



Trustees' Report and Financial Statements

For the Year Ended 31st July 2008

Workers' Educational Association
70 Clifton Street
London EC2A 4HB

Company Limited by Guarantee Registered in England and Wales
(Number: 2806910)

Registered Charity in England and Wales (Number: 1112775)
and in Scotland (Number: SC039239)

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Trustees, Officers And Advisers

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Colin Barnes - President
Christopher Morton - Deputy President
Lynne Smith - Deputy President
Peter Cooper -Honorary Treasurer
David Freeman
Anne King
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Baroness Shephard of Northwold (to 26.6.08)
Ruth Tanner
Stephen Twigg (until 26.6.08)
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Lynne Smith - Deputy President
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PATRONS

Baroness Shephard of Northwold
Stephen Twigg

COMPANY SECRETARY:

Ian Pearce (IPCEP Ltd)

OFFICERS:

GENERAL SECRETARY / CHIEF EXECUTIVE:

Richard Bolsin

SENIOR MANAGEMENT TEAM

ASSOCIATION STRATEGIC DIRECTORS

Finance & Resources
Education, Quality & Strategy
Communications & Development

David Webber (From 1st October 2007)
Peter Templeton
John Nixon

REGIONAL DIRECTORS

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

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

WEA SCOTLAND SECRETARY

Joyce Connon

Advisers

EXTERNAL AUDITORS:

Baker Tilly UK Audit LLP
46 Clarendon Road
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INTERNAL AUDITORS:

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Bevis Marks House
London EC3A 7NR

BANKERS:

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Bank of Scotland

Edinburgh
EH1 1YZ

PENSION FUND TRUSTEES AND ADMINISTRATORS:

The Pensions Trust
Verity House
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SOLICITORS:

Taylor Vinters Solicitors
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Balfour & Manson, Solicitors
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Registered Charity Number (England and Wales): 1112775
Registered Charity Number (Scotland): SC039239
Registered Company Number (England and Wales): 2806910

Chairman's Message

I am pleased to introduce my second Report as Chair of the WEA Trustees. As you will see when you read on, it follows another encouraging, successful year in which the WEA has continued to build impressively on its new foundations.

The evidence of Ofsted, of Her Majesty's Inspectorate for Education in Scotland, as well as of the financial and contractual performance of the Association in the last year all bear strong testimony to that success. This year has also marked the launch of a new WEA membership scheme for England, to which over 6,000 have already subscribed. I have seen evidence of the Association's increasing confidence as I meet students, volunteers and members of the WEA, as well as chair meetings of Trustees. It is reflected, too, in my dealings outside the WEA, in my contacts with academics, politicians and policy makers, as well as others who have worked with the WEA through their own organisations. It is clear that in addition to its solid track record of success in managing performance in recent years (with 2007/8 standing out particularly), the WEA has now regained its deserved reputation as a campaigning organisation, passionately representing the interests of adult learners.

In 2007/8 this was manifest in the WEA Conference which attracted over 200 delegates to its public session; and through its energetic response to the Government's consultation on the future of Informal Adult Learning. Over the summer, the WEA also founded the Campaigning Alliance for Lifelong Learning (CALL), with the NUS, the UCU, Unison and NIACE. Already CALL is attracting widespread support from unlikely sources. What other campaign could embrace among its supporters the Church of England, the Muslim Council of Great Britain, the National Federation of Women's Institutes and American Universities? CALL seeks to recover the 1.4 million adult learners who have been lost over the last two years.

Inspection reports this year confirm that the WEA is well led, through its management and Trustees. The significant contribution of volunteers to its success has also been recognised. It is as important as ever that the WEA is in a position to influence and shape the way in which lifelong learning in England and Scotland are to develop, however difficult that may be. As Chair of the Trustees I look forward to helping to steer the WEA into a position of greater strength, influence and success, and I am pleased that the Association's performance over the last year puts us in an excellent position to do that.



Professor Richard Taylor
Chairman

3 December 2008

Trustees' Report

The Board of Trustees of the Workers' Educational Association (WEA) (who are also its Directors and members of the Company in company law) present the report and financial statements for the year ended 31 July 2008. 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. Objectives, Aims And Public Benefits

When the WEA was founded in 1903 it was created from a concept of widening participation in learning. Over the last century the WEA has changed the lives of hundreds of thousands of adults by taking education to people and developing provision with learners (and partners) that is central to their needs and interests. The Association's roots in "the education of the working class" are as relevant now as they were in 1903, albeit in a different social context.

The object of the Association is to promote adult and general education for the benefit of the community regionally, nationally and internationally, based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, the Association has the following aims:

- Stimulating and responding to the demand for liberal education;
- Providing for the needs of working class adults and of those who are socially, economically, or educationally disadvantaged;
- Providing educational programmes for organisations concerned with collective educational needs in the community and in the workplace;
- Generally furthering the advancement of education so that all people in England, Scotland and other parts of the world may have full access to education needed for their complete individual and social development; and
- Promoting the effectiveness of charities with similar purposes.

The WEA is the UK's largest voluntary provider of adult education. In order to support the educational needs of working men and women, the WEA has continuously maintained its commitment to providing access to learning for adults from all backgrounds, in particular those who have previously missed out on education.

During 2007/08, the emphasis has been on working together to build good practice and improve teaching and learning, as well as on advocating, influencing and leading actions to defend and promote adult learning.

WEA's aims and objectives are intended to benefit the public generally. In 2007/08, WEA organised over 11,000 courses and enrolled over 135,000 adult learners of all ages and from all walks of life.

The courses organised by WEA are open to adult learners through a combination of full fee payment, or assisted fee remission. Those that cannot afford to pay the full fees maybe assisted through the Learner Support Funds. This process ensures that certain categories of learners are not disadvantaged due to their inability to pay the fees. In addition, WEA's fees policy ensures that fees are kept affordable across all regions, taking into consideration regional variations and conditions. Fees charged across WEA are as low as £3 per session, thus ensuring that people who are unable to pay are not excluded from the opportunity to benefit.

The WEA operates in nine regions in England and in Scotland, and does not impose any geographical or other restrictions on who can benefit from the numerous courses organised across English and Scottish regions, unless specified by the funders as a key requirement to guarantee future funding.

2. Structure, Governance And Management

Structure

The WEA is a charity registered in England and Wales (number 1112775) and in Scotland (number SC039239) and a company limited by guarantee, registered in England and Wales (number 2806910). The trustees, officers and advisers of the charity are listed on pages four and five.

The WEA is one of the UK's largest charities, and operates at local, regional and national levels. Nine regions in England, with over 400 local branches, and in Scotland 7 local Associations make up WEA's national Association. Through these local, regional centres and WEA Scotland the WEA organises its courses and enrolment of adult learners.

There is a proud tradition of voluntary and democratic practice within the Association, which is, at heart, 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 supported by Government through funding from the Learning and Skills Council (LSC) in England, and in Scotland by the Scottish Executive and Local Authorities. The WEA also raise funds and receive grants nationally, regionally and from a variety of other sources, including the European Union and the National Lottery.

Governance

The Charity is governed by the Trustees who are also the Directors and members of the Company, and meet four times a year. They ensure that the Association's activities fit within the agreed charitable objectives. 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 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. The Association Committee is made up of four Association Officers, one representative from each of the English Regions, two from Scotland and up to five co-opted members. It meets four times a year.

The Board of Trustees considers recommendations, advice and information received from the Association Committee, Association Conference, English Regional and Scottish Committees, local committees across England and Scotland, staff reports and consultations with WEA members and stakeholders. The General Secretary / Chief Executive meets regularly with the President, the Chair of the Trustees and other Trustees 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.

The Board is also supported in its work by the Audit Committee, Risk Management Committee, and other committees and working groups as required. Each Committee has its own Terms of Reference, and their reports are a standing agenda item for the Board of Trustee meetings.

The Audit Committee reports to the Board of Trustees and consists of six members, including three Trustees, two 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 all aspects relating to the preparation and production of the annual financial statements of the Association. Specifically, in terms of annual statutory accounts, this includes consideration of accounting policies, levels of disclosure, risk management policies, compliance with applicable corporate governance requirements, and reviewing any relevant matters relating to annual financial statements raised by the external or internal auditors as a result of audit work. It recommends the audited financial statements to the Board of Trustees for

approval. It makes recommendations regarding the appointment of the external auditors and approves their remuneration and terms of engagement.

The Committee also recommends the appointment and termination of the internal auditor. It reviews the performance and results of external and internal auditors' work and reports to Trustees on an annual basis.

WEA ensures that its governance arrangements are appropriate and effective by having Trustees who bring a wealth of business and professional experience to the Association. The Trustees are assisted by the Association's Strategic Directors. Trustees are kept informed about major issues affecting the Association. All Trustees are aware of their legal and financial responsibility to run the Association effectively and to act in its best interests.

All WEA Trustees are also aware of its responsibility for the Association's strategic direction and their responsibility to fulfil their charitable objectives through assessing the Charity's performance, ensuring the correct policies are in place and that the charity's activities reflect the needs of its service users.

Training sessions are organised to meet the specific needs and requirements of Trustees. The Trustees also receive advice and guidance from external advisors, including its external auditors, Baker Tilly UK Audit LLP, internal auditors, Mazars LLP, and its solicitors.

Recruitment and Appointment

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

A further four "internal" Trustees are appointed for four years following their nomination by 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 could bring to the Board in respect of their position, ability to lead and influence and their knowledge and experience of education, charity governance, management and 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 updated annually by the Company Secretary.

Induction and training

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 in conjunction with strategic reviews of the efficiency of the Board of Trustees. Trustees also have the opportunity to attend external training events to update their skills and knowledge.

A Training and Development Group oversees a regular programme of induction, training and development for Association Committee members and Trustees. Association Committee meetings have taken place in different Regions and in Scotland; this has helped raise awareness of local and regional initiatives among members of the Association Committee.

Management

The General Secretary / Chief Executive is responsible for the day-to-day leadership and management of the Charity's affairs and for implementing policies agreed by the Board. He is assisted by a team of Strategic and Regional Directors (the Association Management Team) which operates within an approved scheme of delegation.

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 to the delivery of the WEA's education, its

employment practices and for the organisation of its voluntary membership. The Association's Race and Disability Equality schemes are published on the WEA website and monitored by the Equality and Diversity Scrutiny Panel.

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 can also operate like an intranet. All staff are kept up-to-date by the General Secretary / Chief Executive with the activities and development of the Association, such as Trustees decisions after each cycle of Trustee and Association Committee meetings. The recognised trade unions are engaged in consultation through a Joint Union Negotiating Committee which meets quarterly, or more often as required.

Risk Management 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 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 mitigating the risks. Some of the key risks that face the WEA include:

- Failure to achieve minimum performance rates and accredited provision, in all curriculum areas;
- Risk of detrimental effects of organisational changes upon staff morale and industrial relations and performance;
- The WEA's position as a provider in every LSC region could be overlooked leading to loss of partnership and tendering opportunities;
- Risk of inappropriate / ineffective organisational structures and processes to achieve the Association's objectives in meeting the funding climate;
- Changes in LSC Contract arrangements; and
- Reduction in project funding.

The Trustees have continuously 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. Audit recommendations are systematically followed up and monitoring reports regularly received by the Audit Committee.

Internal Auditors

The work carried out by Internal Auditors is determined largely by the Association's regulations, policies, risk register 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, ensuring that risks have been properly identified by Management and are being effectively managed;
- there is an independent opinion on the effectiveness of the prevention and detection processes and procedures put in place to manage the risk of fraud;
- the Association's internal control systems and procedures are kept under review;

- controls are in place for the financial routines and systems that the Association operates;
- the risk management processes defined by the Association's policy are in place and operating as intended;
- managers are responding to risks adequately and effectively so that those risks are reduced to an acceptable level; and
- the controls that managers have in place are successful in managing those risks identified in the Association's register.

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 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.

Wider network of relationships

There is a wide network of funders and various partnerships that support the delivery of the Association's work.

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.

Contribution of Volunteers

Volunteers are drawn from more than 15,000 members, and play a crucial part in achieving the objectives of the Association. The WEA has more than a thousand voluntary members and volunteers supporting the work of the Association by serving as Trustees, regional or local committee members or running branch activities.

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, Scottish, branch and local activities.

An estimate has been made of the number of hours that volunteers provide to the Association free of charge during the year. No value on this work has been incorporated into the accounts, but if valued at a cost of £20 per hour the total would come to nearly £1.5m (see table 1 below).

Table 1: Estimated time given by volunteers to WEA

WEA Estimated Volunteer Hours	2007/08
Governance	8,600
Regional Activities	7,700
Branch Activities	46,500
Conferences	9,000
Portfolio Services	2,400
Total hours	74,200
If costed @ £20 per hour	£1,484,000

Pensions

The WEA operates a final salary pension scheme called the WEA Pension Scheme, which is managed by The Pensions Trust. The WEA also participates in the Teachers' Pension Scheme, which is part of the Government's superannuation scheme.

A professional actuary carries out formal evaluations of the WEA Pension Scheme every three years. The last of these at 30 September 2005, showed that the Scheme assets were sufficient to cover 53 percent of the accrued benefits. Additionally, the actuary carries out a separate annual valuation for financial reporting purposes in line with Accounting Standard (FRS17). This is carried out using different assumptions and results in a different funding deficit. The 31st July 2008 valuation under this method showed a deficit of £2.134m compared to a deficit of £1.735m in 2007. The details are in note 18 of the accounts.

3. Achievements And Performance

General Secretary/Chief Executive's Overview

The Association has continued to build during 2007/08 on the achievements of the last few years. This year has been a very successful one in the WEA's recent history with significant achievements and progress on a number of fronts.

In terms of the key operational and financial goals the WEA has met its contractual target for LSC provision in 2007/8 and has considerably exceeded the financial targets for the year, as well as continuing to provide rich educational provision attracting a diverse student body. The three educational strands (Second Chance to Learn, Community Involvement and Cultural Studies), which were introduced last year, are increasingly useful in planning the development of the curriculum and responding to new external initiatives and policy developments within a coherent framework.

The Association in both England and Scotland was subject to inspections during the year: by Her Majesty's Inspectorate (HMI) in Scotland and Ofsted in England. HMI judged the WEA's provision in Scotland to be outstanding, while Ofsted concluded that the WEA is a good provider of adult learning. The outcome of both inspections, particularly the recognition given to the quality of teaching and learning is testament to the expertise of the WEA tutors, the importance of the contribution made by volunteers and the strength of the Association's partnerships. The Inspectors also broadly agreed with the WEA's own assessment of strengths and areas for improvement, reflecting well on the leadership and management of the Association. An inspection of Initial Teacher Training was carried out at the same time as the Ofsted inspection and this also drew positive conclusions. In addition to the above, a very positive report was received of an evaluation of Job Rotation in Ayrshire by the Training and Employment Unit of the University of Glasgow in December 2007.

The Association's campaigning on the importance of adult learning, both directly with Government and more widely, developed well over the year. One feature of this was a successful biennial Association Conference, the first day of which was jointly organised with the National Institute of Adult Continuing Education (NIACE) as a conference focusing on the Public Value of Adult Learning. This attracted more than 200 delegates and featured 12 workshops, 6 of which drew directly on WEA case studies. The day highlighted the value of adult education for individual learners, communities and additionally for addressing the priorities of a range of Government departments. A number of other partners were also involved, including the University of London's Institute of Education, the Open University (OU) and the Work Foundation.

The Association Conference also elected a new President, Colin Barnes, and a new Deputy President, Lynne Smith. Trustees agreed during the year to the appointment of Baroness Shephard and Stephen Twigg as Patrons. WEA is currently seeking to recruit two new external Trustees able to bring strengths in one or more of the areas of finance, law (especially charity law), marketing, education and equality and diversity.

During 2008, the WEA gave evidence on more than one occasion to the Commission of Inquiry into the Future for Lifelong Learning, including the contribution of lifelong learning to well-being and happiness, migration and communities, citizenship and belonging, crime and social exclusion, and sustainable development. Around the same time, the WEA organised a series of seminars and events around the country to raise awareness and promote responses to the Government's consultation about the future of so-called Informal Adult Learning. This led to many responses from WEA members, tutors, learners, branches and regions, as well as from the Association itself and there has also been much acclaim for the content and quality of WEA's response. At the time of writing, the Government had just published its first analysis of the consultation although proposals for the future are yet to emerge.

Over 60 people attended a 'Digital Media and the Arts' celebration at the Showroom Cinema in Sheffield. This highlighted the work of the Yorkshire & Humber Region's Active Citizenship Project

and provided a first showing of DVDs' created with community organisations that highlight the challenges and successes of participation in social groups.

As part of the continuing development of relationships with other organisations the WEA entered into a formal partnership agreement with the OU. As a result of this WEA tutors are now able to access extensive high-quality resources available through the OU Open Learn site.

The WEA is very strong financially, and has consistently met its financial and budgeted targets. In the past three financial years to 2007/08, due to WEA's prudent financial management of its operations and strengthening of the financial controls, large surpluses in have been generated.

During the year the Association also took the initial steps in reshaping the management structure of the Association, with a new Financial Controller and three WEA Strategic Directors in their new posts from 1st August 2008.

A renewed emphasis on supporting WEA Tutors has been initiated through the development of a Tutor Network. This is in its infancy and much will depend on the effectiveness of a Virtual Learning Environment (VLE). The Association has also welcomed the introduction of a professional body for teachers, the Institute for Learning (IfL). The WEA has encouraged all tutors to join the IfL and has enabled tutors and other educational staff to gain teaching qualifications and access continuing professional development opportunities.

At the heart of the WEA is the partnership that exists between voluntary members, tutors and staff. This remains the critical factor in the present and future success of the Association. It is a partnership built upon shared beliefs and in an understanding of education as an agent for change for individuals and for society as a whole. It is a tribute to this partnership and the work of those committed to that ethos that the WEA continues to prosper more than a century after foundation and that its immediate future is assured.

When planning for 2007-08 six Improvement Indicators were developed in discussion with the LSC.

Improvement Indicator 1

By the end of July 2008 the WEA's provision would be 'good' (Grade 2) in the majority of Sector Subject Areas offered with no more than two areas being only 'satisfactory' (Grade 3) , and measured by self-assessment, external verification or external inspection. This was achieved. The Self-Assessment Report has graded all areas of Leadership and Management as 'Good' and all but one Curriculum Management Area as 'Good'. Foundation remains as 'Satisfactory'. The grades reflect similar judgement by Ofsted in a whole of England inspection of the WEA in March 2008.

Improvement Indicator 2

By the end of the academic year 2007-08 success rates on externally certificated courses would be at least 72% (2005/06: 66%). This was also achieved. Provisional success rates on externally certificated courses are at 76% (2006/07: 73.6%)

Improvement Indicator 3: Tutor qualifications and development

- 3a) All new tutors and staff appointed from 1 September 2007 who have a quality, training or management of learning role will either hold a 'Licence to Practise' or achieve it within six months. He/she will be engaged in working towards either associate teacher learning or skills status (ATLS) or full qualified teacher learning and skills status (QTLS), depending on role and responsibilities. This is progressing.
- 3b) By August 2008, 70% of Skills for Life tutors would hold a teaching qualification and 60% would hold a level 4 specialist Skills for Life qualification as identified in the Skills for Life

strategy. This was achieved. By the end of July 2008, 84% of Skills for Life tutors had a teaching qualification, and 63% of tutors had level 4 specialist skills for Life qualification.

- 3c) By August 2008 all new tutors and all teaching staff would have a Personal Development Plan (PDP) in place. The PDP will identify any needs regarding qualifications. This has been delayed pending agreement of an updated performance management policy.
- 3d) All tutors and staff would be engaged in Continuing Professional Development (CPD) at a level according to their contracted hours and this would be recorded on a Professional Development Record (PDR). This has not been achieved due to delay from IfL regarding the timescale requirements for CPD.

Improvement Indicator 4: Diversity in Association governance

By August 2008 the Association Committee would have a co-opted member drawn from organisations that represent the needs and interests of black and minority ethnic communities. This has not been achieved. The delay has been caused by the need, as part of reshaping, to introduce new Governance arrangements which will affect the Association Committee.

Improvement Indicator 5: Learner involvement in Association governance

By August 2008 at least 50% of the Association Committee would have been WEA learners in the last three years. This is still in progress.

Improvement Indicator 6: Achieving matrix standard

By August 2008 every WEA region would have achieved matrix standard. This has been partly achieved. By the end of July 2008, seven regions had become accredited, but, of these seven, two were accredited only for part of their provision.

Staffing

The WEA's staff represents its biggest resource and its biggest investment. The Association maintains an extensive suite of Human Resources policies to enhance people's motivation and to help them perform effectively.

During 2007/08, a thorough review was conducted of sessional tutors' terms and conditions of service resulting in a number of changes. A new policy to enable people to take some of their pay in the form of childcare vouchers was introduced, and performance management procedures were updated. Around £0.55m was also invested in development and training during the year.

Annual pay increases are normally paid in line with an agreed basket of comparators and this was also the case during this year, with an award of just over 2.5%. Where redundancies are necessary, either because of completion of contracts or as a result of a wider restructuring, these are managed in accordance with agreed job security and redundancy agreements. There were 3 redundancies as a result of restructuring during 2007/08.

Educational Achievements in England

The Association attracted over 68,000 learners in England in the academic year 2007-08, achieving an enrolment of over 120,000 (see tables 2 and 3 below).

The underpinning of teaching and organising by the WEA's Quality Improvement Framework, accompanied by a well-developed Management Information System giving 'real-time' information and improved performance management and self-assessment processes, has strengthened the WEA and placed the Association in a strong position to face the challenges ahead.

Table 2: Courses and Enrolments Data – English Regions

Academic Year	2007/08	2006/07
Number of Courses	10,371	11,560
Course Hours	230,052	261,973
Learner Enrolment Hours	2,785,044	3,142,188
Average class size	11.7	11.7
Average Course Hours	22	23
Enrolments (All)	121,293	134,705

Table 3: Characteristics of Learners by percentage

Academic Year	2007/08	2006/07
Female	74.6%	74.1%
Male	25.4%	25.9%
Declaring themselves to have a Physical Disability	12.8%	12.8%
Declaring themselves to have a Learning Disability	8.1%	7.1%
Declaring themselves to have a Black or Minority Ethnic background	16.0%	16.0%
Living in disadvantaged wards	27.4%	28.2%
On income related benefit	32.7%	27.2%
16-18 years of age	0.9%	1.0%
19-24 years of age	4.5%	5.0%
25-34 years of age	12.7%	13.5%
35-44 years of age	14.0%	14.3%
45-54 years of age	12.5%	12.0%
55-64 years of age	21.1%	21.2%
65 & over	34.3%	33.1%

Learner numbers and enrolments have fallen across the last three years. There are several reasons for this. Firstly, increasing Skills for Life provision attracts greater funding per student, resulting in the LSC contract target being achieved more quickly. Secondly, LSC increases in the 'co-funded' element mean that fee remission for an increasing number of students on income related benefits delivers the contract target with fewer learners. Finally, this year, the Association met its LSC contract closely without the unfunded overproduction of the previous two years. This again reduced the total of learners.

Educational achievements in Scotland

In Scotland, over 14,500 enrolments were recorded on 1,350 courses, with 6,670 class meetings held in over 340 localities throughout Scotland (see table 4 below).

Family Learning and work with younger adults were important developments in the year on which the WEA Scotland hope to build significant new strands in their curriculum. HMIE identified the Qualification Authority (SQA) accredited 'Making the Most of Your Children's Learning and Development' as a good practice model for dissemination through their website.

Table 4: Courses and Enrolments Data – Scotland

Academic Year	2007/08	2006/07
Total Enrolments	14,520	14,290
Female Enrolments	10,309	9,717
Male Enrolments	4,211	4,573
Total courses run	1,350	1,050
Total class meetings	6,670	5,822
% workplace learning programmes	43%	49%

Workplace learning represented 43% of the total provision in the year. This provision included the WEA Unison Learning at Work programme, Job Rotation, Workplace Literacies and English for Speakers of other Language (ESOL) at Work. The award of pathfinder project funding from the Government for the two latter programmes enabled improved development and dissemination of good practice. Through a Unison-led pathfinder project, the WEA provided training for workplace-based Lifelong Learning Advisers on Literacy Awareness in the Social Care sector. The WEA ESOL at Work pathfinder developed a 'Guide to organising workplace ESOL learning', a tutor training programme, assessment tools and learning materials which were disseminated throughout Scotland. The WEA ESOL and Literacy work in the Highlands featured in an Adults Learning article in October 2008. The work also featured in an OECD report entitled "Teaching, Learning and Assessments for Adults: Improving Foundation Skills".

A review of the voluntary membership structure in the West of Scotland culminated with the launch of a new West of Scotland Local Association in September 2007. The WEA Local Associations and Branches have benefited from Big Lottery Funding celebrating the abolition of slavery in Britain. Local projects on the theme of 'Slavery in Scotland' covered a wide range of topics.

Marketing & Membership

Enhancing the WEA's public profile continues to be a priority both nationally and locally. This is essential to inform and influence stakeholders, supporters, learners, volunteers, branches and staff, and to promote the Association's unique and leading role in adult education.

A major task of the Marketing team has been the introduction of a new Membership scheme. This will provide improved communications and services to members and is expected to attract new support from a wider part of the learner base. The project has required improvements to the WEA's Management Information System (WEAMIS), enhancements to the WEA website and the production of promotional material. The servicing and development of the scheme will be vital in generating member interest, attracting volunteers, campaigning and support.

The WEA's website is seen as a key tool in attracting the next generation of learners, and the WEA has benefited during the year from a new course search and from online booking and payment facilities, which will be further enhanced during the next twelve months.

Information Technology

The need for current technology on the desktop is essential for system and personal performance, and a rolling programme of renewal, which provided 65 new office computers during 2007/08, will continue. In the learning environment new interactive whiteboards, digital projectors, cameras, voting systems and over 100 laptops have been sourced during the year and reflect the increasing use of technology in learning. Recent successful bids have resulted in grants enabling a further £0.25m outlay for classroom learning equipment.

New developments have been made utilising Moodle (software to create Virtual Learning Environments (VLEs)), including a Tutor Resource Centre in London and Southern Regions, and a VLE for the central training department. It has been decided that Moodle will be adopted nationally as a means of improving communications with tutors and as a tool for learning.

The main Management Information System (WEAMIS) has undergone development to incorporate the new LSC Funding regulations, the new Membership scheme, new automated enrolment facilities and tutor contracts. These represented a complex improvement project, costing in excess of £60,000, which was delivered on time and within budget. Further enhancements to the system to cater fully for the new Membership scheme and changes in tutor contractual arrangements are planned during 2008/09.

Property

The relocation of the Eastern Regional office in Cambridge, enabling the profitable sale of Botolph House, was successfully achieved early in the year. Lifting the burden of managing and maintaining the listed building and the benefits of providing alternative modern office facilities were positive outcomes.

A similar relocation of the West Midlands office in Birmingham created fit for purpose facilities that have improved staff motivation and productivity and enhanced the WEA's image locally.

Southern Region has leased a major new learning centre in Portsmouth with financial support from Portsmouth City Council and the Jeffery Machin Foundation. The Omega Centre provides a landmark learning and community arts facility in the City.

In addition, extensive refurbishments have been undertaken to freehold premises in Nottingham, Luke Street in London and in Newcastle.

Conclusion

In terms of impact, WEA is committed to play a part in helping to develop new, more coherent and joined-up solutions to enable more adults to participate in lifelong learning for whatever reason. For instance, WEA works more closely with other organisations, including the Third Age Trust with whom it is collaborating on a number of joint ventures, initially around London.

From its inception, the WEA has been an organisation prepared to campaign on behalf of adults for affordable and accessible opportunities to learn. That remains unchanged. WEA's mission, vision and purpose now adopt a style and language which is fit for the 21st century but remain essentially unchanged over the last 105 years. WEA's response to the consultation over Informal Adult Learning (IAL) has been in keeping with that mission and tradition. It also explains why this year the WEA was one of the organisations to found the Campaigning Alliance for Lifelong Learning (CALL). The WEA, along with other CALL members, support the principle that affordable access to the life changing opportunities provided by education is the hallmark of a democratic society.

Adult education has a positive influence on family life, community cohesion, creativity, culture, active retirement, health and wellbeing – all of which benefit society and the economy. The WEA's provision embodies these principles and has been planned since last year around three educational strands, consisting of Second Chance to Learn, Community Involvement and Cultural Studies. These strands, which were introduced through a process of consultation and review within the Association, are increasingly useful in planning the development of the curriculum and responding to the needs and interests of learners and potential learners within the context of external initiatives and policy developments. Each of the strands can and does contribute to Leitch priorities, including social justice. They also complement provision made by other publicly funded organisations with different curriculum choices, often offering subjects not provided by colleges and delivered in different ways, with learners fully involved in their design and delivery. These strands and this approach allow WEA staff, tutors and volunteers to work more effectively with individuals and communities to shape and co-produce its educational offer which it is able to make available across the whole of England, in every local authority where demand exists.

4. Financial Review

The financial strategy for the year was developed to build on previous years' plans, which were designed to ensure the sustainability and future viability of the WEA. The overall aim of the financial strategy is to ensure that resources are used efficiently to contribute to improving levels of reserves, meet learner targets and achieve educational priorities.

In order to achieve these objectives, the maximum levels of resources possible are channelled to the direct benefit of learners and to deliver necessary quality improvements in teaching and learning, while maintaining prudent financial management controls over resources of the Association as a whole.

In its April 2008 correspondence, the LSC advised that the WEA will continue to be in Financial Health Group 'A' due to the all round financial strength demonstrated by its key financial indicators. In the past three financial years to 2007/08, the WEA's prudent financial management of its operations and strengthening of the financial controls led to surpluses being generated. During the year ending 31st July 2008, a surplus of over £1.62m before pension scheme deficiencies was generated.

Total income for 2007/08 was £31.61m. This was an increase of £2.39m (8.2%) from the previous year, and was the first time in four years that the Association's income rose. The increase is largely attributable to the inflow of more grants and the surplus from the sale of property. Expenditure on charitable activities in 2007/08 was £29.98m, an increase of £1.02m (3.5%) over the previous year.

Fig. 1 WEA Income 2007/08 (£'000s)

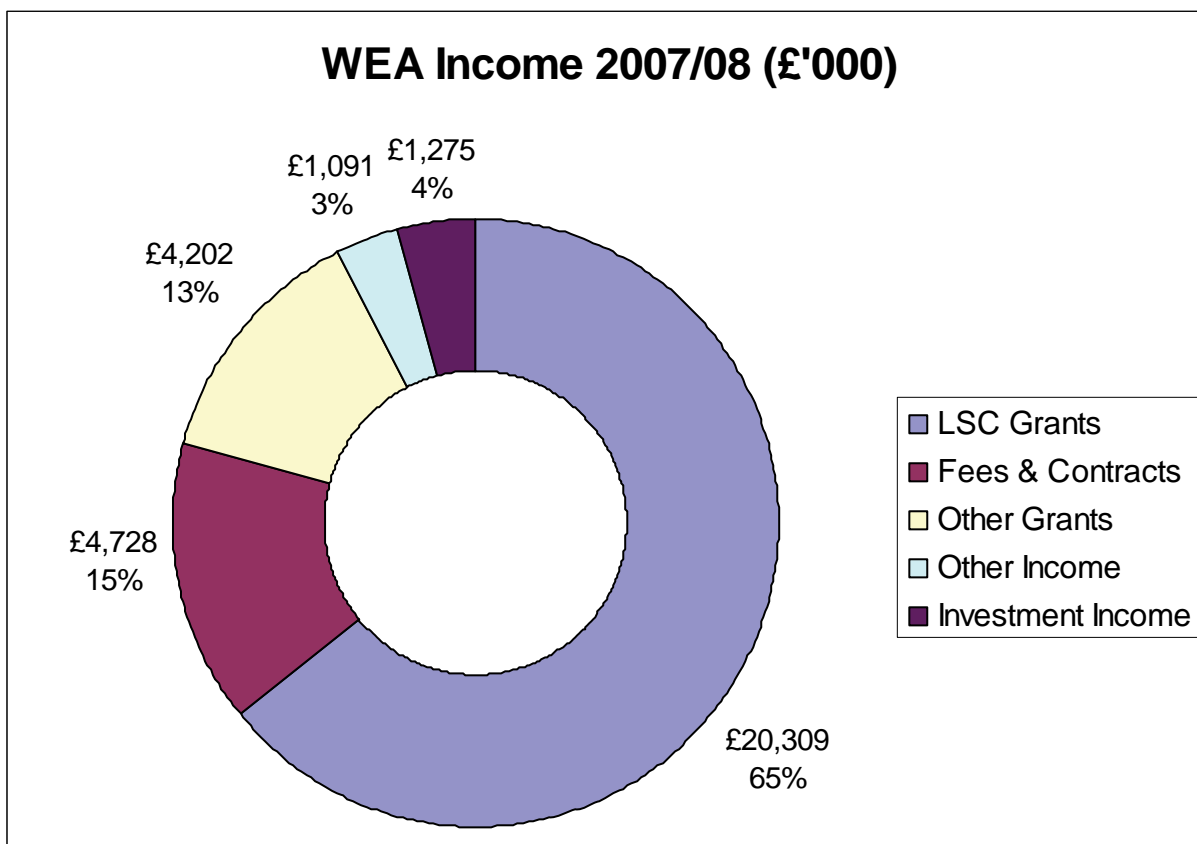


Fig. 2 WEA Expenditure 2007/08 (£'000s)

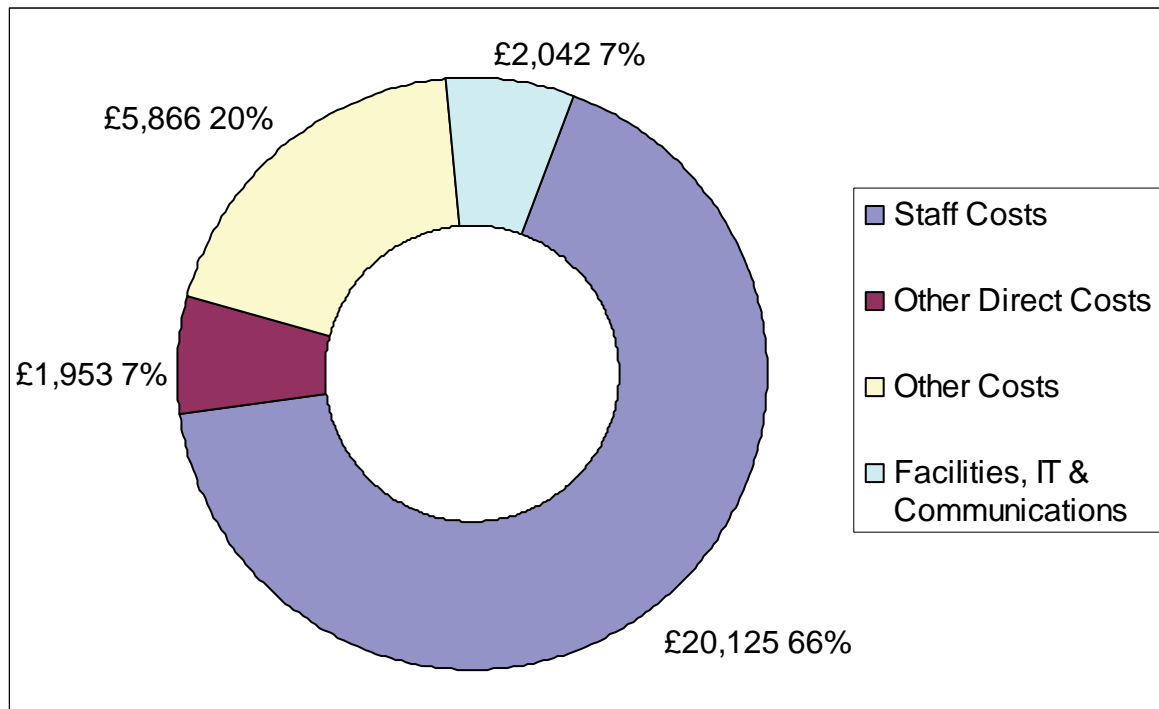
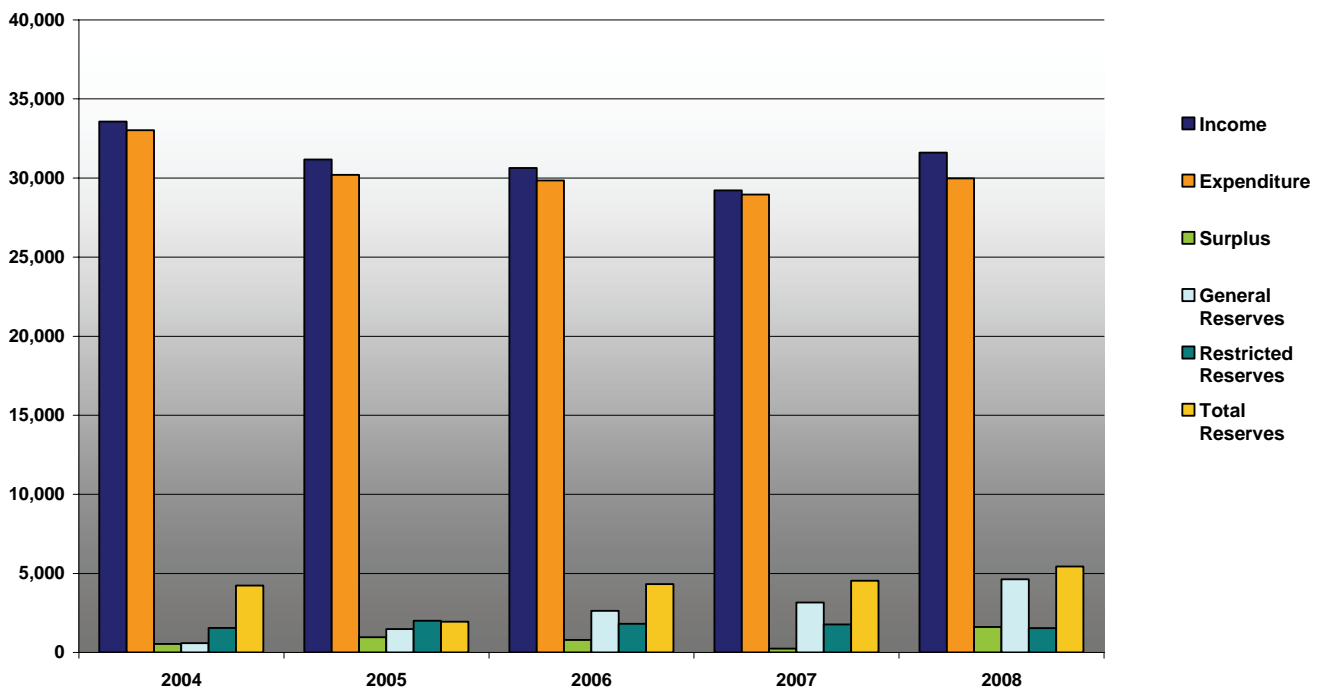


Fig. 3 Analysis of Income & Expenditure and Reserves over five year period (£'000s)



Reserves Policy

Reserves enable the WEA to make long-term commitments to projects, and to protect its work against the effects of financial fluctuations and other uncertainty. 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 are sufficient to:

- maintain a base reserve sufficient to protect WEA's ongoing programme of work,
- invest in strategic development (much of which is long term in nature).

The Board of Trustees approved a reserve target level over the next three years which is incorporated in the current financial strategy for the years 2008-2011.

The target for free reserves at 31st July 2008 was £3.05m; this is made up of one month's average unrestricted expenditure (£2.05m), plus capital expenditure (£0.50m), and £0.50m for contingencies.

Budgetary and financial control continues to improve in order to reduce the risks of overspending and to mitigate the effect of a drop in income in any one financial year. A small surplus was budgeted for in 2007/08, in order to increase the level of reserves. The Trustees were satisfied that this was appropriate to support the present level of activity and forecast growth shown in the three year plan.

Free reserves (defined as unrestricted funds less fixed assets) as at 31st July 2008 amounted to £1.86m, after deducting the pension deficit on FRS17 basis. The figure would be £4.0m without taking account of the pension deficit.

The shortfall on targeted free reserves as at 31st July 2008 was £1.19m with the Pension deficit, (and an excess of £0.27m without the pension deficit). The Trustees acknowledge the current shortfall and, as part of the plans to address this have implemented changes to the WEA Pension Scheme. These include increasing member and employer contributions and reviewing the facility for members to retire with unreduced benefits at age 60. Trustees also initiated an investigation into whether the WEA could be improved and operating costs reduced by reshaping the organisation.

The total reserves of £5.43m shown in the financial statements fall into three categories:

- 1. Unrestricted funds (£4.03m)** are made up of the general funds which are the operating and base reserves (£4.63m), branch reserves (£1.08m), designated reserves (£0.13m), Regional Branch Reserve (£0.15m) and revaluation reserve of (£0.04m), less pension fund deficit of £2.13m.
- 2. Restricted funds (£1.12m)** are required to be devoted to particular projects on which expenditure will be incurred in future financial years.
- 3. Endowment funds (£0.05m)** are bequests or donations given on condition they are held separately and the income alone used for specific purposes.

Investment Policy and Objectives

The Association's treasury management policy objective is to optimise returns consistent with its cash flow requirements and the overriding need to protect the capital value of the Association's funds. Association funds are invested only with UK Clearing Banks, 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 LSC.

Principal Funding Sources Including Any Borrowings

WEA receives its principal funding from the Learning and Skills Council (LSC) which funded 69% of the total income for the year (2006/07 - 70%). There are no outstanding loans against the Association.

Commercial Activities Entity

The trading company, WEA Enterprises Limited, a wholly owned subsidiary of the WEA was formed in March 2007 and did not trade during the year.

Funds Held As Custodian Trustee On Behalf Of Others

The Association is temporarily acting as custodian Trustee for trust assets of £195,525. These trusts are held on behalf of William Alderson Memorial Trust Fund whose charitable purposes are provision and advancement of education for adults. There are arrangements in place for safe custody of the funds such as production of minutes by the trustees of the fund, before funds are released.

5. Plans For Future Periods

The Government's plans for future funding of organisations like the WEA are uncertain. It is known that the LSC will cease to exist after 2010 and that the Government is currently introducing a radical change in the funding of all post-19 education outside Universities through a Skills Funding Agency.

Funding will be 'demand led' by employers, and 'adult responsive' around individuals gaining qualifications, approved by employer-led sector skills councils. It is hard to fit the work of the WEA, and a number of other adult providers, easily within this new framework. As an interim measure, the LSC has safeguarded funding for the WEA and other Specialist Designated Institutions (SDIs) for 2008/09 whilst it considers their role and contribution to Government policy and other objectives. The WEA will not know the outcome of this review until well into the autumn of 2008, or later.

In some respects, the WEA need not fear such upheaval. Its mission is clear and the need for the Association's work is undiminished, whatever Government policy and funding agencies propose. Its profile is high and its contribution is respected, as evidenced by the number of like-minded organisations approaching the WEA as a partner of choice. The Association is firmly on the radar of policy makers and politicians of all the major parties.

Challenges for the future

The WEA's commitment to delivering lifelong learning opportunities has continued against a backdrop of an increasingly employment-focused Government agenda and challenging funding priorities. The main Learning & Skills Council (LSC) contract remains capped, with a reducing number of learners in provision funded through this source. The Association in England overall has seen a reduction in learner numbers this year.

While this trend of falling learner numbers and enrolments is present across all adult education in England, it is having even more of a profound effect on some other providers. It is nevertheless a matter of concern that the WEA has fewer students year on year than previously, and Trustees will consider this in strategic plans for the future.

The requirement to diversify income has led to plans to establish a fundraising resource within the Communications and Development Directorate. Once initial systems and processes have been set-up, a programme of fundraising campaigns will be devised. Targeted forms of charitable donation will be pursued in tax efficient ways, including major benefactors, regular donors, legacies and events.

During the year ahead the Association will be seeking to strengthen its image and widen awareness on all fronts, with focus on converting local achievements into national interest. In Scotland, the Government's Concordat with Local Authorities and Single Outcome Agreements policy has thrown up both opportunities and threats to funding. In response the Association will invest in raising its profile amongst the wider range of public services officials in Local Government and in the new Skills Development Scotland agency.

The JANET computer network (which is dedicated to education and research) has seen increased internet traffic. It has become necessary to plan for the installation of a monitoring system to identify usage and exclude high volume non-essential websites. These factors reflect the ever increasing use of IT for business & communication services and the need for high performance hardware, networks and data management facilities. Similarly, the growth in email usage and the need to improve internal communications has necessitated the review of the email system, and the need to look for alternative solutions.

Activities planned to achieve aims and key objectives.

To achieve the WEA's future plans, the Association has already embarked on a reshaping process. This is to position and enhance the WEA's capacity for strategy development and implementation, and to improve support to the Association's learners, members and branches. The process will ensure that all operational functions, the centre, regions and Scotland are better integrated and linked to related functions, such as student enrolment, fee collection and course administration. The first major phase of the agreed changes are planned to be in place by August 2009.

The transformation will need to encompass all aspects of the WEA's work, including the quality of its provision, the strength of its finances and financial systems and its sustainability. These will be developed within the context of continuing to refine the existing role, mission, vision and purpose of the WEA. It will include the continuing reinvigoration of WEA membership, volunteering and the way in which the organisation engages with learners and delivers its provision.

The WEA maintains a Strategic Association Plan, which takes a longer term view over the next 5 years, and sets out many of the components of the plans for the future to address the challenges that have been identified. In no order of priority, these are:

- To take a strategic approach to developing the WEA's provision based on the existing three strands (Second Chance to Learn, Cultural Studies and Community Involvement);
- To engage new learners, missing learners, to target disadvantaged adults;
- To develop a strategy for volunteer development, reviewing current models, focusing on the role of branches and the WEA membership and seeking to engage new volunteers, especially from groups not currently represented;
- To diversify income;
- To build a fundraising culture;
- To engage with and support tutors more effectively;
- To establish greater focus and clarity around the WEA's role as a campaigning organisation, as well as a service provider, and to identify the key issues on which the WEA should be holding a view and taking a stand.
- Promoting the WEA's profile and public awareness of its work; and acting on issues of climate change and sustainability across the Association and within its work.

Statement Of Trustees' Responsibilities For Financial Statements

The Charity's Trustees are responsible for preparing the Trustees reports and accounts in accordance with applicable law and United Kingdom General Accepted Accounting Practice.

Company law requires the Trustees (who are directors of the company for the purposes of the Companies Acts) to prepare accounts which gives a true and fair view of the state of affairs, at the end of the financial year and its surplus or deficit for the financial year. In preparing accounts giving a true and fair view, the Trustees have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- stated whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the entity will continue in business.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Acts, Charities Acts and regulations there-under, and ascertain the financial position of the charity. 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 Learning and Skills Council and others are not put at risk.

The Trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

In accordance with the provisions of the Companies Acts, Baker Tilly UK Audit LLP has indicated its willingness to continue in office. A resolution for the reappointment of Baker Tilly UK Audit LLP as auditors of the company has been approved by Trustees.

Approved on behalf of Trustees.



Professor Richard Taylor
Chair

3 December 2008

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

We have audited the financial statements on pages 26 to 41. 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 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 charitable 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 responsibilities of the Trustees (who are also the directors of Workers' Educational Association for the purposes of company law) 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) are set out in the Statement of Trustees' Responsibilities.

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. We also report to you whether in our opinion the Trustees'/Directors' Report is consistent with the financial statements.

In addition we 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 Trustees' / Chairman's Report 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 judgments made by the Trustees in the preparation of the financial statements, and 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's affairs as at 31 July 2008 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.
- the information given in the Trustees'/Directors' Report is consistent with the financial statements.

Baker Tilly UK Audit LLP

BAKER TILLY UK AUDIT LLP

Registered Auditor and Chartered Accountants
46 Clarendon Road, Watford, Herts WD17 1JJ

3 December 2008

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an Income and Expenditure Account)
FOR THE YEAR ENDED 31st JULY 2008

		Total unrestricted funds £' 000	Total restricted funds £' 000	Total Endowment Funds £' 000	Total Funds 2007/8 £' 000	Total Funds 2006/7 £' 000
Incoming resources	<i>Notes</i>					
Incoming resources from generated funds:						
Voluntary Income		30	52	-	82	52
Activities for generating Funds		15	-	-	15	24
Investment Income	19	1,239	36	-	1,275	1,151
Incoming resources from charitable activities:						
Education Activities	2	24,594	4,713	-	29,307	27,660
Other incoming resources		903	23	-	926	327
Total Incoming Resources		26,781	4,824	-	31,605	29,214
Resources expended						
Cost of generating funds		-	-	-	-	1
Charitable activities						
Education Provision	3	24,257	5,476	-	29,733	28,714
Governance costs	4	252	2	-	254	247
Total Resources expended		24,509	5,478	-	29,987	28,962
Net incoming/ (outgoing) resources before transfers		2,272	(654)	-	1,618	252
Transfers		(278)	278	-	-	-
Net Income /(expenditure) for the Financial year		1,994	(376)	-	1,618	252
Actuarial Losses on Pension Scheme	18e	(722)	-	-	(722)	(30)
Net (Decrease)/Increase in Funds		1,272	(376)	-	896	222
Fund Balances Brought Forward		2,758	1,733	46	4,537	4,315
Total funds at 31 July 2008		4,030	1,357	46	5,433	4,537

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

BALANCE SHEET AS AT 31st JULY 2008

		2007/8	2006/7
	Notes	£' 000	£' 000
Fixed Assets			
Tangible assets	8	2,407	2,387
Current Assets			
Property held for resale		-	291
Debtors	9	1,545	1,456
Cash at bank and in hand	16	8,292	5,332
Total current assets		9,837	7,079
Creditors: amounts falling due within one year	10	(4,677)	(3,194)
Net current assets		5,160	3,885
Total assets less current liabilities		7,567	6,272
Net assets excluding pension liability		7,567	6,272
Pension liability	18	(2,134)	(1,735)
Net assets including pension liability		5,433	4,537
Represented by:			
Unrestricted funds:			
General	13	4,768	3,169
Designated		127	122
Branch		1,081	1,161
Regional Branch Reserve Fund		148	-
Revaluation reserve		40	41
Unrestricted funds excluding Pension reserve / (deficit)		6,164	4,493
Pension reserve / (deficit)	18	(2,134)	(1,735)
Total Unrestricted funds		4,030	2,758
Restricted funds:			
Revenue grant funds	13	1,122	1,341
Capital grant funds		235	392
Endowment funds	13	46	46
Total restricted funds		1,403	1,779
Total funds		5,433	4,537

The financial statements on pages 26 to 41 were approved by the board of trustees and authorised for issue on 3rd December 2008 and are signed on its behalf by:



Professor Richard Taylor- Chair



Peter Cooper- Honorary Treasurer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st JULY 2008

	Notes	2007/8		2006/7
		£'000	£'000	£'000
Net cash inflow from operating activities	14		2,440	34
Returns on investments and servicing of finance	15		321	239
Capital expenditure				
Purchase of tangible fixed assets	8	(671)		(1,032)
Sale of tangible fixed assets		870		-
			199	(1,032)
Cash flow before management of liquid resources and financing	16		2,960	(759)
Management of liquid resources				
Increase/(Decrease) in short term deposits			-	-
Financing				
Repayment of loans				
LSC loan advance			-	(600)
Increase/ (Decrease) in cash in the year			2,960	(1,359)

Notes to the Financial Statements Year Ended 31st July 2008

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 1985 and Statement of Recommended Practice (SORP), Accounting and Reporting by Charities published in 2005, the Charities Act 1993 and applicable UK accounting standards.

Fund Accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Branch funds represent the funds held in the nationwide network of branches that deliver the cultural studies programme.

The **revaluation reserve** represents the amount by which one building was revalued up until the charity adopted a non-revaluing approach under FRS 15. The revaluation reserve is reduced in line with annual depreciation and charged to the building.

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year.

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

Incoming resources

All incoming resources are included in the Statement of Financial Activities 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 Statements of Financial Activities when receivable. Volunteer time is not included in the financial statements.

Grants receivable are recognised when the conditions for receipt has 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.

LSC grants are recognised on accruals basis.

Capital grants received towards the cost of tangible fixed assets are credited to the statement of financial activities in full in the year in which they are received and treated as restricted or designated fund 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.

Assets held for resale are valued at the lower of costs and net realisable value, and are not depreciated.

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

Notes to the Financial Statements Year Ended 31st July 2008

1. Accounting policies (Continued)

Branches

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

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
Computers	over 3 years
Other equipment	over 3 to 10 years
Computer software	over 3 years

The revaluation reserve represents revaluations implemented prior to the adoption of a non-revaluation approach under FRS 15. The reserve is released in line with the depreciation policy for buildings.

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

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 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 FRS 17 is recognised as addition/(reduction) in general reserves.

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 economical 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 Arrangement-The Association acts as an agent in the collection and payment of Learner Support Funds. Related payments received from the LCS and subsequent disbursements to students are excluded from the Statement of Financial Activities and are shown separately in note 22, except for the 5 percent of the grant received which is available to the Association to cover costs relating to the grant. The Association employ one member of staff who is dedicated to the administration of the Learner Support Fund applications and payments.

Notes to the Financial Statements Year Ended 31st July 2008

2. Incoming Resources from charitable activities

	Unrestricted	Restricted	TOTAL	TOTAL
	£ '000's	£ '000's	2007/8	2006/7
			£ '000's	£ '000's
Educational Provision				
Fees and contracts	4,549	179	4,728	4,242
LSC grants	19,254	1,055	20,309	19,438
Other grants receivable	721	3,481	4,202	3,939
Other income from activities	70	(2)	68	41
Total incoming resources from charitable activities	24,594	4,713	29,307	27,660

2a. Analysis of income from charitable activities

	TOTAL	TOTAL
	2007/8	2006/7
	£ '000's	£ '000's
Unrestricted grants		
LSC core grant	19,070	18,683
Other LSC grants and contracts	184	289
Local LSC grants	-	5
Total LSC unrestricted grants	19,254	18,977
LSC restricted grants	1,055	461
Total LSC unrestricted & Restricted grants	20,309	19,438
Other unrestricted grants:		
Local authority grants	369	22
Central government grants	-	-
Capital grants	3	15
Sundry other grants	349	105
Total Other unrestricted grants	721	142
Total Other Restricted Grants	3,481	4,013
Total Unrestricted & restricted Grants	24,511	23,593

3. Resources expended on charitable activities

	Unrestricted	Restricted	TOTAL	TOTAL
	£ '000's	£ '000's	2007/8	2006/7
			£ '000's	£ '000's
Educational provision				
Tutor Costs	6,646	804	7,450	6,884
Other Direct Costs	11,718	2,910	14,628	14,517
Grants Payable	72	31	103	138
Support Costs-note 5	5,821	1,731	7,552	7,175
Total resources expended on charitable activities	24,257	5,476	29,733	28,714
Fundraising costs	-	-	-	1
Governance costs	252	2	254	247
Total resources expended	24,509	5,478	29,987	28,962

Included in Support Costs is £660,000, for repayment to Government Office North East (GONE) for projects in the North East of England.

Notes to the Financial Statements Year Ended 31st July 2008

4. Governance Costs

	2007/8	2006/7
	£' 000	£' 000
Governance Costs include the following:		
External Audit Fees		
Baker Tilly Audit LLP (Note 7)	117	114
Internal Audit fees		
Mazars LLP	42	49
Legal and Professional Fees	15	7
Trustees Meetings and other Costs	32	29
Support Costs	48	48
Total governance costs	254	247

Legal and Professional costs represent the costs of strategic planning and providing support to Trustees.

5. Support Costs

	Educational		Governance	
	2007/8	2006/7	2007/8	2006/7
	£ '000's	£ '000's	£ '000's	£ '000's
Corporate/ Regional management	5,510	5,156	48	48
Facilities Management	957	960	-	-
IT & Communication	1,085	1,011	-	-
Total support Costs	7,552	7,127	48	48

6. Core Staff Costs

	TOTAL 2007/8 £ '000's	TOTAL 2006/7 £ '000's
Wages and salaries	17,386	17,311
Social security costs	1,107	1,125
Other pension costs	1,476	1,452
Redundancy costs	156	161
Total staff Costs	20,125	20,049

The above figure does not include Agency staff employed by the Association at a cost of £265,367 (2007: £193,195)

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

	2007/8	2006/7
Staff	388	425
Tutors	390	409
Total average number of employees	778	834

Number of employees Earning £60,000 per annum and above are as follows:

£60,000 - £70,000	1	-
£110,000 - £120,000	1	1
	2	1

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

7. Analysis of charitable expenditure

	2007/8	2006/7
	£ '000's	£ '000's
Charitable expenditure includes:		
External auditors' remuneration	49	64
Other assurance services performed by external auditors*	68	50
Internal auditors' remuneration	42	49
Depreciation	650	452
(Gain) / loss on disposal of tangible assets	(578)	-
Total	231	615

* Other services performed by External Auditors include the audit of learner records and regularity audit to meet the conditions of LSC grant funding.

Notes to the Financial Statements Year Ended 31st July 2008

8. Tangible Fixed Asset Schedule

	Land and Buildings £ '000's	Education Equipment £ '000's	Admin Equipment £ '000's	Total 2007/8 £ '000's
Cost or valuation				
At 1 August 2007	2,098	1,892	2,633	6,623
Additions	32	86	553	671
Disposal	-	(300)	(1,493)	(1,793)
At 31 July 2008	2,130	1,678	1,693	5,501
Depreciation				
At 1 August 2007	470	1,710	2,056	4,236
Charge for the year	188	161	302	651
Disposal	-	(300)	(1,493)	(1,793)
At 31 July 2008	658	1,571	865	3,094
Net book value				
At 31 July 2008	1,472	107	828	2,407
At 1 August 2007	1,628	182	577	2,387

9. Debtors amounts falling due within one year

	2007/8 £ '000's	2006/7 £ '000's
Trade debtors	488	611
Other debtors	232	124
Prepayments	259	209
Other grant income receivable	566	512
Total	1,545	1,456

10. Creditors: amounts falling due within one year

	2007/8 £ '000's	2006/7 £ '000's
Trade creditors	2,018	1,187
Accruals	1,735	1,412
Social security & other taxes	640	476
Deferred Income	284	119
Total	4,677	3,194

Included in creditors is £195,525 held on behalf of William Alderson Memorial Trust Fund.

11. Financial commitments - leases

As at 31st July 2008, the charity has annual commitments under non-cancellable leases as follows:

Expiry date:	Land & Building Leasehold	Total	Total
	£ '000's	£ '000's	£ '000's
Within one year	523	523	391
One to five years	1,450	1,450	1,196
Over five years	1,847	1,847	459
Total financial commitments - leases	3,820	3,820	2,046

Notes to the Financial Statements Year Ended 31st July 2008

12. Analysis of net assets by fund

	Unrestricted Funds £ '000's	Restricted Funds £ '000's	Endowment Funds £ '000's	Total Funds 2007/8 £ '000's	Total Funds 2006/7 £ '000's
Net assets					
Tangible Fixed Assets	2,172	235	-	2,407	2,387
Net Current Assets/ (Liabilities)	3,992	1,122	46	5,160	3,885
Pension Liability	(2,134)	-	-	(2,134)	(1,735)
Net Assets	4,030	1,357	46	5,433	4,537

13. Statement of funds

	At 1 August 2007 £ '000's	Income £ '000's	Expenditure £ '000's	Transfers £ '000's	At 31 July 2008 £ '000's
Unrestricted funds:					
Designated funds					
Temple fund	10	2	-	-	12
Contingency fund	112	3	-	-	115
Total designated funds	122	5	-	-	127
General fund	3,169	23,464	21,579	(286)	4,768
Branch funds	1,161	2,542	2,483	(139)	1,081
Revaluation reserve	41	-	-	(1)	40
Regional Designated Branch Reserve	-	-	-	148	148
Pension Fund	(1,735)	770	1,169	-	(2,134)
Total unrestricted funds	2,758	26,781	25,231	(278)	4,030
Restricted funds:					
Revenue	1,341	4,735	5,230	276	1,122
Capital	392	89	248	2	235
Total restricted funds	1,733	4,824	5,478	278	1,357
Endowment Funds	46	-	-	-	46
Total Funds	4,537	31,605	30,708	-	5,433

Analysis of Endowment funds:

	At 1 August 2007 £ '000's	Income £ '000's	Expenditure £ '000's	Transfers £ '000's	At 31 July 2008 £ '000's
National Endowment Fund	6	-	-	-	6
Ernest Green Fund	6	-	-	-	6
Fred Sedgewick Fund	5	-	-	-	5
Margaret James Fund	2	-	-	-	2
Reuben George Fund	10	-	-	-	10
John W Rhodes Fund	16	-	-	-	16
Summer School Fund	1	-	-	-	1
Total endowment funds	46	-	-	-	46

Notes to the Financial Statements Year Ended 31st July 2008

13 . Statement of funds *(continued)*

Explanation of funds:

Designated and Restricted funds

The **Temple Fund** was set up from appeal funds to provide for the acquisition of headquarters in London (to be known as Temple House), the enlargement of staff, improvement of the organisation, and the establishment of adult education centres.

The **Contingency Fund** exists to set aside monies that at the discretion of the Trustees may be used to provide funds for matters that could not have been budgeted for.

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.

Endowment funds

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 **Dr Ernest Green Fund** has a permanent endowment of £5,000. The income from this fund is unrestricted.

The **National Endowment Fund** was previously held by the Official Custodian of Charities and was released to the WEA as part of a statutory divestment process.

The **John W Rhodes Bequest**. A permanent endowment of £10,000 was bequeathed by John W Rhodes, former District Secretary of East Midlands Region so that the income generated could be used for the benefit of East Midlands District (now East Midlands Region).

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 is a permanent endowment, with a capital sum of £1,000

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 very first WEA Western District Chairman. Its purpose is to provide financial assistance to enable disadvantaged learners to attend WEA summer schools.

The **Fred Sedgwick Scholarship Fund** was established in 1984 with a donation of £1,000 to Yorkshire North District by Mrs Gladys Sedgwick 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 Sedgwick'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.

Notes to the Financial Statements Year Ended 31st July 2008

13. Statement of funds (continued)

	At 1 August 2007 £ '000's	Received income £ '000's	Accrued income £ '000's	Transfer from/(to) general fund £ '000's	Funded expenditure £ '000's	At 31 July 2008 £ '000's
Lottery funded projects						
Association						
BLF - Family Learning Association	-	29	(22)	-	3	4
BLF - Family Learning Eastern	-	5	-	-	6	(1)
BLF - Family Learning South West	-	5	-	-	4	1
BLF - Family Learning Southern	-	5	-	-	5	-
BLF - Family Learning Yorkshire & Humber	-	10	-	-	9	1
BLF - Family Learning Total	-	54	(22)	-	27	5
North East						
Awards for all	4	-	-	-	4	-
Moving on Up	-	20	4	-	10	14
North West						
Awards for all	-	(4)	5	-	1	-
Southern						
BLF - Men & Health	7	-	-	-	7	-
West Midlands						
BLF - Chest	-	-	-	-	2	(2)
BLF - Reaching Communities	-	57	-	-	60	(3)
Yorkshire & Humber						
HLF - Archeology project	21	-	-	-	25	(4)
Scottish Association						
BLF - Reach Out Project	2	-	-	-	2	-
HLF - Exploring your Past	9	14	-	(2)	13	8
Awards for all - Abolition of Slavery project	-	10	-	-	5	5
HLF - Vivendo Discimus	3	10	-	-	13	-
Total lottery fund projects	46	161	(13)	(2)	168	24
Other projects						
ESF	62	1,507	98	46	1,636	76
SRB	121	124	172	-	418	-
Other	1,113	2,745	(59)	232	3,009	1,022
Total restricted revenue funds	1,342	4,537	198	276	5,231	1,122

Deficits arising at the end of a project are charged to unrestricted Funds. Surpluses of funds are returned to funders. BLF is an abbreviation for Big Lottery Fund, A4A; Awards for All, HLF; Heritage Lottery Fund, NOF for New Opportunities Fund; ESF; European Social Fund and SRB; Social Regeneration Budget.

Notes to the Financial Statements Year Ended 31st July 2008

14. Reconciliation of change in resources to net cash inflows from operating activities

	2007/8 £ '000's	2006/7 £ '000's
Net Incoming Resources	1,618	252
Gain on sale of fixed assets	(578)	-
Depreciation	650	452
Other Finance Charges	940	782
Increase in Debtors	(89)	(128)
Increase/(Decrease) in creditors	1,483	(212)
Interest Receivable	(321)	(239)
Other Finance Income	(954)	(912)
Non cash movements in respect of FRS17	(309)	39
Net cash inflow from operating activities	2,440	34

15. Return on investments and servicing of finance

	2007/8 £ '000's	2006/7 £ '000's
Income from investments and interest receivable	321	239
Interest paid	-	-
Net Cash inflow for return on investments and servicing of finance	321	239

16. Analysis of change in net funds

	At 1 August 2007 £ '000's	Cash Flow £ '000's	At 31 July 2008 £ '000's
Net Cash:			
Cash at Bank	5,332	2,960	8,292
Total net funds	5,332	2,960	8,292

17. Trustees' expenses and remuneration

The Trustees neither received nor waived any emoluments during the year.

Trustees Expenses	2007/8 £ '000's	2006/7 £ '000's
Trustee Meeting	6	1
Trustee Travel	14	10
Trustee Subsistence & Accommodation	5	13
Trustee Training	4	3
Trustee Catering	3	2
	32	29

The number of Trustees reimbursed out of pocket travel and subsistence expenses were 12 (2007: 12).

The Trustees hold indemnity insurance. During the year, £1,365 (2007:£1,575) was expended by the Association for the purchase of indemnity insurance policy.

Notes to the Financial Statements Year Ended 31st July 2008

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).

The TP scheme is an unfunded defined benefit scheme. Contributions on a pay-as-you-go basis are credited to the Exchequer, under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in Financial Reporting Standard 17 Retirement Benefits, the TP is a multi-employer pension scheme. The WEA is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the Association has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Following the implementation of Teachers' Pensions (Employers Supplementary Contributions) Regulations 2000, the Government Actuary carried out a further review on the level of employers' contributions. From 1 January 2007 the employer contribution rate was increased (from 13.5%) to 14.1%.

	TPS
Latest actuarial valuation	31-Mar-06
Next actuarial valuation	31-Mar-11
Actuarial method	Prospective benefits
Rate of return on investments	6.50%
Rate of increase in salaries	5.00%
Market value of the assets at the date of last valuation	£176,600 million
Proportion of members accrued benefits covered by the actuarial value of the assets	100%

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 19.70% of pensionable salaries over the accounting period. Members under the age of 30 have contributed at the rate of 5.00% 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-05
Next Actuarial valuation	30-Sep-08
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	2008	2007
Discount rate	6.60%	5.80%
Expected return on the scheme assets	6.55%	6.88%
Rate of increase in salaries	4.80%	4.40%
Rate of increase of pensions payment subject to LPI increases	3.30%	2.90%
RPI Maximum of 2.5%	2.25%	2.50%
Rate of increase for deferred pensioners subject to statutory revaluation	3.30%	2.90%
Inflation assumptions	3.30%	2.90%

The assumed life expectations on retirement age 60 are:

Life expectancy at age 60 for someone who is currently 60	Male=26.1 years Female=29.0 years	Male=25.3 years Female=28.2 years
Life expectancy at age 60 for someone who is currently 45	Male=27.0 years Female=29.9 years	Male=26.32 years Female=29.1 years

Notes to the Financial Statements Year Ended 31st July 2008

18. WEA Pensions schemes (continued)

a) The amounts recognised in the balance sheet are as follows:	2007/8 £ '000's	2006/7 £ '000's
Present Value of funded obligations	(16,308)	(16,115)
Fair Value of plan assets	14,174	14,380
Deficit	(2,134)	(1,735)
Amounts in the balance sheet		
Liabilities	(2,134)	(1,735)
Assets	-	-
Net Liability	(2,134)	(1,735)
b) Reconciliation of Present Value of Scheme Liabilities and Assets	2007/8 £ '000's	2006/7 £ '000's
Change in the Present Value of the defined benefit Scheme		
Opening defined Benefit Obligations	16,115	14,874
Service Costs	447	676
Interest Costs	940	782
Contribution by Employer	260	213
Past Service granted during the year	0	0
Actuarial Losses/(gains)	(838)	93
Benefits Paid	(616)	(523)
Closing defined benefit obligations	16,308	16,115
Change in the Fair Value of the Scheme Assets as follows:		
Opening fair value of the Scheme Assets	14,380	13,078
Expected Return	954	912
Actuarial (loss)/Gain	(1,560)	63
Contribution by employer	756	637
Contribution by employees	260	213
Benefits Paid	(616)	(523)
Closing fair value of the scheme assets	14,174	14,380
c) The amounts included within the Statement of Financial Activities as follows:	2007/8 £ '000's	2006/7 £ '000's
Current Service Costs	447	676
Expected return on scheme assets	(954)	(912)
Interest on pension liabilities	940	782
Total amounts charged within net incoming/(outgoing) resources	433	546

Notes to the Financial Statements Year Ended 31st July 2008

18. WEA Pensions schemes (continued)

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

	2007/8 £ '000's	2006/7 £ '000's
Net actuarial (losses) recognised in year	(722)	(30)
Net cumulative actuarial (losses)/gain*	(648)	74

* includes net cumulative actuarial gain/(loss) since year ending 31 July 2003

e) Pension Scheme expected rate of return

	2007/8 Expected rate of return % p.a.	2006/7 Expected rate of return % p.a.
Equities	8.40	8.00
Bonds	5.00	5.00
Cash	5.00	5.75
Market Value of Assets	6.69%	6.55%

In setting the expected return on the assets as at 31 July 2008, 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.

f) Amounts for the current and previous periods are as follows:

	2007/8 £ '000's	2006/7 £ '000's	2005/6 £ '000's	2004/5 £ '000's	2003/4 £ '000's
Defined benefit obligation	16,308	16,115	14,874	14,587	12,552
Scheme Assets	14,174	14,380	13,078	11,291	9,255
(Deficit)	(2,134)	(1,735)	(1,796)	(3,296)	(3,297)
Experience adjustments on scheme liabilities	(19)	(74)	903	110	273
Experience adjustments on scheme assets	(1,560)	63	690	1,208	24

Notes to the Financial Statements Year Ended 31st July 2008

19. Investment Income

	2007/8	2006/7
	£ '000's	£ '000's
Interest on cash deposits	321	239
Interest on pension scheme	954	912
	1,275	1,151

20. Investments in Subsidiaries

At 31st July 2008 the charity owned the entire aggregate share capital of 100 ordinary shares (2006/7- 100 shares) of WEA Enterprises Ltd. At 31st July 2008 the aggregate of share capital and reserves of WEA Enterprises Limited was £100. (2006/7: £100)

WEA Enterprises Limited has not traded during the period and was dormant for the year, with nil net assets at 2007/8 and 2006/7 year ends. Consolidated accounts have not been prepared given that the results of the company and its aggregate reserves and capital are, in the opinion of directors immaterial.

21. Funds held as custodian trustees

These accounts reflect only the state of affairs and income and expenditure of the Association in relation to its own direct affairs. The Association also acts as custodian trustees of William Alderson Memorial Fund.

Funds of £195,524 are held by the Association in its capacity as custodian trustee.

22. Amounts Disbursed as Agents

	2007/8	2006/7
	£ '000's	£ '000's
Learner Support Funds		
LSC Grants- Hardship Funds	146	146
LSC Grants- Childcare	227	171
LSC Grants-ESOL	23	-
	396	317
Disbursed to Students		
Staffing & Other Costs	329	303
Administration Fees	16	14
	51	-
Balance unspent as at 31 July 08 included in Creditors	51	-

23. 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 Associations financial regulations and normal procurement procedures. In 2007/08, £13,167 consulting fees were paid to AFPB Ltd of which the treasurer is a Director. (2006/07: Nil)

Transactions with LSC are detailed in notes 2 and 2a

Appendix I: Restricted Funds - SRB & ESF

Year Ended 31st July 2008

Restricted Funds - SRB

	At 1 August 2007 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2008 £
North East						
Developing Educational Progression	120,790	124,260	172,488	-	417,538	-
Total SRB restricted funds	120,790	124,260	172,488	-	417,538	-

Restricted Funds - ESF and other European funding

East Midlands						
ESF - LILY project	5,170	28,789	1,654	-	35,614	-
London						
ESF - Community Interpreting	(1,060)	24,163	13,500	4,970	41,573	-
North East						
Succeed Through Learning	-	6,650	-	-	6,650	-
Working Together Tyne & Wear	35,352	227,606	77,790	-	266,021	74,727
Southern						
ESF - Access to Education	-	9,230	-	-	9,230	-
Equal	-	18,207	-	-	18,207	-
ESF - Steps to Success	16,237	27,873	-	-	44,110	-
South West						
ESF - Swindon Women	2,990	45,902	(23,072)	40,650	66,469	-
Yorkshire & Humber						
BASIT Single Pot/ Objective 1	-	1,810	-	-	1,810	-
ESF - Active Citizenship project	(950)	163,490	28,012	-	190,552	-
Scottish Association						
ESF - South Lanarkshire Workforce JobRotation III	-	124,887	-	-	124,887	-
ESF - North Ayrshire JobRotation 2006	-	172,300	-	-	172,300	-
ESF - ESOL Quality Development Project 2007	-	30,835	-	-	30,835	-
ESF - ESOL Quality Development Project 2008	-	37,956	-	-	36,616	1,340
EQUAL - Hi-Hopes Project	-	29,127	-	-	29,127	-
Namal - Study Visits II	-	2,659	-	-	2,659	-
Grundvig - Exchange Visits - Reach Out	-	1,270	-	-	1,270	-
ESF - Managing Progress - Realise Project	-	9,398	-	-	9,398	-
ESF - East Ayrshire JobRotation 2006	-	106,444	-	-	106,444	-
ESF - Renfrewshire JobRotation	4,000	65,231	-	-	69,231	-
ESF - Girvan JobRotation 2006	-	70,436	-	-	70,436	-
ESF - Pan Ayrshire JobRotation - Priority 1	-	136,563	-	-	136,563	-
ESF - Pan Ayrshire JobRotation - Priority 2	-	97,424	-	-	97,424	-
ESF - English at Work 2007	-	13,400	-	-	13,400	-
ESF - Its Your Turn 2007	-	21,770	-	-	21,770	-
ESF - Step into Learning 2008	-	19,136	-	-	19,136	-
ESF - North Aberdeenshire Work Skills	-	14,674	-	-	14,674	-
Total European restricted funds (to note 13)	61,740	1,507,230	97,884	45,620	1,636,406	76,067

Appendix II: Restricted Funds - Others

Year Ended 31st July 2008

Restricted funds - Other

	At 1 August 2007 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2008 £
East Midlands						
Joan Freeman Legacy	25,000	-	-	-	54	24,946
Hazel Arnold Legacy	220	-	-	-	133	88
Algy Beaven Legacy	1,775	-	-	-	-	1,775
UK Online Mansfield	-	9,992	-	-	9,406	586
UK Online Leicester	-	10,000	-	-	9,446	554
Uk Online Nottingham	-	9,994	-	-	9,994	-
Arts Council - Clowning	-	14,329	-	-	14,329	-
Eastern						
NIACE Connect	-	897	-	135	1,032	-
London						
ALG E-Learning	14,527	-	-	-	14,527	-
LSC/LDA Transitional Fund	-	148,470	-	-	148,470	-
LSC/LDA Transitional Fund Capacity Building	-	100,000	(52,403)	-	47,597	-
North East						
NIACE	-	13,980	-	-	13,980	-
NLDC City Sunderland Learning for Health	-	4,924	-	-	4,924	-
NLDC City Sunderland Developing Volunteers	-	4,748	900	-	5,648	-
LSC Is it for Me	-	18,451	-	-	5,586	12,865
OIA	-	20,000	-	-	13,978	6,022
Co-Operative Without Boundaries	-	9,634	-	-	4,145	5,489
North East Reg Donations	3,956	420	-	-	-	4,376
North West						
Grow It/ Eat It	17,301	8,378	226	-	15,675	10,230
Knowsley NLDC	754	-	-	-	754	-
Developing & using S4L Assessment	10,331	1,132	-	-	11,463	-
Rochdale Community IT Technicians	6,182	51,425	(17,823)	-	35,995	3,789
Culture of Arts	-	3,000	-	-	2,145	855
Southern						
Reading WLC	2,782	59,543	-	-	62,325	-
Southampton CC - Writing Courses	10,000	6,662	-	-	11,376	5,285
Southampton CC - Childrens Fund / Hello Too	27,216	45,000	-	-	67,356	4,860
JMF Omega Centre	10,616	184,907	-	-	195,523	-
Jeffery-Machin Foundation	(125)	53,224	-	-	53,099	-
Slough funding	35,350	100	-	-	4,273	31,177
South West						
Andrea Mclver	1,083	-	-	-	-	1,083
West Midlands						
Home Office (Connecting Communities)	4,863	50,680	-	-	42,357	13,186
Lloyds TSB Foundation	4,714	-	-	-	4,714	()
DFID - Birmingham	7,082	8,000	-	-	9,651	5,431
Home Office (Refugee Communities)	8,074	-	-	-	577	7,497
DfCLG - Quality part-time work	4,445	15,566	-	-	22,121	(2,110)
DFID - Out of Africa	-	25,790	10,000	-	32,847	2,943
Dept.for Health (Communities for Health)	-	27,968	-	-	28,598	(631)
UK Online	10,000	-	-	-	6,629	3,371
NIACE E-shift	(1,508)	-	-	1,508	-	-
Stoke LAA - Learning in the Community	(1,079)	26,251	-	-	25,172	-
Stoke LAA - Community Gym	498	22,744	-	-	23,242	-
CEL - Curriculum for Change	-	10,000	-	-	10,220	(220)
Equality & Human Rights Commission	-	-	-	-	900	(900)
Stoke PCT - Community Gym	-	-	-	-	2,960	(2,960)
Arts Council - Telford's Industrial Heritage	6,573	2,208	-	-	8,781	-
Balance Carried Forward	210,630	968,416	(59,100)	1,643	982,001	139,588

Appendix II: Restricted Funds - Others contd.

Year Ended 31st July 2008

Restricted funds - Other (continued)

	At 1 August 2007 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2008 £
Balance Brought Forward	210,630	968,416	(59,100)	1,643	982,001	139,588
Yorkshire & Humber						
NLDC Scunthorpe	1,779	-	-	-	1,779	-
information & Learnin Technologies	2,602	-	-	-	2,225	377
Kirklees ACL	-	32,252	-	-	32,252	-
Kirklees Family Learning	-	7,666	-	-	7,666	-
LSC NLDC - Rotherham	-	6,029	-	-	6,029	-
Art Council - Create 07	-	1,600	-	-	1,600	-
LSC NLDC - North Yorkshire	9,094	1,828	-	-	10,922	-
Corporate Services						
LSC Capacity Building	-	140,152	-	-	140,152	-
LSC Initial Teacher Training	-	79,870	-	-	79,870	-
Jeffery-Machin Foundation	462,221	87,359	-	-	168,261	381,319
Scotland						
Scottish Government Headquarters Grant	-	276,902	-	-	276,902	-
Scottish Government Training Grant	538	1,075	-	-	549	1,064
Scottish Government Women at Work	18,490	72,943	-	-	71,523	19,910
Highland Literacy Partnership - Community	2,470	-	-	-	2,470	-
Highland Literacy Partnership - Workplace	20,680	31,197	-	-	32,235	19,642
Voluntary Action Race Equality Project	4,075	4,612	-	-	7,195	1,492
Highlands & Islands Enterprise - 15 Years On Confe	-	2,500	-	-	2,500	-
Inverness & East Highland Enterprise Pre-vocational	-	12,553	-	-	12,553	-
Highland Council - Multicultural Calander 2008	1,110	2,345	-	-	3,455	-
Highland Council - Fair Trade Project	760	1,850	-	-	1,900	710
Highland Council - Local Accents Project	-	2,570	-	-	780	1,790
Highland Council - Common Threads Project	-	2,798	-	-	2,798	-
Learning Connections - ESOL Resource Grant - High	-	571	-	-	488	83
Highland Learning Connections Training	5,000	-	-	-	5,000	-
CLAN - Edinburgh Literacy Partnership - Workplace	4,775	28,085	-	-	32,860	-
CLAN - Workplace Literacies Research	400	-	-	-	400	-
CLAN - Edinburgh Literacy Partnership - Powerful Litr	-	1,328	-	-	1,328	-
CLAN - Edinburgh Literacy Partnership - Workplace E	-	5,500	-	-	4,523	977
Falkirk Council - Young Adults Project	2,360	85,913	-	-	41,239	47,034
Falkirk Council - Bo'ness Fair Project	-	5,075	-	-	800	4,275
Falkirk Literacy Partnership - Workplace	-	69,009	-	-	36,529	32,480
West Lothian Literacy Partnership - Workplace	38,310	59,500	-	-	52,922	44,888
West Lothian Council - Biz Litz Project	665	1,873	-	-	2,538	-
West Lothian Council - Levis Factory Project	-	180	-	-	180	-
NHS Edinburgh Numeracy Project	-	1,061	-	-	(793)	1,854
Mildlothian Literacy Partnership - Pentland House Prc	-	3,110	-	-	2,054	1,056
R2L Social Care Programme	10,200	63,180	-	-	52,240	21,140
R2L NHS Programme 2006-2008	37,900	-	-	-	18,100	19,800
R2L South Lanarkshire Council	-	8,000	-	-	8,000	-
Aberdeenshire Literacy Partnership - Workplace	34,610	33,818	-	-	52,674	15,754
Aberdeen City Literacy Partnership - Workplace	21,890	27,000	-	-	22,287	26,603
Aberdeen City Literacy Partnership - ESOL	-	12,840	-	-	12,840	-
Aberdeen City Council - More Choices More Chances	-	1,000	-	-	1,000	-
Moray Literacy Partnership - Workplace	2,690	8,064	-	-	8,914	1,840
Aberdeen Healthy Working Lives	4,900	-	-	-	3,100	1,800
South Lanarkshire Literacy Partnership - Workplace	5,500	41,567	-	-	44,637	2,430
East Renfrewshire Literacy Partnership	1,760	7,655	-	-	9,415	-
ANSIP Learning Through the Arts Project	5,325	9,000	-	-	14,325	-
Learning Connections - ESOL Resource Grant - Glas	-	1,991	-	-	1,991	-
Glasgow Literacy Partnership - Numeracy Project 08/	-	14,043	-	-	3,923	10,120
Glasgow Literacy Partnership - Literacy Project 08/09	-	14,566	-	-	14,566	-
Glasgow Literacy Partnership - ESOL 08/09	-	23,021	-	-	12,644	10,377
Balance Carried Forward	910,733	2,263,468	(59,100)	1,643	2,308,340	808,404

Appendix II: Restricted Funds - Others contd.

Year Ended 31st July 2008

Restricted funds - Other (continued)

	At 1 August 2007 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2008 £
Balance Brought Forward	910,733	2,263,468	(59,100)	1,643	2,308,340	808,404
Scotland contd.						
Glasgow Literacy Partnership ESOL Strategy Grant	-	16,000	-	-	16,000	-
Glasgow Literacy Partnership - ESOL Project 06/08	7,780	24,871	-	-	32,651	-
Glasgow Literacy Partnership - Numeracy Project 06	6,460	18,353	-	-	24,813	-
Glasgow Literacy Partnership - Literacy Project 06/0	1,975	30,562	-	-	32,537	-
Reach Out Project	18,216	-	-	-	979	17,237
Aberdeen City Council - Literacies Project	11,570	-	-	-	11,570	-
Aberdeen City Council - Social Work Grant	3,157	37,815	-	-	37,819	3,153
Aberdeen City Council - Small Grant	-	600	-	-	380	220
Aberdeen City Council - Core Costs Grant	-	6,000	-	-	6,000	-
Aberdeen City Council Community Health Partnersh	8,000	12,000	-	-	12,000	8,000
Aberdeen City Council - Equality of Opportunity Gra	-	660	-	-	660	-
Aberdeen City Council - Onwards & Upwards Grant	-	1,500	-	-	1,500	-
Aberdeen City Council - International Womens Day	-	653	-	-	-	653
Aberdeen City Council - Drug & Alcohol Initiative	-	500	-	-	-	500
Aberdeen City Council - MCMC Challenge Fund	-	5,720	-	-	1,645	4,075
Aberdeenshire Council - Support Worker	-	6,000	-	-	5,186	814
Scottish Governemnt - Learning Connections ICT G	-	1,705	-	-	1,705	-
Scottish Consumer Council - Community Diet Projec	-	3,300	-	-	-	3,300
Scottish Natural Heritage - Equipment Grant	-	1,200	-	-	-	1,200
The Robertson Trust	-	4,000	-	-	-	4,000
The Lintel Trust	-	3,000	-	-	-	3,000
The Moffat Trust	-	6,441	-	-	-	6,441
North Ayrshire Council - Social Work JobRotation	49,185	37,689	-	-	86,874	-
North Lanarkshire Council - Childcare JobRotation	-	67,180	-	-	67,180	-
South Ayrshire Council - ESOL for Parents	-	1,090	-	-	1,090	-
South Ayrshire Council - ESOL International Project	-	1,326	-	-	1,326	-
Ayrshire Employability Project	-	36,080	-	-	17,315	18,765
East Ayrshire Employability Project	16,147	-	-	-	5,096	11,051
Reaching for Families	39,355	113,772	-	-	82,307	70,820
Borders Council - Making the most of Children	-	1,000	-	-	240	760
Banchory & Westhill Group	1,080	-	-	-	580	500
Fife Council - Revenue	-	34,292	-	-	34,292	-
Fife Council - Teaching	-	15,247	-	-	15,247	-
Highland Council - Revenue	-	31,180	-	-	18,180	13,000
Highland Council - Teaching	-	7,900	-	-	2,940	4,960
Aberdeen City Council - Revenue	-	26,160	-	-	26,160	-
Aberdeen City Council - Teaching	1,160	11,428	-	-	11,908	680
Moray Council - Revenue	300	300	-	-	120	480
Aberdeenshire Council - Revenue	1,650	3,300	-	-	4,400	550
Aberdeenshire Council - Teaching	5,315	12,737	-	-	11,565	6,487
Falkirk Council - Revenue	-	7,461	-	-	7,461	-
Falkirk Council - Teaching	500	2,744	-	-	3,244	-
City of Edinburgh Council - Revenue	-	21,800	-	-	18,080	3,720
City of Edinburgh Council - Teaching	2,900	5,450	-	-	6,705	1,645
Midlothian Council - Revenue	400	3,725	-	-	1,475	2,650
West Lothian Council - Revenue	550	5,125	-	-	1,510	4,165
Argyll & Bute Council - Revenue	-	740	-	-	740	-
Argyll & Bute Council - Teaching	1,300	520	-	-	-	1,820
West Dunbartonshire Council - Teaching	1,762	-	-	-	182	1,580
South Lanarkshire Council - Revenue	-	2,960	-	-	990	1,970
South Lanarkshire Council - Teaching	1,040	1,040	-	-	-	2,080
North Lanarkshire Council - Revenue	-	4,440	-	-	2,960	1,480
North Lanarkshire Council - Teaching	-	1,560	-	-	845	715
South Ayrshire Council - Teaching	1,470	-	-	-	-	1,470
East Renfrewshire Council - Revenue	17,590	7,400	-	-	20,060	4,930
East Renfrewshire Council - Teaching	3,125	2,600	-	-	1,270	4,455
Renfrewshire Council - Revenue	-	740	-	-	620	120
Renfrewshire Council - Teaching	75	-	-	-	205	(130)
Transfers	-	(168,000)	-	230,000	62,000	-
Balance to Note 13	1,112,795	2,745,334	(59,100)	231,643	3,008,952	1,021,720

Restricted funds are in deficit due to expenditure paid in advance and are to be covered when the grants are received.

Appendix III: National Summary Year Ended 31 July 2008

Year Ended 31st July 2008

Statement of Financial Activities	CORPORATE SERVICES		EAST MIDLANDS		LONDON		NORTH EAST		NORTH WEST		SOUTHERN		SOUTH WEST		WEST MIDLANDS		YORKSHIRE & HUMBER		SCOTTISH ASSOC		CONSOLID ADJUSTNTS		TOTAL		
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	
Voluntary Income	(96,812)	555	517	506	149	168,488	95	953	220	6,911	-	-	-	-	-	-	-	-	-	-	-	-	-	82,151	
Activities for Generating Funds	5,882	2,750	415	-	-	1,517	1,158	-	-	-	1,517	1,158	-	-	-	-	-	-	-	-	-	-	-	15,332	
Investment Income	1,243,558	6,801	6,229	44	48	44	3,203	44	44	4,551	44	3,203	44	4,551	1,816	8,738	4,551	8,738	-	-	-	-	-	1,274,993	
Fees & Contracts	14,851	632,803	526,008	465,536	420,267	829,495	416,752	350,677	814,638	106,285	2,140,104	1,517,080	1,462,962	3,781,095	2,994,972	2,994,972	3,781,095	1,975	32	-	-	-	-	4,743,900	
Grants Receivable	4,454,060	1,197,455	1,865,932	1,711,369	2,201,517	2,140,104	1,517,080	1,462,962	3,781,095	2,994,972	2,994,972	3,781,095	1,975	32	-	-	-	-	-	-	-	-	-	24,495,165	
Other Income from Activities	(17,698)	32,911	10,194	45,318	1,287	754	(7,343)	27,075	1,975	32	-	-	-	-	-	-	-	-	-	-	-	-	-	67,608	
Other Incoming Resources	588,934	96,720	19,787	14,950	11,299	158,637	7,896	24,172	33,835	79,338	-	-	-	-	-	-	-	-	-	-	-	-	-	925,855	
Total Incoming Resources	6,192,775	1,963,193	2,429,654	2,243,909	2,634,566	3,293,039	1,938,840	1,867,855	4,636,314	3,196,276	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	31,605,005	
Fundraising costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Grants Payable	95,787	12,631	214	16,747	4,162	47,110	-	(1,379)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Programme costs	233,344	1,571,770	2,297,596	1,915,693	1,356,724	2,855,395	1,731,890	1,663,994	4,272,590	2,430,302	2,855,395	1,731,890	1,663,994	4,272,590	2,430,302	2,430,302	1,19,579	96,974	119,579	59,456	-	-	-	103,007	
Facilities Management	133,678	47,899	71,859	39,661	25,042	160,274	69,644	68,576	96,974	68,576	160,274	69,644	68,576	96,974	68,576	68,576	119,579	96,974	119,579	59,456	-	-	-	956,812	
IT & Communications	380,695	43,174	65,861	67,461	85,096	118,730	60,222	60,018	119,350	59,456	118,730	60,222	60,018	119,350	59,456	59,456	119,350	96,974	119,579	59,456	-	-	-	1,085,488	
Support & Administration costs	3,878,169	106,513	87,792	117,365	139,313	125,266	76,874	78,628	149,655	537,182	125,266	76,874	78,628	149,655	537,182	537,182	149,655	537,182	537,182	537,182	-	-	-	5,396,388	
Governance costs	244,568	-	-	-	1,116	-	-	1,116	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	254,392
Total Resources Expended	4,966,241	1,781,988	2,523,322	2,156,927	2,565,805	3,306,774	1,938,631	1,870,953	4,640,861	3,152,935	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	29,852,266	
Surplus/(Deficit) for the Year on Operations	1,226,534	181,205	(93,670)	86,981	68,761	(7,735)	209	(3,299)	(4,547)	43,341	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	1,752,738	
Exceptional Adjustment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Increase/(Decrease) In Funds	1,226,534	181,205	(93,670)	86,981	68,761	(7,735)	209	(3,299)	(4,547)	43,341	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	(135,232)	1,617,506	
Transfer between reserves	955,162	(590,472)	-	-	(132,368)	(115,289)	-	-	(117,033)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves b/fwd	1,216,704	863,892	245,983	300,503	287,220	564,614	10,614	49,902	599,339	471,897	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,537,323
Actual gains/(losses) on pension scheme	(722,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(722,000)
Reserves c/fwd	2,676,400	454,625	152,313	387,484	223,613	441,590	10,823	46,603	342,527	515,238	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	5,432,829	
Balance Sheet																									
Fixed Assets	1,640,066	15,948	147,894	299,568	10,205	37,140	3,893	12,781	195,911	32,295	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,407,363
Current Assets	5,064,284	654,740	270,782	381,179	646,024	856,017	294,124	234,655	809,900	714,161	(484,621)	(484,621)	(484,621)	1,005,811	746,456	746,456	1,005,811	663,284	(231,218)	-	-	-	-	9,837,138	
Total Assets	6,704,350	670,688	418,676	680,746	656,229	893,157	298,017	247,437	1,005,811	746,456	(484,621)	(484,621)	(484,621)	1,005,811	746,456	746,456	1,005,811	663,284	(231,218)	-	-	-	-	12,244,501	
Current Liabilities< 1 Year	(1,893,950)	(216,065)	(266,364)	(293,262)	(432,615)	(451,569)	(287,194)	(200,835)	(663,284)	(231,218)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,677,673)
Liabilities> 1 Year	(2,134,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,134,000)
Total Liabilities	(4,027,950)	(216,065)	(266,364)	(293,262)	(432,615)	(451,569)	(287,194)	(200,835)	(663,284)	(231,218)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6,811,673)
Net Assets	2,676,400	454,623	152,313	387,484	223,614	441,588	10,824	46,602	342,527	515,238	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	5,432,829	
Financed By:																									
General Reserve	4,252,209	191,780	(153,704)	290,194	120,453	113,415	(59,055)	(48,418)	80,896	(37,899)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,767,468
Pension Reserve	(2,134,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,134,000)
Designated & Unrestricted Capital	127,126	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	127,126
Regional Branch Reserve Fund	-	-	-	4,782	19,074	287,269	67,997	69,030	80,333	16,055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	147,773
Branch Reserves	-	249,781	109,053	92,508	63,762	287,269	67,997	69,030	80,333	16,055	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,081,951
Revaluation Reserve	-	-	39,874	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,874
Endowment	45,976	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,976
Restricted Capital	-	13,826	5,223	-	5,451	-	-	5,461	188,838	21,207	-	-	-	-	-	-	-	-	-	-	-	-	-	-	235,006
Restricted Funds	-	3,771	(764)	-	(418)	(418)	799	(5,077)	(2,917)	15,180	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99,676
Restricted Funds - other	381,320	-	27,949	-	14,874	41,322	1,083	25,607	377	500,695	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,021,979
Total Reserves	2,676,400	454,623	152,313	387,484	223,614	441,588	10,824	46,602	342,527	515,238	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	(549,519)	5,432,829	