

**REGISTERED COMPANY NUMBER: 04383779 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1097333**

Report of the Trustees and  
Financial Statements For The Year Ended 31 March 2009  
for  
Humber Learning Consortium

Humber Learning Consortium

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for the Year Ended 31 March 2009

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## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

The trustees who are also directors of the charity for the purposes of the Companies Act 1985, present their report with the financial statements of the charity for the year ended 31 March 2009. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Company number**

04383779 (England and Wales)

##### **Registered Charity number**

1097333

##### **Registered office**

Goodwin Centre  
Icehouse Road  
Hull  
East Yorkshire  
HU3 2HQ

##### **Trustees**

K Jones

T Morfin

B V Diggle

- resigned 23.6.09

D A Rodgers

M McCormick

D L Wilbourne

P E Grant

- resigned 6.1.09

N King

- resigned 27.11.08

C Darnell

- appointed 31.3.09

G Doherty

- resigned 3.9.09

P Brown

- appointed 10.7.08

K Elliot

- appointed 5.1.09

R J Keightley

- appointed 16.12.08

##### **Company Secretary**

A D Crossland

##### **Auditors**

The cba Partnership  
Chartered Accountants  
and Registered Auditors  
72 Lairgate  
Beverley  
East Yorkshire  
HU17 8EU

#### **CHANGE OF NAME**

The charitable company passed a special resolution on 1 April 2008 changing its name from Humberside Learning Consortium to Humber Learning Consortium.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 1985.

## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Organisational structure**

A board comprising ten trustees is the current accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association. Members of the trustee board normally serve for a two year period and may be re-elected for further terms. The Board aims to represent the learners supported by the organisation and to do this each of the Local Development Agencies is represented on the board, bringing with them their knowledge of the needs of the client group.

The trustees meet regularly, usually every two months, to discuss and approve major decisions. A Chief Executive, together with the senior management team, manages the day to day operations of the organisation. The Director of Operations also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the management team and where possible the wider staff team, to engage in considering the issues affecting the organisation's direction. This ensures that the employed staff team remains fully engaged and the strategic decisions of the board benefit from the expertise of the employed team. Responsibility for the day to day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility within each role.

##### **Related parties**

Humber Learning Consortium utilises a number of contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Learning & Skills Council, Capacity Builders, Big Lottery Fund and the National Open College Network. HLC also has a number of strategic alliances which support VCS learning; partners include West Yorkshire Learning Consortium, North Yorkshire Learning Consortium, East Riding Council, East Riding College and the University of Hull.

At the heart of HLC is learning delivery within the voluntary and community sector and our work is designed to complement the work of LDAs. A particular focus for HLC is the maintenance of strong partnerships with Local Development Agencies (LDAs). This emphasis has broadened in 2008/09 with the award of HLC's first regional project and now spreads to include developing partnerships across Yorkshire and the Humber region. The representation of voluntary and community sector organisations of the LDAs on the HLC board supports HLC in ensuring that strategic direction and service delivery meets the needs of the sector. During 2008-09, Local Development Agency partners were Hull CVS, Community Economic Regeneration Team (CERT), East Riding Voluntary Action Services (ERVAS), North Bank Forum, Voluntary Action North East Lincolnshire (VANEL), Voluntary Action North Lincolnshire (VANL), Humber All Nations Alliance (HANA) and Humber and Wolds Rural Community Council (HWRCC).

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Management Team in conjunction with Trustee representatives review the risks faced by the organisation. A risk register is maintained and scored and this is then reviewed periodically to assess changing risk factors.

The main risks to the organisation considered as part of this strategy are as follows:-

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Human Resources issues
5. Teaching and Learning/ Partnership activities
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charitable objects of the Company are to promote the advancement of education for the public benefit

- (a) to improve access to learning opportunities for users, volunteers and employees of voluntary and community organisations in Humber and Yorkshire
- (b) to develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) to develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) to carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and in planning future activities.

In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

##### **How our activities deliver public benefit**

All of HLC's activities are for the benefit of users, volunteers and employees of voluntary and community organisations. We work with over thirty delivery partners many of which are local community organisations. All courses are available for members of the public and are usually free. Where a charge is levied the fee is a minimal amount usually of around £10 to support the delivery organisation. It has often been found that when a minimal fee is charged, learners demonstrate more commitment to their learning and this allows more courses to run due to adequate learner numbers and encourages learners to get more out of their learning experience.

From a broader perspective HLC's activities help adults and young people within the Yorkshire and Humber region engage on a learning journey leading to wider opportunities benefiting the individuals and their communities.

##### **Work with Partners**

Quality Assurance and improvement processes are given a high profile, priority across HLC and its partner's networks. Guidance and training is provided regularly to assure delivery partners meet the quality threshold of funders and inspection. This in turn improves the learning experience and the opportunity for learners to benefit.

##### **Championing the Sector**

HLC is very active in championing the voluntary and community sector at all levels and continues to promote the benefit of making learning opportunities available outside of institutional establishments when trying to engage with those from the most disadvantaged backgrounds.

## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The year ended 31st March 2009 has been an exciting year for HLC. A full rebrand and slight name change to Humber Learning Consortium gave us an excellent opportunity to engage with new and existing partners and users. A particularly successful event was the Celebration of Learning Event which took place in November 2008. Over 70 learners, nominated by our delivery partners were recognised and received certificates of achievement and in addition the winners received an award at a presentation event attended by Margaret Coleman, Regional Director of the LSC, Yorkshire and Humber. This event generated much positive feedback and the Celebration of Learning will continue to be an annual HLC event. The 2009 event is confirmed for the 12th November 2009 at the KC Stadium, Walton Street, Hull.

The implementation of further aspects of the Companies Act 2006 during 2008 and the need to register HLC's change of name gave us an opportunity to review the content of our governing documents. This exercise was undertaken by members of the HLC staff and Trustees.

The successful award of the regional Community Grants contract led to the most recent amendment which saw the change in HLC's area of benefit to Yorkshire and the Humber.

During 2008-09 HLC has commenced activity on nine new projects. As much of this funding relates to delivery of learning opportunities there is a significant amount of learner data to be captured and processed, for both funder reports and research, a proposal was accepted by the board to invest in a new management information system. Other grant funding from NIACE also contributed towards this investment. The new system will permit HLC to manage and analyse this data more efficiently allowing us to better identify success and achievement and with planning for future programmes.

The Learner Feedback Survey undertaken during 2008-09 produced useful information that has been used by HLC to measure our performance.

With our partners we have delivered a wide range of learning opportunities to members of the voluntary and community sector, with achievements summarised further below.

##### Communication and Research

A new web site was developed including Managed Learning Environments. This was launched in October 2008 incorporating latest web 2.0 technologies and a micro-site functionality that enables partners to create on-line learning environments.

We launched our trustee micro site, enabling HLC's board of Directors to access governance information remotely 24/7. HLC is very proud to have been shortlisted for a Charity Times Award in the Best use of Technology category for its trustee micro site.

The implementation of brIDge client management database commenced in July 2008. In the longer term this will help us to generate an evidence base for the "softer" added value activities.

##### Marketing

The successful re-branding of HLC, with refreshed logo, the "passionate about learning" strap-line, a new website, an annual Celebration of Learning event, an improved version of Training News magazine and two new e-bulletin services actively involved HLC staff.

We have also completely revamped and improved the style and content of our magazine, "Training News" in time for its 20th birthday. A brand new monthly email bulletin service "Training News Plus", that complements the quarterly magazine was also launched. Over 500 Humber voluntary organisations now receive a regular flow of news and information from HLC about the world of adult learning.

##### Community Grants

This project assists small voluntary, community groups and social enterprises that are not currently able to access mainstream LSC/ESF funding to access grants of up to £12,000. These grants are then used to help and assist unemployed individuals from deprived communities into learning and work. Actual delivery for this programme did not commence until after March 2009 but since then we have successfully awarded 48 organisations with grants for learners to benefit from a wide range of activities such as motor cycle repair, basic skills, drama and confidence building. Current programmes are profiled to benefit over two thousand participants across the Yorkshire and Humber area and this figure will rise as future grants are awarded. Launches have been held successfully and we have received a great response to the one to one surgeries that have been held with potential grant recipients at these events.

##### PCDL / NLDC Adult Safeguarded Learning

## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

HLC has again successfully managed this project delivering a good range of high quality learning opportunities. This project is expected to engage over 1400 adult learners. Courses include arts and crafts, horticulture, stress and anxiety management and digital photography.

##### Humber Skills

Funded by the Big Lottery, the Humber SKILLS project is a three-year, needs-led programme of development support, which aims to increase the skills of leaders and managers (chief officers, trustees, project and volunteer managers) involved in Humber voluntary & community organisations (VCOs). During 2008/09, 26 organisational diagnostics were carried out with a total of 80 diagnostics planned for completion by the end of the project in 2011. Over 250 organisations are also benefiting from information support provided by this project. HLC is particularly keen to monitor how the outcomes of both forms of intervention impact in terms of the development, increased efficiency and increased effectiveness of individuals and organisations.

##### Quality Hub

This three year Big Lottery funded project will support Humber region infrastructure organisations by establishing a quality hub that offers practical assistance and mentoring.

Three of the member organisations have achieved their chosen quality standards, including HLC, which successfully implemented Investors in People in December 2008. The remaining seven members are implementing QA systems throughout 2009-10.

##### LSC/ ESF Adult Engagement

Co-financed by the ESF and LSC the Adult Engagement Project seeks to engage with many of the 'harder to reach' workless people who are either not aware of the opportunities available and/or are unwilling to engage with other support agencies.

A key requirement of provision will be to make learning more accessible, minimising the impact of geography, particularly rural isolation and other barriers by seeking more innovative methods of delivery to ensure the availability of a broad range of first steps and progression learning opportunities.

During 2008/09 over 181 learners enrolled on courses out of a total of 400 learners to be engaged through the projects duration.

##### LSC/ ESF Information Advice and Guidance (IAG)

Information advice and guidance is integral to the European Social Fund 2007 - 2013 programme. Participants on all ESF Priority 1 and Priority 2 projects are entitled to, and should receive, quality information advice and guidance with regards to their learning experience and future choices. Co-financed by the ESF and LSC the IAG project aims to provide matrix Standard IAG to both employed and unemployed participants on ESF funded projects. HLC has engaged 14 partners to deliver the IAG sessions around the sub-region.

##### LSC/ ESF Not in Education, Employment or Training (NEETs) East Riding of Yorkshire

Co-financed by the ESF and LSC the purpose of this project is to reduce the number of young people not in education, employment or training in the East Riding of Yorkshire.

The role for HLC is to work with the 11 delivery partners to develop a range of innovative and exciting programmes to help young people explore future opportunities available to them. During 2008/09 31 learners have embarked on NEETS programmes.

##### Open College Network

HLC is actively involved in a regional partnership with the Open College Network which aims to develop a qualifications and credit framework for voluntary sector managers and staff. HLC is the contract leader for the Humber sub region.

To date HLC has provided three training days delivering OCN Level 2 courses to 37 learners. The same 37 learners also benefitted from information advice and guidance and 12 learners also received distance learning support.

##### Consortium Development Grant

Funded through Capacity Builders, the Federation of Local Development Agencies (FoLDA) has been actively engaged in a number of projects in 2008/09 including a longitudinal three year research study investigating both the level of local development agency engagement in Local Strategic Partnerships and the cost of this engagement and an annual frontline VCS needs survey.

## Humber Learning Consortium

### Report of the Trustees for the Year Ended 31 March 2009

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

###### Development Track

Complementing our other work with the Humber region infrastructure organisations, this three year funding from Capacity Builders aims to identify and assess the development needs of organisations using the NAVCA SKiLD framework and achieve demonstrable gains in efficiency, effectiveness and sustainability. Despite a late start on this contract FoLDA organisations have enthusiastically engaged with Development Track and sixteen organisational learning champions are currently being trained up to carry out skills audits and develop training plans for their respective agencies.

###### Quality Assurance

HLC continues to demonstrate its commitment to quality delivery and was awarded the Matrix standard for information, advice and guidance in June 2008 and achieved Investors in People status in December 2008. HLC also maintains its Customer First accreditation (valid until March 2010) and continues to work towards the PQASSO quality standard and is currently self-assessed at level 2.

Through the Quality Improvement Network sessions, we have continued to develop and strengthen our relationships with our partners, helping them to build their own capacity and by providing support with the annual Self Assessment Review.

#### **FINANCIAL REVIEW**

##### **Financial Review**

HLC's sound financial position and unrestricted reserves from previous years has ensured that HLC could maintain stability during 2008-09. Although HLC was successfully awarded nine new contracts due to start on 1st April 2008, we experienced several months of delays while the contracting process completed before we could commence delivery. These delays affected HLC's income generation for these months and required the use of some of the unrestricted reserves to maintain the essential projects and support team which has allowed HLC to commence quality delivery at the earliest opportunity. This has affected the overall financial position for the year resulting in a net deficit of £142,121 at year end 2008/09.

###### Reserves Policy

The trustees have continued to implement a reserves policy and this is reviewed annually to ensure appropriateness for the organisation and its current and future beneficiaries. Due to the unpredictable nature of income and level of fluidity within the sector, as seen during 2008/09, the trustees continue to hold reserves to the value of at least six months running costs. At the close of the year 2008/09 total unrestricted reserves amounted to £455,937.

This incorporates a provision for all statutory redundancy obligations. At 31st March 2009 this provision amounts to £25,500.

##### **Funds in deficit**

Certain unrestricted, designated, projects commenced in the year under review had not produced income. These projects will generate income in the next accounting period and the funds will then no longer show a deficit balance.

Humber Learning Consortium

Report of the Trustees  
for the Year Ended 31 March 2009

**STATEMENT OF TRUSTEES RESPONSIBILITIES**

The trustees (who are also the directors of Humber Learning Consortium for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements 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 those financial statements, the trustees are required to

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 234ZA of the Companies Act 1985) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors, The cba Partnership, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD :**

A D Crossland - Secretary

21 October 2009

Report of the Independent Auditors to the Members of  
Humber Learning Consortium

We have audited the financial statements of Humber Learning Consortium for the year ended 31 March 2009 on pages ten to eighteen. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective January 2007).

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985 . Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' 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 charitable company's trustees 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 charitable company for the purposes of company law) responsibilities for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out on page seven.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK 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 the Companies Act 1985 and whether the information given in the Report of the Trustees is consistent with the financial statements.

We also report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Report of the Trustees and consider the implications for our report if we become aware of any apparent misstatements within it.

**Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK 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 judgements 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.

Report of the Independent Auditors to the Members of  
Humber Learning Consortium

**Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2009 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 the Companies Act 1985; and
- the information given in the Report of the Trustees is consistent with the financial statements.

The cba Partnership  
Chartered Accountants  
and Registered Auditors  
72 Lairgate  
Beverley  
East Yorkshire  
HU17 8EU

26 October 2009

Humber Learning Consortium

Statement of Financial Activities  
for the Year Ended 31 March 2009

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	300	-	300	-
Investment income	3	20,638	-	20,638	40,368
<b>Incoming resources from charitable activities</b>					
Subcontracted learning	4	418,436	71,106	489,542	864,091
Learning delivery - direct		31,323	204,386	235,709	64,720
Advice and guidance		14,813	93,610	108,423	175,617
Communications		35,356	-	35,356	333,972
<b>Total incoming resources</b>		520,866	369,102	889,968	1,478,768
 <b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Subcontracted learning	5	512,636	70,034	582,670	792,989
Learning delivery - direct		83,436	109,716	193,152	118,456
Advice and guidance		25,407	92,627	118,034	176,675
Communications		131,505	-	131,505	331,055
<b>Governance costs</b>	7	4,237	2,494	6,731	15,553
<b>Total resources expended</b>		757,221	274,871	1,032,092	1,434,728
 <b>NET INCOMING/(OUTGOING)</b>					
<b>RESOURCES before transfers</b>		(236,355)	94,231	(142,124)	44,040
<b>Gross transfers between funds</b>	15	429	(429)	-	-
<b>Net incoming/(outgoing) resources</b>		(235,926)	93,802	(142,124)	44,040
 <b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		691,863	871	692,734	648,694
<b>TOTAL FUNDS CARRIED FORWARD</b>		455,937	94,673	550,610	692,734

The notes form part of these financial statements

Humber Learning Consortium

Balance Sheet  
At 31 March 2009

	Notes	Unrestricted funds £	Restricted funds £	2009 Total funds £	2008 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	2,609	-	2,609	6,191
<b>CURRENT ASSETS</b>					
Debtors	12	36,554	881	37,435	173,075
Cash at bank and in hand		685,857	166,465	852,322	800,214
		<u>722,411</u>	<u>167,346</u>	<u>889,757</u>	<u>973,289</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(269,083)	(72,673)	(341,756)	(286,746)
<b>NET CURRENT ASSETS</b>					
		<u>453,328</u>	<u>94,673</u>	<u>548,001</u>	<u>686,543</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
		<u>455,937</u>	<u>94,673</u>	<u>550,610</u>	<u>692,734</u>
<b>NET ASSETS</b>					
		<u><u>455,937</u></u>	<u><u>94,673</u></u>	<u><u>550,610</u></u>	<u><u>692,734</u></u>
<b>FUNDS</b>					
Unrestricted funds	15			455,937	691,863
Restricted funds				94,673	871
<b>TOTAL FUNDS</b>					
				<u><u>550,610</u></u>	<u><u>692,734</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board of Trustees on 21 October 2009 and were signed on its behalf by:

T Morfin -Trustee

The notes form part of these financial statements

## **1. ACCOUNTING POLICIES**

### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standards for Smaller Entities (effective January 2007), the Companies Act 1985 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Grants, including grants for the purchase of fixed assets, are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

### **Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs are these costs incurred directly in support of expenditure on the objects of the charity and include project management.

### **Allocation and apportionment of costs**

Support costs are allocated on the basis of staff time.

### **Tangible fixed assets**

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

Plant and machinery etc	- 33.33% on cost
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### **Taxation**

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

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### **Research and development**

Research expenditure is written off to the statement of financial activities in the year in which it is incurred.

### **Defined contribution pension schemes**

The charitable company operates a defined contribution pension scheme. Contributions payable are charges to the statement of financial activities in the period to which they relate.

### **Transfers**

The majority of transfers relate to management fee and fee income from restricted to unrestricted funds.

Humber Learning Consortium

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2009

**2. VOLUNTARY INCOME**

	2009	2008
	£	£
Donations	300	-
	<u>300</u>	<u>-</u>

**3. INVESTMENT INCOME**

	2009	2008
	£	£
Interest receivable	20,638	40,368
	<u>20,638</u>	<u>40,368</u>

**4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

		2009	2008
	Activity	£	£
Grants	Subcontracted learning	70,225	-
Service contracts and other income	Subcontracted learning	419,317	864,091
Grants	Learning delivery - direct	165,591	37,489
Service contracts and other income	Learning delivery - direct	70,118	27,231
Grants	Advice and guidance	93,420	175,617
Service contracts and other income	Advice and guidance	15,003	-
Grants	Communications	20,000	167,267
Service contracts and other income	Communications	15,356	166,705
		<u>869,030</u>	<u>1,438,400</u>

Grants received, included in the above, are as follows:

	2009	2008
	£	£
NIACE	20,000	10,000
European Social Fund	-	16,613
Big Lottery	165,591	2,994
Capacity Builders	163,645	332,766
Futurebuilders	-	18,000
	<u>349,236</u>	<u>380,373</u>

**5. CHARITABLE ACTIVITIES COSTS**

	Direct costs	Support costs (See note 6)	Totals
	£	£	£
Subcontracted learning	522,053	60,617	582,670
Learning delivery - direct	151,121	42,031	193,152
Advice and guidance	103,916	14,118	118,034
Communications	114,484	17,021	131,505
	<u>891,574</u>	<u>133,787</u>	<u>1,025,361</u>

## Humber Learning Consortium

### Notes to the Financial Statements - continued for the Year Ended 31 March 2009

#### 6. SUPPORT COSTS

	Other £
Subcontracted learning	60,617
Learning delivery - direct	42,031
Advice and guidance	14,118
Communications	17,021
	<hr/>
	133,787
	<hr/> <hr/>

#### 7. GOVERNANCE COSTS

	2009 £	2008 £
Staff costs	-	2,804
Auditors' remuneration	4,793	4,341
Staff expenses	1,251	1,898
Organisational development	-	3,334
Event costs	687	-
Quality standards	-	3,176
	<hr/>	<hr/>
	6,731	15,553
	<hr/> <hr/>	<hr/> <hr/>

#### 8. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2009 £	2008 £
Auditors' remuneration	4,793	4,341
Depreciation - owned assets	3,583	4,032
	<hr/>	<hr/>

#### 9. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2009 nor for the year ended 31 March 2008.

##### **Trustees' Expenses**

During the year, expenses for travel and subsistence have been paid to T Morfin in the sum of £1,050, M McCormick in the sum of £118, P Grant in the sum of £21 and P Brown in the sum of £62.

Humber Learning Consortium

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2009

**10. STAFF COSTS**

	2009	2008
	£	£
Wages and salaries	338,547	348,147
Social security costs	34,617	34,983
Other pension costs	26,120	26,629
	<u>399,284</u>	<u>409,759</u>
	<u>399,284</u>	<u>409,759</u>

The average monthly number of employees during the year was as follows:

	2009	2008
CEO	1	1
Senior management	2	2
Delivery staff	6	7
Administration	4	2
	<u>13</u>	<u>12</u>
	<u>13</u>	<u>12</u>

No employee received emoluments of more than £60,000 (2007: none).

**11. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 April 2008 and 31 March 2009	<u>21,504</u>
<b>DEPRECIATION</b>	
At 1 April 2008	15,312
Charge for year	<u>3,583</u>
At 31 March 2009	<u>18,895</u>
<b>NET BOOK VALUE</b>	
At 31 March 2009	<u>2,609</u>
At 31 March 2008	<u>6,192</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
	£	£
Trade debtors	26,016	154,868
Other debtors	11,419	18,207
	<u>37,435</u>	<u>173,075</u>
	<u>37,435</u>	<u>173,075</u>

Humber Learning Consortium

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2009

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2009	2008
	£	£
Trade creditors	130,498	248,867
Other creditors	211,258	37,879
	<u>341,756</u>	<u>286,746</u>

**14. OPERATING LEASE COMMITMENTS**

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

	2009	2008
	£	£
Expiring:		
Between one and five years	<u>17,527</u>	<u>17,527</u>

**15. MOVEMENT IN FUNDS**

	At 1.4.08	Net movement in funds	Transfers between funds	At 31.3.09
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	463,628	(21,197)	5,772	448,203
Redundancy reserve	25,500	-	-	25,500
Community Grants South	-	(26)	-	(26)
Community Grants North and West	-	(24,458)	-	(24,458)
Communications	71,000	(42,963)	-	28,037
Training News	9,786	(5,063)	-	4,723
Adult Learning	19,295	(18,265)	-	1,030
Mainstream 2007/08	24,256	(23,670)	-	586
NIACE	317	(317)	-	-
Quality and Development Programme	65,000	(34,579)	-	30,421
Initial Teacher Training	4,738	(4,738)	-	-
OCN Accreditation	3,000	3,188	-	6,188
Social Enterprise	5,343	-	(5,343)	-
Adult Safeguarded Learning	-	28,746	-	28,746
LSC Adult Engagement	-	(28,130)	-	(28,130)
Commissioning Project	-	15	-	15
LSC IAG	-	(32,664)	-	(32,664)
LSC NEETS	-	(32,502)	-	(32,502)
On-line testing designated fund	-	268	-	268
	<u>691,863</u>	<u>(236,355)</u>	<u>429</u>	<u>455,937</u>
<b>Restricted funds</b>				
Capacity Builders	871	1,018	(429)	1,460
Humber Skills	-	52,017	-	52,017
Quality Hub	-	41,196	-	41,196
	<u>871</u>	<u>94,231</u>	<u>(429)</u>	<u>94,673</u>
<b>TOTAL FUNDS</b>	<u>692,734</u>	<u>(142,124)</u>	<u>-</u>	<u>550,610</u>

Humber Learning Consortium

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2009

**15. MOVEMENT IN FUNDS - continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
Quality and Development Programme	31,688	(66,267)	(34,579)
General fund	42,268	(63,465)	(21,197)
Communications	100	(43,063)	(42,963)
Training News	3,370	(8,433)	(5,063)
Adult Learning	(333)	(17,932)	(18,265)
Mainstream 2007/08	82,083	(105,753)	(23,670)
NIACE	20,000	(20,317)	(317)
Initial Teacher Training	-	(4,738)	(4,738)
OCN Accreditation	6,760	(3,572)	3,188
Adult Safeguarded Learning	164,160	(135,414)	28,746
LSC Adult Engagement	93,889	(122,019)	(28,130)
Commissioning Project	14,813	(14,798)	15
LSC IAG	15,000	(47,664)	(32,664)
LSC NEETS	46,800	(79,302)	(32,502)
On-line testing designated fund	268	-	268
Community Grants South	-	(26)	(26)
Community Grants North and West	-	(24,458)	(24,458)
	<hr/>	<hr/>	<hr/>
	520,866	(757,221)	(236,355)
<b>Restricted funds</b>			
Capacity Builders	164,716	(163,698)	1,018
Humber Skills	147,829	(95,812)	52,017
Quality Hub	56,557	(15,361)	41,196
	<hr/>	<hr/>	<hr/>
	369,102	(274,871)	94,231
	<hr/>	<hr/>	<hr/>
<b>TOTAL FUNDS</b>	<u>889,968</u>	<u>(1,032,092)</u>	<u>(142,124)</u>

Humber Learning Consortium

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2009

**15. MOVEMENT IN FUNDS - continued**

General fund - The general reserve to be used in accordance with the charitable objectives and the reserves policy of Humber Learning Consortium.

Redundancy - The redundancy reserve is a designated fund set aside to cover any potential liability to pay redundancy in the event that the company ceases operations

Community Grants - Provision of small grants to voluntary and community organisations to deliver learning to unemployed people.

Communications and Research - Delivering a communications strategy cascading information externally, reaching users and identifying potential users to increase overall participation in learning

Training News - A quarterly publication covering training in the sub region and policy matters. Supplemented by a monthly e-bulletin to registered users. See <http://www.hlc-vol.org/trainingnews.asp>

Adult Learning - Provision of short courses for adult learning.

Mainstream 2006/07 and 2007/08 - Provision of adult and community learning in the most deprived areas of the Humber region.

NIACE - Assistance with the purchase of ICT equipment to facilitate and enhance the learning experience.

Quality and Development Programme - Developing the quality of the organisation and its partners through peer moderation, self assessment, developing management information and reporting tools. We work within the framework of Customer First, PQASSO, Matrix and Investors in People.

Initial Teacher Training - Providing support for trainers to meet and retain the new standards of Initial Teacher Training & Professional Development in the Learning & Skills sector.

OCN Accreditation - Maintain HLC's remit as OCN Accredited provider and offering OCN accredited courses to adult learners.

Social Enterprise Project - Diagnostic work into the awareness and support required by organisations considering the social enterprise route.

Adult Safeguarded Learning - Provision of adult and community learning in the most deprived areas of the Humber region.

LSC Adult Engagement - Provision of learning opportunities for unemployed adults aged 19 +.

Commissioning Project - Communication and support to partner organisations wishing to tender for co-finance project delivery.

LSC IAG - Information, Advice and Guidance for beneficiaries eligible for LSC ESF co - financed courses.

LSC NEETS - Re-engaging 14-19 year olds who are Not in Employment, Education or Training (NEETS).

Capacity Builders (Restricted) - Supporting voluntary and community organisations to improve service delivery and capacity.

Humber Skills (Restricted) - A Big Lottery funded, needs led programme of development support which aims to increase the skills of leaders and managers involved in Humber voluntary and community organisations.

Quality Hub (Restricted) - A Big Lottery funded, needs led programme providing support to Local Development Agencies to develop their Quality Systems.

Humber Learning Consortium

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2009

	2009	2008
	£	£
<b>INCOMING RESOURCES</b>		
<b>Voluntary income</b>		
Donations	300	-
<b>Investment income</b>		
Interest receivable	20,638	40,368
<b>Incoming resources from charitable activities</b>		
Grants	349,236	380,373
Service contracts and other income	519,794	1,058,027
	869,030	1,438,400
<b>Total incoming resources</b>	889,968	1,478,768
 <b>RESOURCES EXPENDED</b>		
<b>Charitable activities</b>		
Wages	275,117	289,878
Social security	28,279	29,799
Pensions	21,358	20,829
Sundries	690	-
Staff costs	18,069	33,235
Communication	45,899	39,608
Research and evaluation costs	44,387	55,276
Grant and bursary delivery	-	228,900
Equipment and resources	51,760	19,223
Organisational development	-	45
Event costs	14,323	9,329
External consultants	131	24,755
Training and trainers	384,409	552,787
Quality standards	7,152	-
	891,574	1,303,664
 <b>Governance costs</b>		
Wages	-	2,760
Social security	-	22
Pensions	-	22
Auditors' remuneration	4,793	4,341
Staff expenses	1,251	1,898
Organisational development	-	3,334
Event costs	687	-
Quality standards	-	3,176
	6,731	15,553
 <b>Support costs</b>		

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Humber Learning Consortium

Detailed Statement of Financial Activities  
for the Year Ended 31 March 2009

	2009	2008
	£	£
<b>Other</b>		
Wages	63,430	55,509
Social security	6,338	5,162
Pensions	4,762	5,778
Legal and professional fees	3,421	-
Staff costs	3,483	8,874
Accommodation	19,682	19,049
Communication	2,188	564
Equipment and resources	25,759	20,575
Organisational development	2,796	-
External consultants	359	-
Quality standards	1,569	-
	<hr/>	<hr/>
	133,787	115,511
	<hr/>	<hr/>
<b>Total resources expended</b>	1,032,092	1,434,728
	<hr/>	<hr/>
<b>Net (expenditure)/income</b>	(142,124)	44,040
	<hr/> <hr/>	<hr/> <hr/>

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