	(90,488)	3,212
ESF - Progressing Through Employment - Priority 1	-	42,287	-	-	(42,287)	-
ESF - Pan Ayrshire JobRotation - Priority 1	-	408,109	-	-	(408,109)	-
ESF - Pan Ayrshire JobRotation - Priority 2	-	242,525	-	-	(242,525)	-
ESF - Step into Learning 2009-10	-	61,726	-	-	(44,123)	17,603
Total European restricted funds (to note 13)	(10,548)	1,146,994	72,581	227,438	(1,401,082)	35,383

* The transfer of £227k from general fund into restricted fund represents the required match funding on the European Social Fund's Digital Activist Inclusion Network Project (DAIN)

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Appendix II Restricted Funds - Others Year Ended 31st July 2010

For information of the Trustees only

	At 1 August 2009 £	Received Income £	Accrued/ Deferred/ Match Income £	Transfer from/(to) General Fund £	Funded Expenditure £	At 31 July 2010 £
Appendix II Restricted Funds - Other						
East Midlands						
Community Learning Champions	-	275,002	(72,144)	-	(202,608)	250
Learning Revolutionaries	-	443,922	-	-	(421,973)	21,949
John Rhodes Legacy	9,581	-	-	-	-	9,581
Joan Freeman Legacy	21,206	-	-	-	(3,921)	17,285
Algy Beaven Legacy	1,775	-	-	-	-	1,775
Take Part Pathfinder	18,563	105,000	(9,438)	-	(119,796)	(5,671)
UFI Leicester	288	-	-	-	(266)	22
CLC Development fund	-	8,331	-	-	(4,802)	3,529
Achieving Excellence in E&D LSIS	-	29,810	-	-	(15,100)	14,710
Transformation Fund	-	9,975	-	-	(9,270)	705
UFI Chesterfield	-	7,499	-	-	(7,499)	-
UFI Leicester (1)	-	7,500	-	-	(7,500)	-
UFI Mansfield	-	7,499	-	-	(7,499)	-
UFI Notts Area 6	-	7,500	-	-	(7,137)	363
Lincs Take Part Learning Champions	-	34,500	-	-	(34,500)	-
UFI Leicester (2)	-	2,268	-	-	(2,268)	-
Eastern						
NIACE 08/09	-	-	-	(502)	502	-
NLDC Suffolk Revenue	813	-	2,250	(3,302)	238	()
NLDC Essex Revenue	895	-	-	(800)	(95)	-
Suffolk PCDL ALW	186	-	-	(186)	-	-
NLDC Cambridge Revenue	-	17,835	-	126	(17,960)	-
NLDC Essex Revenue	-	4,483	-	(1,781)	(2,702)	-
Expanding ILT - LSIS	-	25,000	-	(10,937)	(14,063)	-
Skill for Life - LSIS	-	1,000	-	298	(1,298)	-
Technology Exemplar Networking - BECTA	-	2,500	-	-	(56)	2,444
London						
TAI Tolpuddle	4,183	(2,099)	-	-	(2,084)	-
Working Neighbourhood Fund -Tower Hamlets	-	99,051	-	-	(102,755)	(3,704)
You, Me and Us	-	8,540	-	-	(5,392)	3,148
Know Your Neighbours	-	7,154	-	391	(7,545)	()
Engaging with Tutors	-	7,242	-	-	(6,732)	510
North East						
North East Donation	4,775	1,012	-	-	(700)	5,086
Without Boundaries	36,787	19,270	-	-	(34,936)	21,121
Bridges to Learn	1,120	24,800	2,320	-	(27,412)	828
Norcare	5,060	-	-	-	(5,060)	-
Take Part Pathfinder	8,701	126,667	(7,035)	-	(108,954)	19,378
Know Hadrian's Wall	-	14,416	25,726	-	(40,142)	-
East End Stories	-	92,366	-	-	(92,366)	-
Hilds Jewels	-	47,454	-	-	(47,454)	-
Tackling Racism	-	14,728	14,124	-	(28,852)	-
WEA Centenary	-	15,125	-	-	(770)	14,355
Connecting Communities	-	13,708	-	-	(13,708)	-
Innovations	-	2,215	-	-	(2,215)	-
North West						
Tackling Race Inequality Fund	-	216,621	(22,043)	-	(178,779)	15,798
Grow It Eat It - Wigan MBC	2,656	3,942	-	-	(6,599)	-
VOLA - Vol Orgs Learning Association	575	-	-	-	-	575
Culture of Arts	(5,493)	-	-	-	5,493	-
Rochdale CITTECH	1,396	-	-	50	(1,396)	-
Merseyside Disability Awareness	3,344	350	-	-	(3,536)	158
Balance Carried Forward	116,412	1,702,185	(66,240)	(16,692)	(1,591,470)	144,196

WEA

Appendix II Restricted Funds - Others

Year Ended 31st July 2010

Restricted funds - Other (Continued)

For information of the Trustees only

	At 1 August 2009 £	Received income £	Accrued/ Deferred/ Match income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2010 £
Balance Brought Forward	116,412	1,702,185	(66,240)	(16,692)	(1,591,470)	144,196
North West Contd						
Just the Ticket	-	84,120	12	-	(83,321)	811
Fashion Show 2010	-	2,000	-	-	(1,261)	739
Learning and Skills Improvement Service	-	3,000	-	-	(795)	2,205
Regional Take Part Champions	-	132,939	-	-	(78,856)	54,083
South West						
The Reuben George Fund	-	10,000	-	-	(27)	9,973
Southern						
SCC - Wnting Courses	6,121	2,255	-	-	(4,582)	3,794
SCC - Hello Too	1,076	-	-	-	(1,018)	58
JMF - Legacy funds	-	106,235	-	-	(106,235)	-
Slough Funding	24,046	-	-	-	(6,470)	17,576
Takepart Pathfinder	20,500	121,052	-	-	(116,274)	25,278
Takepart Champions	-	113,080	-	-	(90,257)	22,823
PCC AFL Online	-	500	-	-	(243)	257
Salaam Programme	-	4,850	-	-	(4,850)	-
West Midlands						
Learning for Community Involvement	(36)	300,000	(43,763)	-	(230,824)	25,378
DFID - Birmingham	5,120	9,000	-	-	(10,538)	3,582
DFID - Out of Africa	896	33,788	-	-	(34,684)	-
UK Online	(137)	-	-	-	(1,445)	(1,582)
Stoke PCT - Community Gym	23	-	-	-	(23)	-
Sandwell WNF	400	-	-	-	(400)	-
Community Learning in Stoke	7,873	(1,698)	-	-	(731)	5,443
Sandwell MBC - FLIF	3,442	-	-	-	(3,442)	-
Awards to All - Organic Gardening	7,882	-	-	-	(8,294)	(412)
Stoke PCT - Community Gym Year 2	(19,779)	36,750	-	-	(16,871)	100
Parenting Fund	5,223	44,124	-	-	(49,739)	(392)
Worcestershire Learning Partnership	8,264	39,671	-	-	(40,537)	7,398
Transformation Fund	-	32,716	-	-	(32,716)	-
Aston Pnde	-	13,680	-	-	(13,680)	-
NLDC - Staffs	-	15,083	-	-	(11,329)	3,754
Future Jobs Fund	-	15,329	2,238	-	(17,592)	(25)
Stoke PCT - Community Gym Year 3	-	49,000	(36,750)	-	(21,814)	(9,564)
Yorkshire & Humber						
Take Part - Train the Trainers	-	312,000	(19,272)	-	(298,288)	(5,560)
Take Part Pathfinder	29,783	67,150	(14,796)	-	(82,137)	-
Mike Haywood	2,115	-	-	-	-	2,115
Kirklees MBC - Wider Family Learning	-	10,000	-	-	(10,000)	-
Kirklees MBC - Adult Safeguarded Learning	-	39,150	-	-	(39,150)	-
NLDC Sheffield	-	2,775	925	-	(3,700)	-
ACE Transformation Fund (ACEP)	-	64,159	-	-	(74,923)	(10,764)
Festival of Learning	-	15,000	-	-	(15,000)	-
AVCCC Project	-	7,000	-	-	(7,129)	(129)
Targetted Support Fund	-	33,750	-	-	(20,000)	13,750
Sheffield Informal Learning Advocates	-	7,940	-	-	(7,940)	-
Regional Take Part Champion & Development Fund	-	143,953	(27,702)	-	(116,251)	-
Strengthening Democracy - Sheffield CC	-	15,000	(12,793)	-	(2,207)	-
Inspire Rotherham	-	2,916	-	-	(1,045)	1,871
Re-imagining Communities	-	2,500	-	-	-	2,500
Balance Carried Forward	219,225	3,592,952	(218,141)	(16,692)	(3,258,088)	319,257

WEA

Appendix II Restricted Funds - Others

Year Ended 31st July 2010

Restricted funds - Other (Continued)

For information of the Trustees only

	At 1 August 2009 £	Received income £	Accrued/ Deferred/ Match income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2010 £
Balance Brought Forward	219,225	3,592,952	(218,141)	(16,692)	(3,258,088)	319,257
Yorkshire & Humber Contd						
Enhanced Public Health Programme	-	-	-	-	(962)	(962)
Let Me Speak	-	1,000	-	-	(1,000)	-
Association Services						
Festival of Learning - DBIS	-	50,000	-	-	(49,332)	668
Jeffery-Machin Foundation (JMF)	242,013	(105,852)	-	-	-	136,161
Equality Impact Assessment - LSIS	-	12,000	(4,871)	-	(7,129)	-
Pull Up A Chair - LSIS	-	24,000	(6,488)	-	(17,813)	(300)
Promoting E&D ACL/WBL - LSIS	-	2,400	-	-	(2,400)	-
Taking Training Further - LSIS	-	1,000	(450)	-	(550)	-
Kathleen E Smith Legacy	-	59,758	-	-	-	59,758
Olive Cordell	-	22	-	9,600	(400)	9,222
Scotland						
Scottish Government Headquarters Grant	-	280,050	-	-	(280,050)	-
Scottish Government Training Grant	1,102	2,684	-	-	(3,786)	-
Scottish Government - Women at Work Project	24,581	95,456	-	-	(99,107)	20,930
Scottish Government - National Conference	2,000	4,154	-	-	(6,154)	-
Highland Literacy Partnership - Development Grant	1,300	-	-	-	(270)	1,030
Highland Literacy Partnership - Workplace	28,566	19,530	-	-	(34,196)	13,900
Highland Literacy Partnership - Job Readiness Pilot	3,710	-	-	-	(3,490)	220
Highland Literacy Partnership - 1-1 Tutoring Pilot	2,495	-	-	-	(1,795)	700
Highland Literacy Partnership - ESOL Challenge Fund	490	-	-	-	(429)	61
Highland Literacy Partnership - ESOL Quality Development	11,950	-	-	-	(11,357)	593
Highland Literacy Partnership - PDA IT ESOL	-	3,173	-	-	(3,173)	-
Highland Council - Gypsy Traveller Project	-	2,004	-	-	(2,004)	-
Highland Literacy Partnership - Numeracy Project	-	4,992	-	-	(3,912)	1,080
Highland Council - Fair Trade Project	710	-	-	-	(710)	-
Highland STUC Programme	-	2,753	-	-	(2,753)	-
CLAN - Edinburgh Literacy Partnership - Workplace	-	24,003	-	-	(22,153)	1,850
CLAN - Edinburgh Literacy Partners - Workplace ESOL	150	7,800	-	-	(4,078)	3,872
CLAN - Edinburgh Literacy Partners - Saughton Prison	3,940	(2,649)	-	-	(1,291)	-
Falkirk Council - Young Adults Project	-	5,868	-	-	(5,868)	-
Falkirk Council - Bo'ness Fair Project	2,150	1,582	-	-	(3,112)	620
Falkirk Literacy Partnership - Workplace	34,662	48,403	-	-	(35,155)	47,910
West Lothian Literacy Partnership - Workplace	37,270	53,609	-	-	(46,414)	44,465
West Lothian Council - Korean War Project	90	3,196	-	-	(3,286)	-
West Lothian Literacy Partnership - Voluntary Sector	22,944	29,631	-	-	(22,980)	29,595
West Lothian Council - Training & Resources Grant	1,841	8,927	-	-	(6,888)	3,880
Midlothian Council - Gala Day	-	1,500	-	-	(1,500)	-
Fife Council - Today & Tomorrow Project	-	1,543	-	-	(428)	1,115
STUC Programme	-	8,115	-	-	(6,615)	1,500
National Union Programme	29,600	-	-	-	(3,600)	26,000
Aberdeenshire Literacy Partnership - Workplace	1,070	6,984	-	-	(4,918)	3,136
Aberdeenshire Family Learning	2,000	18,220	-	-	(10,020)	10,200
Aberdeenshire Council - ESOL Workplace	200	-	-	-	-	200
Aberdeen City Literacy Partnership - Workplace	19,536	-	-	-	(7,036)	12,500
Aberdeen City Literacy Partnership - Literacy	1,750	-	-	-	-	1,750
Aberdeen City Literacy Partnership - ESOL	690	4,800	-	-	(3,090)	2,400
South Lanarkshire Literacy Partnership - Workplace	1,442	49,330	-	-	(44,372)	6,400
South Lanarkshire Literacy Partnership - ESOL Strategy	-	4,743	-	-	(4,063)	680
Glasgow Literacy Partnership - Numeracy Project 09/10	-	24,490	-	-	(24,490)	-
Glasgow Literacy Partnership - Literacy Project 09/10	-	39,913	-	-	(39,913)	-
Balance Carried Forward	697,477	4,392,085	(229,950)	(7,092)	(4,092,129)	760,392

WEA

Appendix II Restricted Funds - Others
Year Ended 31st July 2010

Restricted funds - Other (Continued)

For information of the Trustees only

	At 1 August 2009 £	Received income £	Accrued/ Deferred/ Match income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2010 £
Balance Brought Forward	697,477	4,392,085	(229,950)	(7,092)	(4,092,129)	760,392
Scotland Contd,						
Glasgow Literacy Partnership - ESOL 09/10	-	35,562	-	-	(35,562)	-
Glasgow Literacy Partnership ESOL Strategy Grant	-	15,438	-	-	(12,438)	3,000
Glasgow Literacy Partnership - ESOL Project 10/11	-	24,709	-	-	(18,483)	6,226
Glasgow Literacy Partnership - Numeracy Project 10/11	-	13,623	-	-	(7,451)	6,172
Glasgow Literacy Partnership - Literacy Project 10/11	-	24,754	-	-	(17,529)	7,225
Reach Out Project	45,110	73,891	-	-	(84,660)	34,341
Scottish Government - Reach Out Offender Literacies	200	9,158	-	-	(7,583)	1,775
Learning Connections - Literacy Resource Library	-	4,500	-	-	(2,919)	1,581
Anne Frank Literacy Project	-	6,150	-	-	(3,540)	2,610
South Ayrshire Council - Ayrshire Employability Proj,	4,000	-	-	-	(4,000)	-
Ayrshire Pre-employment Programme	-	20,021	-	-	(19,883)	138
East Ayrshire Employability Initiative	2,510	-	-	-	(2,510)	-
Reaching Forward	77,050	75,500	-	-	(88,970)	63,580
Making the Most of Children	590	1,440	-	-	(1,630)	400
Banchory & Westhill Over 55's Group	500	4,298	-	-	(4,198)	600
Fife Council - Wider Horizons Student Group Grant	-	200	-	-	(200)	-
Dunbartonshire Council - Clydebank Branch Grant	-	750	-	-	(750)	-
Aberdeen City Council - NELA Social Care Grant	-	2,598	-	-	(2,080)	518
Fife Council - Revenue	-	32,920	-	-	(32,920)	-
Fife Council - Teaching	-	14,843	-	-	(13,073)	1,770
Highland Council - Revenue	13,000	5,200	-	-	(18,200)	-
Highland Council - Teaching	5,500	1,460	-	-	(5,215)	1,745
Aberdeen City Council - Revenue	-	22,155	-	-	(22,155)	-
Aberdeen City Council - Teaching	880	11,428	-	-	(10,755)	1,553
Aberdeenshire Council - Revenue	-	5,470	-	-	(3,270)	2,200
Aberdeenshire Council - Teaching	865	25,948	-	-	(12,383)	14,430
Falkirk Council - Revenue	3,958	5,932	-	-	(5,935)	3,955
Falkirk Council - Teaching	3,741	3,872	-	-	(2,833)	4,780
City of Edinburgh Council - Revenue	3,720	21,770	-	-	(21,955)	3,535
City of Edinburgh Council - Teaching	-	5,443	-	-	(4,961)	482
Argyll & Bute Council - Revenue	-	1,480	-	-	(1,480)	-
Argyll & Bute Council - Teaching	1,100	780	-	-	(1,250)	630
West Dunbartonshire Council - Teaching	1,580	-	-	-	(1,580)	-
South Lanarkshire Council - Revenue	1,970	-	-	-	(1,970)	-
South Lanarkshire Council - Teaching	2,376	-	-	-	(92)	2,284
North Lanarkshire Council - Revenue	1,480	2,408	-	-	(3,424)	464
North Lanarkshire Council - Teaching	1,542	3,592	-	-	(1,334)	3,800
South Ayrshire Council - Teaching	610	-	-	-	(610)	-
East Renfrewshire Council - Teaching	3,216	-	-	-	(3,216)	-
Renfrewshire Council - Revenue	120	740	-	-	(740)	120
Renfrewshire Council - Teaching	154	260	-	-	(224)	190
Total	873,249	4,870,378	(229,950)	(7,092)	(4,576,090)	930,496

Appendix III. Association Summary Year Ended 31 July 2010
Year Ended 31st July 2010

For information of the Trustees only

ASSOCIATION SERVICES		EASTERN		EAST MIDLANDS		LONDON		NORTH EAST		NORTH WEST		SOUTHERN		SOUTH WEST		WEST MIDLANDS		YORKSHIRE & HUMBER		SCOTTISH ASSOC		CONSOLID ADJUSTNTS		TOTAL	
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£						
Statement of Financial Activities																									
Voluntary Income		(41,932)	1,061	380	370	1,464	10,636	106,505	65	1,000	706	8,971	-	-	-	-	-	-	-	-	-	-	-	89,226	
Activities for Generating Funds		6,834	40	279	3,324	13,304	-	10,907	80	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,767	
Investment Income		928,103	485	235	-	-	104	779	100,73	-	0,21	14	-	-	-	-	-	-	-	-	-	-	-	929,820	
Fees & Contracts		49,483	673,721	547,073	515,053	159,265	370,347	916,141	310,570	410,129	733,226	103,965	-	-	-	-	-	-	-	-	-	-	-	4,788,954	
Grants Receivable		3,887,337	1,357,751	2,590,097	1,639,936	1,445,207	2,689,306	2,430,857	1,735,678	1,809,326	4,228,933	2,541,034	-	-	-	-	-	-	-	-	-	-	-	26,008,018	
Other Income from Activities		(19,625)	122,761	24,467	41,605	19,604	1,200	5,014	10,800	3,059	22,180	1,774	-	-	-	-	-	-	-	-	-	-	-	193,631	
Other Incoming Resources		0	515	19,844	13,540	12,597	7,673	48,193	3,450	18,149	14,413	28,404	-	-	-	-	-	-	-	-	-	-	-	166,778	
Total Incoming Resources		4,810,181	2,156,334	3,162,375	2,213,828	1,612,233	3,079,266	3,518,396	2,060,743	2,241,862	4,999,457	2,684,162	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	32,211,193	
Fundraising costs		5,593	200	-	-	-	-	-	200	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,993	
Grants Payable		87,000	3,000	95,914	-	1,066	2,331	188,967	-	166	-	-	-	-	-	-	-	-	-	-	-	-	-	297,112	
Programme costs		165,744	1,731,578	2,562,700	1,854,566	1,288,651	2,474,728	2,856,699	1,852,555	2,000,196	4,256,518	2,218,263	-	-	-	-	-	-	-	-	-	-	-	22,989,752	
Facilities Management		123,732	46,767	85,968	101,766	31,853	80,884	163,177	70,871	98,618	105,674	80,253	-	-	-	-	-	-	-	-	-	-	-	989,563	
IT & Communications		402,860	48,100	95,605	54,711	42,649	93,178	73,139	42,268	60,687	86,175	39,536	-	-	-	-	-	-	-	-	-	-	-	1,038,908	
Support & Administration costs		3,976,588	108,379	314,182	169,547	228,338	170,204	120,421	103,162	100,571	289,588	415,997	-	-	-	-	-	-	-	-	-	-	-	5,998,976	
Governance costs		266,965	-	1,408	-	-	-	-	23,162	-	4,000	1,884	-	-	-	-	-	-	-	-	-	-	-	-	297,419
Total Resources Expended		5,028,482	1,932,024	3,155,777	2,180,589	1,592,558	2,821,325	3,402,402	2,092,217	2,259,907	4,741,955	2,755,933	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	(347,445)	31,615,724	
Surplus/(Deficit) for the Year on Operations		(218,300)	224,311	26,597	33,239	19,675	257,941	115,994	(31,474)	(18,246)	257,502	(71,771)	-	-	-	-	-	-	-	-	-	-	-	595,470	
Net Increase/(Decrease) In Funds		(218,300)	224,311	26,597	33,239	19,675	257,941	115,994	(31,474)	(18,246)	257,502	(71,771)	-	-	-	-	-	-	-	-	-	-	-	595,470	
Transfer between reserves		193,200	(75,033)	-	-	-	(118,167)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserves b/fwd		890,476	398,479	(37,098)	332,825	20,299	271,646	357,510	23,208	33,037	(58,158)	348,283	-	-	-	-	-	-	-	-	-	-	-	2,580,507	
Actual gains/ (losses) on pension scheme		(55,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(55,000)	
Reserves c/fwd		810,376	547,757	(10,501)	366,064	39,974	411,420	473,504	(8,266)	14,791	199,344	276,512	-	-	-	-	-	-	-	-	-	-	-	3,120,977	
Balance Sheet																									
Fixed Assets		1,574,828	23,156	219,274	436,501	9,607	77,073	47,980	20,381	24,404	174,992	7,136	-	-	-	-	-	-	-	-	-	-	-	2,615,332	
Current Assets		4,490,019	700,437	287,173	229,108	195,609	731,231	752,594	193,430	203,950	619,073	602,539	-	-	-	-	-	-	-	-	-	-	-	8,429,976	
Total Assets		6,064,847	723,593	506,447	665,610	205,216	808,304	800,575	213,811	228,354	794,066	609,675	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	(575,188)	11,045,308	
Current Liabilities< 1 Year		(708,488)	(175,836)	(516,947)	(299,546)	(165,241)	(396,881)	(327,071)	(222,077)	(213,563)	(594,722)	(333,163)	-	-	-	-	-	-	-	-	-	-	-	(3,378,348)	
Liabilities> 1 Year		(4,545,983)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,545,983)	
Total Liabilities		(5,254,471)	(175,836)	(516,947)	(299,546)	(165,241)	(396,881)	(327,071)	(222,077)	(213,563)	(594,722)	(333,163)	-	-	-	-	-	-	-	-	-	-	-	(7,924,331)	
Net Assets		810,376	547,757	(10,501)	366,064	39,974	411,422	473,504	(8,266)	14,791	199,344	276,512	-	-	-	-	-	-	-	-	-	-	-	3,120,977	
Financed By																									
General Reserve		5,066,223	198,082	(353,749)	276,672	(73,293)	194,297	4,147	(108,929)	(150,028)	(56,148)	(214,893)	-	-	-	-	-	-	-	-	-	-	-	4,782,381	
Pension Reserve		(4,476,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,476,000)	
Regional Branch Reserve Fund		-	39,019	101,064	9,665	-	19,074	121,292	6,865	33,021	-	-	-	-	-	-	-	-	-	-	-	-	-	329,989	
Branch Reserves Fund		-	282,335	110,887	77,649	48,045	64,806	254,314	53,631	52,830	90,361	31,329	-	-	-	-	-	-	-	-	-	-	-	1,065,986	
Endowments		8,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17,973	
Restricted Capital		-	23,156	51,223	2,729	-	70,142	23,091	20,380	13,241	161,776	3,708	-	-	-	-	-	-	-	-	-	-	-	389,446	
Restricted Funds		7,311	(1)	14,566	-	9,912	-	-	-	34,600	49,677	3,708	-	-	-	-	-	-	-	-	-	-	-	116,087	
Restricted Funds - other		204,842	5,165	65,507	(650)	55,310	63,302	70,660	9,814	31,128	3,355	406,691	-	-	-	-	-	-	-	-	-	-	-	915,123	
Total Reserves		810,376	547,757	(10,501)	366,064	39,974	411,422	473,504	(8,266)	14,791	199,344	276,512	-	-	-	-	-	-	-	-	-	-	-	3,120,977	

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