

# REGISTRAR OF COMPANIES

## Instructus (formerly The Council for Administration)

### Annual Report and Consolidated Financial Statements

31 March 2011

Company Limited by Guarantee  
Registration Number  
3235481 (England and Wales)

Charity Registration Number  
1095809

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**Reference and administrative information** Year to 31 March 2011

<b>Trustees</b>	D Holland – Chair J Beine C Wilson K Woodward
<b>Chief Executive Officer</b>	J Hewell
<b>Company Secretary</b>	A Young
<b>Acting Company Secretary</b>	M Cooke
<b>Registered office</b>	6 Graphite Square Vauxhall Walk London SE11 5EE
<b>Company registered number</b>	3235481 (England and Wales)
<b>Charity registered number</b>	1095809
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Bankers</b>	Unity Trust Bank plc Nine Brindleyplace Birmingham B1 2HB
<b>Solicitors</b>	Freeth Cartwright LLP Cumberland Court 80 Mount Street Nottingham NG1 6HH

## **Trustees' report** 31 March 2011

The trustees present their statutory report together with the consolidated financial statements of Instructus (previously The Council for Administration) and its subsidiaries for the year ended 31 March 2011

The report has been prepared in accordance with Part VI of the Charities Act 1993 and equates to a directors' report for the purpose of company legislation

The financial statements have been prepared in accordance with the accounting policies on pages 12 and 13 of the attached financial statements and comply with the charitable company's memorandum and articles of association, applicable laws and the requirements of Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005)

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

#### **Constitution**

The charitable company was incorporated on 8 August 1996 and is governed by the Memorandum and Articles of Association that were adopted on 17 December 2002. The charitable company became a registered charity on 4 February 2003. The Memorandum and Articles of Association changed after 2002.

The charitable company also became the sole member of the Institute of Administrative Management (IAM), also a registered charity, on 31 August 2007. The IAM has its own Board of Trustees, three of whom are also Instructus trustees.

The charitable company also became the sole member of the Institute of Professional Administrators (IPA), a company limited by guarantee, on 1 October 2008. The activities of IPA were absorbed into IAM on 1 April 2010. The charitable company also became the sole member of Skills CfA, a company limited by guarantee on 4 November 2009. Skills CfA has its own Board of Trustees, two of whom are also Instructus trustees.

Instructus is a charitable company limited by guarantee. In the event of the charity being wound up, members are required to contribute an amount not exceeding £10.

#### **Trustees**

The trustees of the charitable company constitute directors of the charity for the purposes of the Companies Act 2006 and other company legislation.

The following trustees were in office at 31 March 2011, and served throughout the year, except where shown

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#### **Trustees**

D Holland – Chair  
J Beine  
C Wilson  
K Woodward

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**GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

**Recruitment and induction of trustees**

When recruiting new members to their Board, the existing trustees carry out a skills audit to identify any gaps that need filling and to ensure that the Board is representative of the key stakeholders and beneficiaries of the charity. The trustees operate a policy of equality and diversity. The trustees prepare a job description and person specification outlining the roles and responsibilities, attitudes, experiences and qualifications of a trustee, and seek applications from a range of sources.

All new trustees are provided with an in-depth induction covering both legal, regulatory, governance and operational areas of the organisation.

**Statement of trustees' responsibilities**

The trustees (who are also directors of Instructus for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- ◆ select suitable accounting policies and then apply them consistently,
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP);
- ◆ make judgements and estimates that are reasonable and prudent,
- ◆ state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ◆ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

**GOVERNANCE, STRUCTURE AND MANAGEMENT** (continued)

**Statement of trustees' responsibilities** (continued)

Each of the trustees confirms that

- ◆ so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- ◆ the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

**Structure and management reporting**

The board of trustees consists of four non-executive directors who meet every two months to administer the charity. New trustees are appointed after a rigorous recruitment and selection process that includes a recommendation of appointment from existing trustees to Instructus members at the next General Meeting. A chief executive is appointed by the trustees to manage the day-to-day operation of the charity.

**Risk management**

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reporting and risk assessment. Insurance cover is carried on all physical assets and for employer's, directors' and public liability. Solicitors and other appropriate professionals are consulted about specific risks identified.

**Group structure**

On 1 April 2010 Instructus Group undertook a group restructuring with a view to simplifying the group structure and improving charity governance. A new entity Skills CfA has been set up as a wholly owned subsidiary of Instructus to continue its charitable activities.

The Institute of Professional Administrators (a wholly owned subsidiary of Instructus at 31 March 2010) has merged with the Institute of Administrative Management (also a wholly owned subsidiary of Instructus at 31 March 2010) on 1 April 2010.

The impact of the above changes is such that Instructus is now a parent charity of the Institute of Administrative Management and Skills CfA. It is now planned that the group's main charitable income and expenditure will be carried out through the Institute of Administrative Management and Skills CfA. Instructus, as the parent charity, will bear central overheads which will be recharged to its subsidiaries.



## **ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES**

### **Charitable objectives**

The object of the charity in the year under review was that of the advancement of business education by the promotion of training skills development and qualifications based on standards, as set out in the Memorandum and Articles of Association

### **Public benefit**

In setting out the objectives and planning the activities of the charity, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit

All of the charity's and group's activities are directed towards public benefit. To that aim the charity works with key stakeholders, the education sector and professional administrative managers to ensure business and public service organisations, as well as individuals, have access to high quality, value for money programmes of learning and continuous professional development activities that will improve performance, increase productivity and minimise risks to the individual professional and the organisations in which they work

### **Activities**

Instructus acts as a parent company to a group of complimentary educational charities. During this year the group included Skills CfA, the national standards setting organisation for business skills @ work and the Institute of Administrative Management (IAM), an awarding and professional body

In order to improve economies of scale Instructus provides a range of operational support including services of the chief executive, director of operations, finance, sales and marketing and operations to assist in the aim of improving quality, increasing productivity and reducing costs across the companies within the group

Key group activities included

#### **Skills CfA**

- ◆ Support for workers in the UK to develop employability skills in areas including business & administration, customer service and enterprise, and
- ◆ Support in the development of young people preparing to join the workplace from schools, colleges and work based learning

#### **Institute of Administrative Management**

- ◆ Offer of educational qualifications from level 2 to 6, and
- ◆ Offer of professional membership services

This methodology ensures the greatest amount of surplus is available to invest for the public benefit of each charity. During this year Instructus has supported both Skills CfA and the IAM to produce a positive balance this year

## **ACTIVITIES, SPECIFIC OBJECTIVES AND RELEVANT POLICIES (continued)**

### **Investment policy**

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the trustees see fit

### **Scope of the consolidated financial statements**

The transactions, assets and liabilities of IAM and Skills CfA have been consolidated with those of Instructus as they are ultimately controlled by the trustees of the charity.

The principal activity of IAM is the provision of professional membership services and awarding body activities. It is responsible for designing and delivering business qualifications at levels 2-6, and providing professional body services to its professional membership.

The principal activity of Skills CfA is as the Pan Sector Council for Business Skills @ Work. It is responsible for standards, qualifications, apprenticeship frameworks and skills development.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Review of activities**

Instructus has worked to provide a range of economic and cost effective services to the organisations within its group, namely Skills CfA and IAM. This method of working ensures that the charitable objectives of each charity can be severally achieved whilst the overall direction of the group continues in line with each organisations' charitable objectives.

To this end Instructus has supplied operational, research, sales, marketing, communications and finance services to the group to meet those objectives.

Activities include

- ◆ providing IT support across the group,
- ◆ providing facilities management support;
- ◆ managing the marketing and sales of level 1,2 and 3 Student Handbooks for business learners (Skills CfA),
- ◆ providing event management of events, for example, apprenticeships, standards/qualifications and graduation (Skills CfA and IAM),
- ◆ providing customer service to students and corporate partners, professional members and key stakeholders of the group,
- ◆ managing key communications from each organisation to customers and key stakeholders, and
- ◆ providing accurate and timely financial information and management accounts for each company

## **FINANCIAL REVIEW**

### Results for the year

Total incoming resources for the year were £3,821,199 an increase of £741,715 from 2010. Similarly, total resources expended have increased from £2,681,827 in 2010 to £2,837,182 this year. The resulting surplus of £984,017 has been transferred to reserves.

The balance sheet shows total unrestricted funds of £1,817,178. The charity's subsidiaries, IAM and Skills CfA made a surplus of £472,045 and £511,969 respectively in the year.

### Reserves policy

The Trustees have examined the requirement for free reserves i.e. those unrestricted funds not designated for specific purposes or otherwise committed. The Trustees consider that, given the nature of the charity's work, the level of free reserves should be between six and twelve month's normal unrestricted fund expenditure at any one time. At 31 March 2011 unrestricted general funds totalled £1,622,178 against annual unrestricted fund expenditure of £2,837,182. This is sufficient to cover just under seven month's normal expenditure, and is within the policy.

## **FUTURE PLANS**

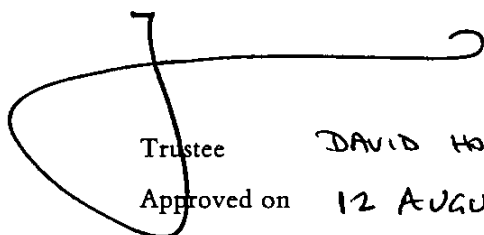
Instructus intends to build a successful group of educational charities, all of which are able to develop high quality products and services at reduced cost to beneficiaries. To this aim Instructus is supporting a wide range of product development in standards, qualifications and apprenticeship frameworks.

To achieve this objective, Instructus aims to introduce a new ICT database to:

- ◆ assist with improved customer service,
- ◆ provide an improved service to professional and student members, and
- ◆ provide more precise and detailed management reports and accounts.

Instructus intends to grow the group to include other educational charities that will support the charity objects and provide essential services to beneficiaries. Instructus has already identified two further learning businesses that may come into the group of educational charities. Where possible Instructus will also provide expertise and/or financial support to other organisations whose objectives mirror our own in the educational sector.

Signed on behalf of the Trustees



Trustee      DAVID HOLLAND  
Approved on      12 AUGUST 2011

**Independent auditor's report to the members and trustees of Instructus**

We have audited the financial statements of Instructus for the year ended 31 March 2011 which comprise the consolidated statement of financial activities, the consolidated and parent charitable company balance sheets, principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity, the charity's members as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

The trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material inconsistencies we consider the implications for our report.

**Independent auditor's report** 31 March 2011

**Opinion on financial statements**

In our opinion the financial statements

- ◆ give a true and fair view of the state of the groups' and the parent charitable company's affairs as at 31 March 2011 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 1993

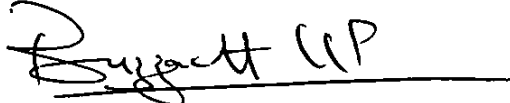
**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements

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

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

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



Avnish Savjani, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

12 December 2011

## Consolidated statement of financial activities Year to 31 March 2011

	Notes	2011 Total unrestricted funds £	2010 Total unrestricted funds £
<b>Incoming resources</b>			
Incoming resources from charitable activities			
Promotion of training and skills	1	1,924,767	1,509,507
Professional body activities	2	389,311	338,055
Awarding body activities	3	1,507,121	1,231,922
<b>Total incoming resources</b>		<b>3,821,199</b>	<b>3,079,484</b>
<b>Resources expended</b>			
Charitable activities			
Promotion of training and skills	4	1,395,774	1,717,030
Awarding body and professional body activities	5	1,393,811	898,798
Governance costs	6	47,597	65,999
<b>Total resources expended</b>		<b>2,837,182</b>	<b>2,681,827</b>
<b>Net incoming resources for the year</b>	7	<b>984,017</b>	397,657
<b>Total funds brought forward at 1 April 2010</b>		<b>833,161</b>	435,504
<b>Total funds carried forward at 31 March 2011</b>		<b>1,817,178</b>	833,161

All of the charity's activities derived from continuing operations during the above two financial periods, subject to that of the promotion of training and skills which have been transferred to a new subsidiary entity, Skills CfA. Accordingly there are no comparatives shown against Skills CfA's own costs per Note 4 to the financial statements.

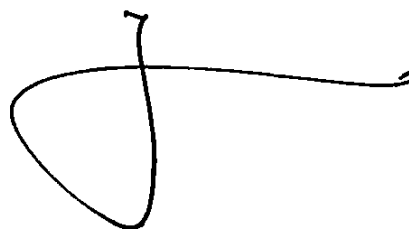
The charity has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the net movement in funds stated above, and the historical cost equivalent.

**Consolidated balance sheets** 31 March 2011

	Notes	Group		Charity	
		2011 £	2010 £	2011 £	2010 £
<b>Fixed assets</b>					
Tangible fixed assets	12	231,619	52,354	230,916	32,622
Intangible fixed assets	13	164,185	—	—	—
Investment in subsidiary company	14	2	2	—	—
		<b>395,806</b>	52,356	<b>230,916</b>	32,622
<b>Current assets</b>					
Stock		8,697	12,369	—	5,201
Debtors	15	549,260	384,102	345,375	608,514
Cash at bank and in hand		1,436,129	950,068	899,726	765,378
		<b>1,994,086</b>	1,346,539	<b>1,245,101</b>	1,379,093
<b>Creditors</b> amounts falling due within one year	16	<b>(572,714)</b>	(466,834)	<b>(264,589)</b>	(200,287)
<b>Net current assets</b>		<b>1,421,372</b>	879,705	<b>980,512</b>	1,178,806
<b>Creditors</b> amounts falling due after more than one year	17	—	(98,900)	—	—
<b>Total net assets</b>		<b>1,817,178</b>	833,161	<b>1,211,428</b>	1,211,428
<b>Represented by:</b>					
<b>Funds and reserves</b>					
Unrestricted funds					
Designated funds	18	195,000	—	—	—
General fund		1,622,178	833,161	1,211,428	1,211,428
		<b>1,817,178</b>	833,161	<b>1,211,428</b>	1,211,428

Signed on behalf of the trustees by



Trustee **DAVID HOLLAND**

Instructus, Company Limited by Guarantee

Registration Number 3235481 (England and Wales)

Approved by the trustees on. **12 AUGUST 2011.**

## **Principal accounting policies** 31 March 2011

### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with the requirements of the Companies Act 2006. Applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

### **Basis of consolidation**

The consolidated statement of financial activities and consolidated balance sheet consolidate the financial statements of the charity and its subsidiary undertakings, Institute of Administrative Management and Skills Cfa, made up to the balance sheet date.

No separate statement of financial activities has been presented for Instructus alone, as permitted by section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005.

### **Incoming resources**

Contract income is recognised for the period in which it is earned.

Income from registration fees, events and the sale of publications and certificates consists of the invoiced value for the period.

Members', students' subscriptions and application and examination fees are credited to incoming resources in the year it is received.

Income from accreditation, validation and other income is recognised when the charity has earned the income.

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

### **Resources expended and the basis of apportioning costs**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Resources expended comprise the following:

- a The costs of charitable activities comprise expenditure on the charity's primary charitable purposes as described in the trustees' report.
- b Governance costs are costs associated with the governance of the charity and its assets. Included within this category are costs associated with the strategic, as opposed to day-to-day, management of the charity's activities.
- c Support costs are allocated to the activities they are supporting on the basis of the time spent on each activity.



## **Principal accounting policies 31 March 2011**

### **Tangible fixed assets and depreciation**

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised

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

- ◆ Fixtures, fittings and equipment - 20% on cost
- ◆ Computer equipment - 50% on cost

### **Intangible fixed assets and amortisation**

Intellectual property represents amounts expended on the development of examinations, including study guides and course materials, expected to generate future incoming resources

Amortisation is provided at 20% on cost in order to write off the asset over its estimated useful life

### **Stock**

Stock is valued at the lower of cost and net realisable value

### **Pensions**

The charity operates a defined contribution pension scheme. The pension costs charged in the financial statements represent the contribution payable by the charity during the year

### **Fund accounting**

Unrestricted funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects

### **Leased assets**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged on a straight-line basis over the lease term

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the average rate of exchange during the year. Exchange differences are taken into account in arriving at the net movement in funds

### **Cash flow**

The financial statements do not include a cash flow statement because the company, as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1 'Cash flow statements'

**Notes to the financial statements** 31 March 2011

**1 Promotion of training and skills**

	<b>2011 Total unrestricted funds £</b>	2010 Total unrestricted funds £
<i>Instructus and Skills CfA</i>		
Income from activities for generating grants and contract income	<b>895,684</b>	865,985
Registration and certification fees	<b>883,115</b>	574,770
Publications, events, related products and services	<b>145,968</b>	68,752
	<b>1,924,767</b>	1,509,507

**2 Professional body activities**

	<b>2011 Total unrestricted funds £</b>	2010 Total unrestricted funds £
<i>Instructus and Institute of Administrative Management</i>		
Subscriptions	<b>389,311</b>	280,668

**3 Awarding body activities**

	<b>2011 Total unrestricted funds £</b>	2010 Total unrestricted funds £
<i>Instructus and Institute of Administrative Management</i>		
Examination fees	<b>1,126,011</b>	914,534
Accreditation and validation	<b>338,761</b>	289,935
Other income	<b>42,349</b>	27,453
	<b>1,507,121</b>	1,231,922

**Notes to the financial statements** 31 March 2011

**4 Promotion of training and skills**

	<b>2011 Total unrestricted funds £</b>	2010 Total unrestricted funds £
<i>Instructus and Skills CfA</i>		
Staff costs	<b>626,130</b>	941,171
Contract costs	<b>325,797</b>	347,937
Registration and certification fees	<b>94,176</b>	51,229
Publication, events, related products and services	<b>94,674</b>	44,713
Legal and professional fees	<b>13,751</b>	23,100
Staff training	<b>5,058</b>	10,867
Recruitment costs	<b>6,224</b>	20,112
Premises costs	<b>39,743</b>	61,162
Depreciation	<b>20,577</b>	34,508
Irrecoverable Vat	<b>65,456</b>	61,642
Other expenditure	<b>104,188</b>	120,589
	<b>1,395,774</b>	1,717,030

**5 Awarding body and professional body activities**

	<b>2011 Total unrestricted funds £</b>	2010 Total unrestricted funds £
<i>Instructus and Institute of Administrative Management</i>		
Staff costs	<b>731,288</b>	323,888
Subscriptions	<b>13,966</b>	20,563
Bad debt expense	—	31,911
Examinations	<b>204,336</b>	206,363
Accreditation and validation	<b>47,535</b>	77,073
Finance costs	<b>13,574</b>	11,922
Telephone, postage and stationary	<b>27,709</b>	4,262
Consultancy	<b>28,932</b>	34,673
Cost of sale of study materials	<b>14,843</b>	17,843
Promotion and publicity	<b>133,467</b>	113,582
Depreciation	<b>39,604</b>	28,421
Irrecoverable Vat	<b>59,075</b>	21,748
Support costs	<b>79,482</b>	6,549
	<b>1,393,811</b>	898,798

**Notes to the financial statements** 31 March 2011

**6 Governance costs**

	<b>2011 Total unrestricted funds £</b>	<b>2010 Total unrestricted funds £</b>
<i>Instructus (Charity)</i>		
Trustees remuneration	<b>6,500</b>	6,500
Audit, accountancy, legal and professional	<b>6,625</b>	19,280
Trustee meetings	<b>7,823</b>	12,734
	<b>20,948</b>	<b>38,514</b>

	<b>2011 Total unrestricted funds £</b>	<b>2010 Total unrestricted funds £</b>
<i>Instructus (Group)</i>		
Trustees remuneration	<b>6,500</b>	6,500
Audit, accountancy, legal and professional	<b>25,575</b>	33,630
Trustee meetings	<b>13,081</b>	23,531
Other trustee expenses	<b>2,441</b>	2,338
	<b>47,597</b>	<b>65,999</b>

**7 Net incoming resources for the year**

This is stated after charging:

	<b>2011 Total unrestricted funds £</b>	<b>2010 Total unrestricted funds £</b>
Staff costs (note 8)	<b>1,357,418</b>	1,265,059
Auditor's remuneration		
Statutory audit services	<b>24,000</b>	21,800
Other services	<b>475</b>	3,100
Over/(under) provision in respect of the prior year	<b>250</b>	(4,000)
Depreciation	<b>81,936</b>	62,929
Operating leases	<b>44,631</b>	7,792

**Notes to the financial statements** 31 March 2011

**8 Staff costs**

Staff costs during the year were as follows

<b>Charity</b>	<b>Total 2011 £</b>	<b>Total 2010 £</b>
Wages and salaries	527,672	817,206
Social security	56,720	78,075
Other pension costs	29,965	45,890
	<b>614,357</b>	<b>941,171</b>

Staff costs during the year were as follows

<b>Group</b>	<b>Total 2011 £</b>	<b>Total 2010 £</b>
Wages and salaries	1,163,438	1,112,174
Social security	119,252	97,319
Other pension costs	56,438	55,566
Severance costs	18,290	—
	<b>1,357,418</b>	<b>1,265,059</b>

Number of employees

The average number of employees, calculated on a full time equivalent basis for the group was

	<b>2011 Number</b>	<b>2010 Number</b>
Instructus	14	20
Skills CfA	6	—
Institute of Administrative Management	10	6
Institute of Professional Administrators	—	1
	<b>30</b>	<b>27</b>

Higher paid employees

	<b>Total 2011</b>	<b>Total 2010</b>
The number of higher paid employees was		
£60,001 – 70,000	2	—
£70,001 - £80,000	1	—
£90,001 - £100,000	—	1
£130,001 - £140,000	—	1
£140,001 - £150,000	1	—
	<b>4</b>	<b>2</b>

The above higher paid employees received employer pension contributions of £18,840 (2010 - £22,450)



**9 Trustees emoluments**

	2011 Instructus £	Total 2011 £	Total 2010 £
Remuneration and other benefits	6,500	<b>6,500</b>	6,500

In addition, six trustees were reimbursed £6,765 (2010 - £10,055) for expenses during the year. The only trustee to receive any remuneration was the Chairman for whom the authority to remunerate was received from the Charity Commission in February 2004.

The charity has purchased insurance to protect the charity from any loss arising from the neglect or defaults of its trustees, employers and agents and to indemnify the trustees or other officers against the consequences of any neglect or default on their part.

**10 Pension costs**

Instructus operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the charity and amounted to £29,965 (2010 - £45,890).

IAM operates a defined contribution pension scheme in respect of the employees. The scheme and its assets are held by independent managers. The pension charge represents contribution due from the charity and amounted to £26,473 (2010 - £9,676).

**11 Taxation**

Instructus is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities as it falls within the various exemptions available to registered charities.

**Notes to the financial statements** 31 March 2011

**12 Tangible fixed assets**

<b>Group</b>	Leasehold improvements £	Fixtures fittings and equipment £	Computer and office equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 April 2010	—	89,129	194,048	<b>283,177</b>
Additions	74,798	16,395	148,253	<b>239,446</b>
At 31 March 2011	74,798	105,524	342,301	<b>522,623</b>
<b>Depreciation</b>				
At 1 April 2010	—	77,101	153,722	<b>230,823</b>
Charge for the year	14,155	6,719	39,307	<b>60,181</b>
At 31 March 2011	14,155	83,820	193,029	<b>291,004</b>
<b>Net book values</b>				
At 31 March 2011	60,643	21,704	149,272	<b>231,619</b>
At 31 March 2010	—	12,028	40,326	<b>52,354</b>
<b>Charity</b>				
	Leasehold improvements £	Fixtures fittings and equipment £	Computer and office equipment £	<b>Total £</b>
<b>Cost</b>				
At 1 April 2010	—	89,129	135,797	<b>224,926</b>
Additions	74,798	16,395	148,253	<b>239,446</b>
At 31 March 2011	74,798	105,524	284,050	<b>464,372</b>
<b>Depreciation</b>				
At 1 April 2010	—	77,101	115,203	<b>192,304</b>
Charge for the year	14,155	6,719	20,278	<b>41,152</b>
At 31 March 2011	14,155	83,820	135,481	<b>233,456</b>
<b>Net book values</b>				
At 31 March 2011	60,643	21,704	148,569	<b>230,916</b>
At 31 March 2010	—	12,028	20,594	<b>32,622</b>



**13 Intangible fixed assets**

<b>Group</b>	<b>Intellectual Property Total £</b>
<b>Cost</b>	
At 1 April 2010	—
Additions	<b>164,185</b>
At 31 March 2011	<b>164,185</b>

No depreciation has been provided on the Intellectual Property as the revenue related to the asset did not arise until after 31 March 2011

**14 Investment in subsidiaries**

The charity has three wholly owned subsidiaries, The Institute of Administrative Management, the Institute of Professional Administrators and Skills CFA

A summary of their results is shown below

	<b>31 March 2011 £</b>	<b>31 March 2010 £</b>
<b>Institute of Administrative Management</b>		
Incoming resources	<b>1,896,432</b>	1,512,690
Resources expended	<b>(1,424,387)</b>	(1,271,085)
Net assets on transfer of activities from the Institute of Professional Administrators	<b>10,102</b>	—
<b>Net incoming resources</b>	<b>482,147</b>	241,605

The Institute of Administrative Management has one wholly owned trading subsidiary which is incorporated in England and Wales, IAM Management Services Limited. It was dormant throughout the period and in the previous year and had no assets or liabilities at 31 March 2011

	<b>2011 £</b>	<b>2010 £</b>
Investment in IAM Management Services Limited at cost	<b>2</b>	2

**Notes to the financial statements** 31 March 2011

**14 Investment in subsidiaries (continued)**

	2011 £	2010 £
<b>Institute of Professional Administrators</b>		
Turnover	—	57,387
Cost of sales	—	(2,980)
Gross profit	—	54,407
Administration expenses	—	(77,317)
Interest receivable	—	—
Taxation	—	(7)
<b>Loss for the year</b>	<b>—</b>	<b>(22,917)</b>

On 1 April 2010, the Institute of Professional Administrators merged its activities into the Institute of Administrative Management

	2011 £	2010 £
<b>Skills CfA</b>		
Incoming resources	1,926,016	—
Resources expended	(1,414,047)	—
<b>Net incoming resources</b>	<b>511,969</b>	<b>—</b>

**15 Debtors**

	Group		Charity	
	2011 £	2010 £	2011 £	2010 £
Amounts falling due within one year				
Trade debtors	510,834	344,630	—	246,497
Other debtors	35,281	10,565	12,748	10,565
Prepayments and accrued income	3,145	28,907	3,145	27,707
Amounts due from subsidiary undertakings	—	—	329,482	—
	<b>549,260</b>	<b>384,102</b>	<b>345,375</b>	<b>284,769</b>
Amounts falling due after more than one year				
Amount due from subsidiary undertakings	—	—	—	323,745
	<b>549,260</b>	<b>384,102</b>	<b>345,375</b>	<b>608,514</b>

**16 Creditors: amounts falling due within one year**

	Group		Charity	
	2011 £	2010 £	2011 £	2010 £
Bank loan (see note 17)	—	30,400	—	—
Other loans	—	233	—	—
Trade creditors	<b>277,048</b>	128,374	<b>112,194</b>	87,107
Other taxes and social security costs	<b>32,837</b>	37,139	<b>23,262</b>	30,208
Other creditors	<b>8,053</b>	12,478	<b>3,521</b>	9,412
Accruals and deferred income	<b>254,776</b>	258,210	<b>125,612</b>	73,560
	<b>572,714</b>	466,834	<b>264,589</b>	200,287

**17 Creditors: amounts falling due after more than one year**

	Group		Charity	
	2011 £	2010 £	2011 £	2010 £
Bank loan – over five years	—	98,900	—	—

On the bank loan, interest was charged at 2% per annum over the bank's base rate

The bank loan was repaid during the year

**18 Designated funds**

The income funds of the charity include the following designated funds, which have been set aside out of unrestricted funds by the trustees for specific purposes

	At 1 April 2010 £	New designations £	At 31 March 2011 £
IT project	—	170,000	<b>170,000</b>
Business planning	—	25,000	<b>25,000</b>
	—	195,000	<b>195,000</b>

**IT Project**

The IT project represents funds which the trustees have set aside for the development of an Information Management system

**Business planning**

This represents funds which the trustees have set aside towards any business opportunities that may arise in the future

**Notes to the financial statements** 31 March 2011

**19 Analysis of net assets between funds**

<b>Charity</b>	General funds 2011 £	Designated funds 2011 £	<b>Total funds 2011 £</b>
<b>Funds at 31 March 2011 are represented by:</b>			
Tangible fixed assets	230,916	—	<b>230,916</b>
Current assets	1,245,101	—	<b>1,245,101</b>
Current liabilities	(264,589)	—	<b>(264,589)</b>
<b>Total net assets</b>	<b>1,211,428</b>	<b>—</b>	<b>1,211,428</b>

<b>Group</b>	General funds 2011 £	Unrestricted funds 2011 £	<b>Total funds 2011 £</b>
<b>Funds at 31 March 2011 are represented by</b>			
Tangible fixed assets	395,806	—	<b>395,806</b>
Current assets	1,799,086	195,000	<b>1,994,086</b>
Current liabilities	(572,714)	—	<b>(572,714)</b>
<b>Total net assets</b>	<b>1,622,178</b>	<b>195,000</b>	<b>1,817,178</b>

**20 Financial commitments**

At 31 March 2011, the charity had annual commitments under non-cancellable operating leases which expire as follows

	Land and buildings		Other	
	2011 £	2010 £	2011 £	2010 £
Operating leases which expire				
Between two and five years	<b>35,838</b>	—	<b>18,224</b>	7,792

**21 Related Party Transactions**

During the year, the following payments were made in respect of professional services rendered in relation to education and examination matters, and public relations

<b>Trustees</b>	2011 £	2010 £
J McLean (The Institute of Administration Management)	<b>6,527</b>	9,783
M Oaten (Skills CfA)	<b>8,000</b>	—

**22 Capital commitments**

Instructus Board of Trustees have authorised a significant IT investment for 2011/12. The total cost authorised amounts to £170,000