

# ALSG ANNUAL REPORT AND ACCOUNTS

31<sup>st</sup> December 2012

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**ADVANCED LIFE SUPPORT GROUP**  
**YEAR END 31<sup>ST</sup> DECEMBER 2012**



**CONTENTS**

<b>3 to 10</b>	Trustees' Annual Report
<b>11</b>	Statement of Trustees' Responsibilities
<b>12</b>	Independent Auditor's Report
<b>13</b>	Statement of Financial Activities
<b>14</b>	Balance Sheet
<b>15 to 20</b>	Notes to the Accounts



## **TRUSTEES' ANNUAL REPORT**

The Trustees present their annual report, together with the audited accounts for the year ended 31<sup>st</sup> December 2012

The report and accounts have been prepared in accordance with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008, Section 419(2) of the Companies Act 2006, with the accounting policies set out on pages 15 & 16 of the attached accounts and comply with the charitable company's Memorandum and Articles of Association, applicable laws, and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

<b>Charity name</b>	Advanced Life Support Group is also known as:- Advanced Life Support Courses (North West)
<b>Registered numbers</b>	Company No. 4580873 Charity No 1095478
<b>Trustees</b>	The Trustees, who all served during the year, are as follows: Mr Alan Charters Ms Kathy Doyle Mr Peter Driscoll Dr Peter-Marc Fortune Mr Kim Hinshaw Prof Kevin Mackway-Jones Dr Barbara Phillips Dr Martin Samuels Dr Chris Vallis Prof Terence Wardle
<b>Secretary and Chief Executive Officer</b>	Mrs Susan Wieteska
<b>Principal and Registered Office</b>	Advanced Life Support Group 29-31 Ellesmere Street Swinton, Manchester, M27 0LA Telephone: 0161 794 1999 Fax. 0161 794 9111 Email: ***@alsg.org Website: www.alsg.org



**TRUSTEES' ANNUAL REPORT (continued)**

**Professional advisors**

**Bankers**

Royal Bank of Scotland PLC  
Navigation House  
Furness Quay  
The Quays  
Salford  
M5 2XZ

**Solicitors**

GLP Solicitors  
672 Bolton Road  
Pendlebury  
M27 8FH

**Auditor**

Harry Sager & Co  
Statutory Auditor  
Chartered Certified Accountants  
69 Middleton Road  
Crumpsall  
Manchester  
M8 4JY

**Commercial Property  
Consultants**

Robert Pinkus & Co  
Chartered Surveyors  
16-18 Riversway Business Village  
Navigation Way  
Preston  
PR2 2YP



## **TRUSTEES' ANNUAL REPORT (continued)**

### **ADVANCED LIFE SUPPORT GROUP IN 2012**

#### **Structure, Governance and Management**

##### **Governing document**

The organisation is a charitable company limited by guarantee, incorporated on 4<sup>th</sup> November 2002 and registered as a charity on 20<sup>th</sup> January 2003. Prior to this the organisation had been registered as an unincorporated charity (1024554) since 4<sup>th</sup> August 1993 and all funds were transferred to the charity company on 1<sup>st</sup> January 2003. The company was incorporated under the Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

##### **Recruitment and appointment of trustee committee**

The directors of the company are also charity trustees for the purposes of charity law and under the company's articles are known as members of the Trustee Committee. Under the requirements of the Memorandum and Articles of Association the members of the Trustee Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. Work to balance the Trustee Committee continued in 2012 and is continuing into 2013.

##### **Trustee induction and training**

All existing trustees are already familiar with the work of the charity through continued involvement in course development, course teaching and research.

New trustees are encouraged to attend induction training to familiarise themselves with the charity and the context within which it operates. These are led by the Chief Executive of the charity and cover:

- The obligations of the Trustee Committee including trustee job description and induction/training process
- The main documents which set out the operational framework for the charity including Memorandum and Articles
- The current 5 year strategic plan and annual detailed business plan
- The latest published accounts



## **TRUSTEES' ANNUAL REPORT (continued)**

### **Risk management**

The trustees and senior management team have conducted a review of the major risks to which the charity is exposed. A risk management document has been prepared, which details the systems, procedures and other actions that have been taken to mitigate the risks. The areas covered relate to *Governance and Management Issues, Operational Risks* – both from an educational and a staffing, legal and environmental issues standpoint. This risk management document is reviewed annually as part of the planning cycle

### **Organisational Structure**

The Advanced Life Support Group has a Trustee Committee that meets face-to-face on at least 3 occasions each year, other meetings are held by telephone conference and email discussion forum. The committee is responsible for the strategic direction and policy of the charity. At present there are ten members, nine from clinical backgrounds and one lay member. The Secretary, CEO, Operations Director and Development Director also sit on the Committee but have no voting rights

A scheme of delegation is in place and day to day responsibility for the charity activities rest with the Chief Executive Officer, Operations Director and Development Director. There are 24 full and part-time employees working within the Manchester offices who are responsible for all areas of activity. A network of over 9,500 volunteers internationally support the training activities and a series of 16 volunteer working groups direct the clinical content and policy for individual course types.

### **Related Parties**

In so far as it is complementary to the charity's objects, the charity is guided by national and international policy. There are no transactions with related parties.

### **Objectives and Activities**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning current and future activities. During 2012, the charity has continued its three core policies and the related activities as outlined below in furtherance of the objects "to preserve life by providing training and education to the general public and in particular but not exclusively to doctors, nurses and other members of the medical profession, in life saving techniques in particular regarding advanced trauma, cardiac and paediatric life support treatment". These policies focus on the *advancement of health and the saving of lives* and in that respect benefit all members of the public who have need for emergency care. As a result of improved care and improved outcomes this benefit extends to their families and wider communities and the economy in general. There are no restrictions to the receipt of the benefit of improved emergency care. The Charity continued to reinvest income received during the year into course development and redevelopment. This ensures that our courses are fit for purpose and achieve the maximum public benefit.



## **TRUSTEES' ANNUAL REPORT (continued)**

- **Training Course Provision**

The aim is to provide training using standardised teaching packages to enable candidates to use a structured approach to a variety of clinical and non-clinical situations where the mortality or morbidity of the patient is at risk. This ensures that the public benefit is consistent across all geographical locations. The courses are all intensive and are based around tried and tested methods.

- **Training Course Development**

The group has made great efforts to develop training course packages to fill any gaps in the existing range available. All of the packages are didactic, comprehensive, consistent, and are structured in such a way that other groups can deliver them. This approach ensures that the 'system' of care is available to a much wider number of people. This benefits the public in that it ensures that the reach of the charity is as wide as possible.

- **Feedback and Quality Control Function**

The group is often pioneering new courses and consolidating existing ones. It is important for the credibility of the courses, the providers and the instructors that ALSG continues to audit their course effectiveness. This ensures that the public benefit from professionals who have been trained using the most effective methods possible and provides an appropriate balance between time spent on training and time devoted to patient care. This continual process of review and quality control function is also undertaken by the central administrative function of ALSG.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Courses**

In 2012, course activity at the ALSG training centre improved over 2011, although it did not recover to the level of the activity in 2009. Activity elsewhere also saw an increase, including overseas where ALSG courses now run in 39 countries on five continents.

Course development, particularly with regard to blended learning, continued during 2012 and this will be on-going. The recertification course for the paediatric courses and the human factors course became part of the standard programme during 2012 and work began on integrating two emergency tracheostomy courses developed by the National Tracheostomy Safety Programme into ALSG systems and procedures. Development is also underway of a series of courses aimed specifically at the improvement of patient safety as more patients are cared for in the community. A pilot of the first of these took place in April 2013.

### **Collaborations**

The collaborations with Maternal & Childhealth Advocacy International (MCAI) on the *Strengthening Emergency Care* programme and with the Royal College of Paediatrics & Child Health (RCPCH) and the National Society for the Prevention of Cruelty to Children (NSPCC) on the *Recognition and Response in Child Protection* and *Child Protection in Practice* course programmes continue. The APLS-CD scheme continues to provide funding for the *Strengthening Emergency Care* programme.



## **TRUSTEES' ANNUAL REPORT (continued)**

### **Research**

ALSG is continuing to support a PhD student who will undertake research related to the development of an electronic table-top for use in the major incident courses (MIMMS, HMIMMS and HAZIMMS). The pilot is now complete and the table-top is an integral part of the courses. In 2013, the focus will be on analysis and report writing. The PhD is supported by Salford University, supervised by Mr Lee Griffiths, Lecturer in Computer Science and is funded by ALSG.

### **Licensing**

The Manchester Triage System (MTS) has been adopted by organisations in 7 countries and the UK and this is resulting in an increase in royalties received by ALSG. These royalties will continue to be invested in a more robust infrastructure to support the audit and continued development of this programme.

### **Lobbying**

Changes in structures in the NHS continue to cause concern in particular with regard to the ability of candidates and instructors to attend nationally recognised and standardised course. Monitoring and lobbying continues in this area.

### **Organisational issues**

During 2012, the HR system review was completed and embedded. Also, the marketing function within ALSG was consolidated, supported by a part-time marketing consultant. Systems and procedures were established and staff training was carried out in this area.

In September 2012, our three-year Investors in People review was carried out and we achieved Gold recognition. An achievement which Trustees, Senior Managers and all ALSG Employees are very proud to report.

During November and December 2012 a volunteer Development Director joined the Senior Management Team in preparation for a 12-month part-time paid appointment commencing in January 2013. During the 12-month appointment the Development Director role will be defined and embedded. This will be followed by a longer term appointment to this role as part of the succession planning for the CEO.



## **TRUSTEES' ANNUAL REPORT (continued)**

### **FINANCIAL REVIEW**

During the year the Charity's total income was £1,554,672 (2011 £1,407,250), and the overall performance recorded a surplus of £107,039 (2011 surplus £80,429), resulting in a similar increase in reserves.

### **Principal Funding Sources**

There are three main sources of funding:

- Course fee income from candidates attending courses in the Manchester training centre.
- Certification and on-line course fee income from courses running elsewhere for ALSG courses
- Royalties donated from the sale of published materials

### **Collaborative Working**

The *Strengthening Emergency Care* programme is a strategic collaboration between MCAI and ALSG. All projects within this programme are managed jointly and resources from both organisations are deployed. At year end 31<sup>st</sup> October 2012, the income for MCAI was £243,240 and at year end 31<sup>st</sup> December 2012, the income for ALSG was £1,554,672

### **Investment Policy**

Aside from retaining a prudent amount in reserves each year the charity's funds are to be spent in the short term so there are no funds for long term investment

### **Reserves Policy**

The Trustees' policy is that the "free reserves", i.e. funds not already invested in fixed assets, should be retained to meet foreseeable fixed expenditure (including purchase of fixed assets) over a period of 3 months, which equates to approximately £170,000. At this level, the Trustees feel that they would be able to continue the current activities of the charity in the event of a significant fall in take up of courses and course materials. As at 31<sup>st</sup> December 2012, these reserves amount to £187,500. The free reserves, therefore, are just above the desired level. The Trustees intend to continue to monitor this closely and to employ any funds over and above the reserves level into course development.

### **Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.



## **PLANS FOR FUTURE PERIODS**

A strategic review carried out by the Trustees and senior management team in January 2012 has provided the basis for the organisational strategy for 2012-2016. The objectives and targets from 2012-2016 are based on the achievement of our vision and values and our 3 core approaches in training course provision, training course development and research and quality control.

By 2016, we will have set and built on a foundation for growth which will ensure that we produce value from everything we do and that we can continue to save lives by providing training

During that period our key objectives are to

<b>1</b>	• Achieve an average 5% growth year on year and a cumulative growth of 28% by 2016
<b>2</b>	• Increase staffing to 20.5 full time equivalents by 2016 at an average rate of 0.9 per year
<b>3</b>	• Move the balance of market sectors across NHS and non-NHS and across course types so that no single sector contributes more than 50% of turnover
<b>4</b>	• To achieve an overall surplus margin of 10%
<b>5</b>	• To have completed succession planning for key roles

By the end of 2012:

1. ALSG is financially sound and has free reserves to meet 3 months fixed expenditure
2. ALSG has reduced reliance on a single sector or course to 65% or less
3. ALSG has developed new products in the community and psychiatry
4. ALSG has achieved the targets set by trustees in re-aligning the existing courses on the Boston Consulting Group (BCG) matrix
5. ALSG has produced and implemented a campaign plan to introduce courses into at least one of the BRIC countries

The above report has been prepared in accordance with the Provisions applicable to Companies subject to the small Companies regime as set out in Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Approved and signed on behalf of the Trustees**

**Professor K Mackway-Jones**  
**Chairman of Trustees**  
**7<sup>th</sup> June 2013**



## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also directors of ALSG for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these accounts, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts, and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.



## **INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF ADVANCED LIFE SUPPORT GROUP**

We have audited the accounts of ALSG for the year ended 31st December 2012 on pages 13 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

### ***Respective responsibilities of trustees and auditor***

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, which include APB ethical standard-Provisions available for small entities, in the circumstances set out in Note 11 to the accounts.

### ***Scope of the audit of the accounts***

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the accounts.

### ***Opinion on accounts***

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### ***Opinion on other matter prescribed by the Companies Act 2006***

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

### ***Matters on which we are required to report by exception***

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

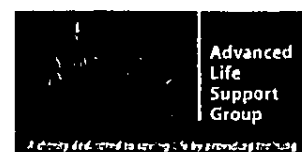
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us,
- the accounts are not in agreement with the accounting records and returns
- certain disclosures on trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.

  
**HARRY SAGER F.C.C.A.**  
**SENIOR STATUTORY AUDITOR**

For and on behalf of  
**HARRY SAGER & CO, STATUTORY AUDITOR**  
CHARTERED CERTIFIED ACCOUNTANTS,  
69 MIDDLETON ROAD, CRUMPSALL, M8 4JY  
7<sup>th</sup> June 2013

Harry Sager & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006





## **STATEMENT OF FINANCIAL ACTIVITIES**

**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2012**

	NOTE	2012 TOTAL FUNDS £	2011 TOTAL FUNDS £
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds:</b>			
Investment income	2	555	346
<b>Incoming resources from charitable activities:</b>			
Course fees and course materials		1,364,176	1,244,960
CAI CD sales		88,680	92,680
Royalties		85,917	53,870
<b>Other incoming resources:</b>			
Venue hire		15,344	15,394
Donations		-	-
<b>Total incoming resources</b>		<b>1,554,672</b>	<b>1,407,250</b>
<b>RESOURCES EXPENDED</b>			
	3		
Charitable activities		1,362,677	1,236,567
Governance costs		84,956	90,254
<b>Total resources expended</b>		<b>1,447,633</b>	<b>1,326,821</b>
<b>Net incoming resources</b>		<b>107,039</b>	<b>80,429</b>
<b>EXCEPTIONAL ITEM</b>			
Fixed asset impairment	5	(172,112)	-
<b>Net (deficit)/surplus</b>		<b>(65,073)</b>	<b>80,429</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>General reserve</b>			
Total funds brought forward		372,927	292,498
Total funds carried forward		<b>307,854</b>	<b>372,927</b>



**ADVANCED LIFE SUPPORT GROUP**  
**YEAR END 31<sup>ST</sup> DECEMBER 2012**



**BALANCE SHEET AS AT 31<sup>ST</sup> DECEMBER 2012**

	NOTE	2012	2011
		£	£
<b>FIXED ASSETS</b>			
Tangible	5	406,548	583,820
<b>CURRENT ASSETS</b>			
Stock of course materials		12,607	16,235
Debtors	6	155,095	122,054
Cash at bank and in hand		267,442	155,690
		<u>435,144</u>	<u>293,979</u>
<b>CREDITORS (Amount falling due within 1 year)</b>			
Bank loan	7	14,000	15,000
Other taxes and social security		12,109	12,560
Accruals		74,345	44,260
Deferred income		82,999	68,358
Other creditors		145,190	134,602
		<u>328,643</u>	<u>274,780</u>
<b>Net current assets</b>		<u>106,501</u>	<u>19,199</u>
		513,049	603,019
<b>CREDITORS (Amount falling due after 1 year)</b>	8	(205,195)	(230,092)
		<u>307,854</u>	<u>372,927</u>
<b>Represented by unrestricted funds</b>		<u>307,854</u>	<u>372,927</u>

These accounts have been prepared in accordance with the Provisions applicable to Companies subject to the small Companies regime as set out in Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

**Approved by the Board of Trustees on 7<sup>th</sup> June 2013**

  
 Professor K Mackway-Jones - Chairman

The notes on pages 15 to 20 form part of these accounts



## **NOTES TO THE ACCOUNTS**

### **a. Accounting policies**

#### **a. Basis of accounting**

The Accounts have been prepared under the Historical Cost Convention, in accordance with the Companies Act 2006, applicable accounting standards, and comply with the Statement of Recommended Practice 'Accounting by Charities' issued by the Charity Commissioners in March 2005, and the Charities Act 2011

#### **b Incoming resources**

All incoming resources are included in the statement of financial activities when the conditions for receipt have been met. The following specific policies apply to categories of income.

- **Training Course Fees:** included on a receivable basis. Course fees are invoiced in advance and, therefore, deferred and included in income in the relevant financial year when the course is held.
- **Sale of Course Materials and CD Sales:** included on a receivable basis when an invoice is issued and goods dispatched.
- **Royalties:** included in income when notified of entitlement by publisher. The Royalties received are shown net of amounts payable to overseas centres as a contribution to work in translation.
- **Venue Hire** included in income on invoice following use of venue
- **Investment Income** this relates to interest from bank deposits and is included in income when receivable

#### **c Resources Expended and Allocation of Expenditure**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of VAT which cannot be recovered, and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of resources (i.e. staff time spent, floor space etc)

- **Charitable activities:** Costs of the charity incurred in the delivery of its activities and services
- **Governance Costs:** Costs associated with the general running of charity as opposed to those costs associated with direct charitable activities.



## **NOTES TO THE ACCOUNTS (continued)**

### **d Fixed Assets**

The cost of tangible fixed assets is written off over their useful lives as follows:

Course equipment slides - over 4 years straight line  
Course equipment: others - over 2 years straight line  
Office equipment - over 5 years straight line  
Computer equipment - over 2 years straight line

In accordance with Financial Reporting Standard No. 15 and the Companies Act 2006 all tangible assets are to be depreciated. Although the freehold buildings have not been depreciated the Trustees do regular impairment reviews (see note 5).

### **e Stock**

Stock is stated at the lower of cost or net realisable value

### **f Operating leases**

Rentals applicable to operating leases are charged to the statement of financial activities over the period in which the cost is incurred.

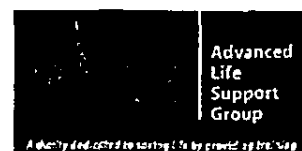
### **g Pension costs**

The charity contributes to a group Personal Pension Plan operated by MGM Insurance for all eligible employees, and contributions to the scheme are charged to the Statement of Financial Activities as and when they become payable.

### **h. Cash flow statement**

The Charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a Cash Flow Statement on the grounds that it is a small charity





**NOTES TO THE ACCOUNTS (continued)**

	2012	2011
	£	£
<b>2 INVESTMENT INCOME</b>		
Bank deposit interest	555	346
<b>3 RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Bad debts	1,271	900
Bank interest	5,668	6,267
Course related costs including materials	510,703	441,438
CAI CD costs	79,821	87,836
Equipment rental	52,554	47,397
Heat and light	11,857	7,057
Insurance	4,658	4,441
Marketing	20,232	8,359
Printing, postage and stationery	24,147	20,345
Professional IT costs and support	25,049	35,886
Rates and water	5,323	5,528
Repairs and renewals	32,073	23,935
Credit card and switch charges	11,186	10,248
Staff costs	542,769	499,053
Sundry expenses (including training fees)	20,207	22,983
Telephone charges	4,207	6,095
Depreciation	10,952	8,799
	<b>1,362,677</b>	<b>1,236,567</b>
<b>Governance costs</b>		
Audit and accountancy charges	16,244	16,048
Bank interest	175	194
Equipment rental	1,625	3,568
Heat and light	366	218
Insurance	1,238	1,327
Marketing	2,950	1,475
Professional IT fees and support	2,447	2,701
Rent, rates and water	165	171
Repairs and renewals	992	740
Staff costs	53,268	46,014
Staff training	5,074	17,339
Telephone and sundry expenses	412	459
	<b>84,956</b>	<b>90,254</b>



**NOTES TO THE ACCOUNTS (continued)**

**4 STAFF COSTS**

	2012 £	2011 £
Wages and salaries	510,179	469,423
Social security costs	46,810	39,414
Pension costs	39,048	36,230
	<u>596,037</u>	<u>545,067</u>

*Allocated to*

Charitable activities	542,769	499,053
Governance	53,268	46,014

Wages and salaries include Childcare costs of £5,832 (2011 £2,916), which has been accepted by employees as salary sacrifice.

In addition, a great amount of time, the value of which is impossible to reflect in these accounts is donated by thousands of volunteer instructors throughout the UK and overseas

In 2012 there was one (2011 one) higher paid member of staff, who received remuneration between £60,000 and £69,999 including pension benefit of £4,527.12

The average number of full time and part time employees analysed by function was:

Charitable activities	21	17
Governance	3	6
	<u>24</u>	<u>23</u>

**5 FIXED ASSETS**

Tangible fixed assets held for continuing use in the charity's activities

	Freehold land and buildings £	Course equipment £	Office equipment £	Computer equipment £	Total £
<b>Cost/Value</b>					
At 1 <sup>st</sup> January 2012	572,112	82,310	32,077	23,874	710,373
Additions	-	4,495	634	663	5,792
Impairment/Disposals	(172,112)	(816)	-	(160)	(173,088)
At 31 <sup>st</sup> December 2012	<u>400,000</u>	<u>85,989</u>	<u>32,711</u>	<u>24,377</u>	<u>543,077</u>

**Depreciation**

At 1 <sup>st</sup> January 2012	-	77,275	26,438	22,840	126,553
Charge for year	-	7,282	2,305	1,365	10,952
On Disposals	-	(816)	-	(160)	(976)
At 31 <sup>st</sup> December 2012	<u>-</u>	<u>83,741</u>	<u>28,743</u>	<u>24,045</u>	<u>136,529</u>

**Net book value**

At 31 <sup>st</sup> December 2012	400,000	2,248	3,968	332	406,548
At 31 <sup>st</sup> December 2011	572,112	5,035	5,639	1,034	583,820

A formal valuation of the Freehold Land and Buildings was carried out by Robert Pinkus & Co, Chartered Surveyors, in August 2012 on the basis of open market value. This gave a valuation of £400,000. Following this valuation the Trustees have carried out an impairment review in accordance with Financial Reporting Standard No. 11, resulting in an impairment of £172,112 which has been reflected in these accounts



**NOTES TO THE ACCOUNTS (continued)**

<b>6 DEBTORS (Due within one year)</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Other debtors	86,468	83,652
Prepayments	68,627	38,402
	<u>155,095</u>	<u>122,054</u>

**7 BANK LOAN**

The loan is secured by legal charge to Royal Bank of Scotland plc over the land and buildings at 27-31 Ellesmere Street, Swinton, Manchester

<b>8 CREDITORS (Amounts falling due after more than one year)</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank loan (see note 7)	<u>205,195</u>	<u>230,092</u>
Between two and five years	57,000	59,700
In five years or more	148,195	170,392

**9 PENSION COSTS**

The group Personal Pension Plan is a defined contribution scheme, and is open to all employees. Employee contributions are not compulsory. The employer contribution is either 7% or 7.5%.

The pension cost to the charity for the year was £39,048 (2011 £36,230).

At the year-end there were outstanding contributions payable to the scheme of £3,698 (2011 £3,670).

**10 TRANSACTIONS WITH TRUSTEES**

- During the year eight Trustees were reimbursed for travelling expenses and this totalled £1,604 (2011 – six Trustees reimbursed £1,764)
- Following agreement from the Charity Commission and amendments to the Memorandum and Articles of Association, one trustee received remuneration of £4,053 during the year (2011 – £10,698)



## NOTES TO THE ACCOUNTS (continued)

<b>11 AUDITOR'S REMUNERATION</b>	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Audit fees	12,244	12,048
Accountancy charges	4,000	4,000
	<u>16,244</u>	<u>16,048</u>

In common with many entities of our size and nature, we use our Auditors to assist with the preparation of the accounts

## 12 COMMITMENTS

### Operating leases

At 31<sup>st</sup> December 2012 the charity had annual commitments under non-cancellable operating leases for computers and office equipment as follows:

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Operating leases which expire:		
Within one year	1,279	27,623
Within two to five years	38,231	21,834