

**THE CEED (CHARITY) LTD
FINANCIAL STATEMENTS
31 MARCH 1998**

Company Registration Number 2134522

Charity Number 298844

BURTON SWEET

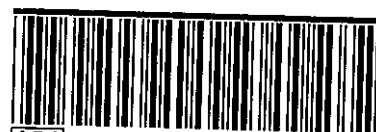
Chartered Accountants & Registered Auditors

Thornton House

Richmond Hill

Clifton Bristol

BS8 1AT



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THE CEED (CHARITY) LTD
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1998

CONTENTS	PAGES
Officers and professional advisers	1
Trustees Annual Report	2 to 4
Auditors' report to the members	5
Statement of financial activities	6
Balance sheet	7
Notes to the financial statements	8 to 13

The following pages do not form part of the financial statements

Detailed income and expenditure account	15 to 16
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THE CEED (CHARITY) LTD

OFFICERS AND PROFESSIONAL ADVISERS

The Members of the Committee

M Takolia
M Cole
R Griffith
A Sheriff
L Goodridge
U Onyechi
P Brookes
K Smart
B Nwaokobia
H King
R Hui
S Hayes
A Garnett
A Wahab

Company Secretary

R Sefia

Registered Office

Ujima House
97-107 Wilder Street
St Pauls
Bristol
BS2 8QU

Auditors

BURTON SWEET
Chartered Accountants & Registered Auditors
Thornton House
Richmond Hill
Clifton Bristol
BS8 1AT

THE CEED (CHARITY) LTD

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 1998

The Trustees have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 1998.

INTRODUCTION

The charity has continued to provide quality training and support enabling its beneficiaries to gain employment and educational opportunities.

LEGAL STATUS

The company is a registered charity and is limited by guarantee.

OBJECTIVES OF THE CEED (CHARITY) LIMITED

To advance education and employment by developing the professional and technical skills of its clients, especially of those who have suffered disadvantage by reason of colour, race, nationality or ethnic or national origins.

ORGANISATION

The Trustees meet bi-monthly as a council of management. The day-to-day affairs of the charity are entrusted to the managing director who oversees four departments: Training & Development; Corporate Support; Employment & Careers; and Enterprise Development. Each of these departments is run by a manager who reports to the managing director.

The charity owns a trading company CEED (Trading) Limited.

FINANCIAL CONTROLS

Regular bi-monthly meetings of the finance/personnel committee headed by the Treasurer, provide full finance reports to the council of management.

INVESTMENT POWERS AND RESTRICTIONS

There are no restrictions on the investment powers of the Trustees placed on them by the company's Memorandum and Articles of Association.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

A review is contained in the charity's full Annual Report.

FUND-BY-FUND ANALYSIS OF AVAILABILITY OF ASSETS

We confirm that the charity's assets are available and adequate to fulfil the obligations of the charity.

THE CEED (CHARITY) LTD

TRUSTEES ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 MARCH 1998

THE TRUSTEES

The Trustees who served the charity during the period were as follows:

M Takolia	
M Cole	
R Griffith	
A Sheriff	
L Goodridge	
U Onyechi	
I Curtis	
P Brookes	
K Smart	
B Nwaokobia	
H King	
R Hui	(Appointed 13 Nov 97)
S Hayes	(Appointed 13 Nov 97)
A Garnett	(Appointed 13 Nov 97)
A Wahab	(Appointed 1 Feb 98)
H Ogbu	(Retired 31 Jul 97)
L Beckford	(Retired 31 Jan 98)
C Shokoya-Eleshin	(Retired 13 Nov 97)
P Bogle	(Retired 13 Nov 97)
D Samura	(Retired 13 Nov 97)
K Alpha	(Retired 13 Nov 97)
T Beyioku	(Retired 13 Nov 97)
M Rashid	(Retired 13 Nov 97)
P Joseph	(Retired 13 Nov 97)

I Curtis retired as a member of the committee on 30 April 1998.

RESPONSIBILITIES OF THE TRUSTEES

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 at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the Trustees are required to select suitable accounting policies, as described on page 8, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The members of the committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Trustees 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 CEED (CHARITY) LTD

TRUSTEES ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 MARCH 1998

AUDITORS

A resolution to re-appoint BURTON SWEET as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985

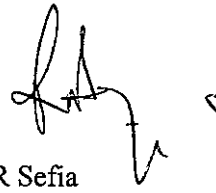
SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:

Ujima House
97-107 Wilder Street
St Pauls
Bristol
BS2 8QU

Signed by order of the
members of the committee



R Sefia
Company secretary

Approved by the members of the committee on 26 November 1998

THE CEED (CHARITY) LTD

AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 1998

We have audited the financial statements on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE MEMBERS OF THE COMMITTEE AND THE AUDITORS

As described on page 3, the members of the committee (who also act as Trustees for the charitable activities of the company) are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

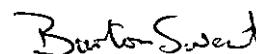
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 1998 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Thornton House
Richmond Hill
Clifton Bristol
BS8 1AT

BURTON SWEET
Chartered Accountants
& Registered Auditors



10 December 1998

THE CEED (CHARITY) LTD

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 1998

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 1998 £	Total Funds 1997 £
INCOMING RESOURCES					
Traineeships		423,273	-	423,273	518,178
Income generation		95,877	-	95,877	75,492
Grants receivable	2	189,681	259,132	448,813	321,397
Interest receivable		3,259	-	3,259	11,468
Other income		35,171	-	35,171	-
TOTAL INCOMING RESOURCES		<u>747,261</u>	<u>259,132</u>	<u>1,006,393</u>	<u>926,535</u>
RESOURCES EXPENDED					
Direct charitable expenditure	3	730,374	-	730,374	859,155
Fundraising and publicity	4	9,450	-	9,450	5,947
Management and administration	5	93,679	-	93,679	64,219
TOTAL RESOURCES EXPENDED	6	<u>833,503</u>	<u>-</u>	<u>833,503</u>	<u>929,321</u>
NET OUTGOING/INCOMING RESOURCES FOR THE YEAR		(86,242)	259,132	172,890	(2,786)
Balances brought forward		324,689	136,953	461,642	464,428
Prior year adjustment	7	(29,597)	-	(29,597)	-
Balances carried forward		<u>208,850</u>	<u>396,085</u>	<u>604,935</u>	<u>461,642</u>

The charitable company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charitable company are classed as continuing.

The notes on pages 8 to 13 form part of these financial statements.

THE CEED (CHARITY) LTD

BALANCE SHEET

31 MARCH 1998

	Note	1998	1997
		£	£
FIXED ASSETS			
Tangible assets	8	532,935	125,775
CURRENT ASSETS			
Debtors	9	200,898	134,190
Cash at bank and in hand		<u>25,995</u>	<u>214,256</u>
		226,893	348,446
CREDITORS: Amounts falling due within one year	10	<u>(154,893)</u>	<u>(12,579)</u>
NET CURRENT ASSETS		72,000	335,867
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>604,935</u>	<u>461,642</u>
FUNDS			
Unrestricted		208,850	440,680
Restricted	12	<u>396,085</u>	<u>20,962</u>
		<u>604,935</u>	<u>461,642</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

These financial statements were approved by the members of the committee on the 26 November 1998 and are signed on their behalf by:

M COLE



Treasurer

The notes on pages 8 to 13 form part of these financial statements.

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention.

Cash Flow Statement

The members of the committee have taken advantage of the exemption in Financial Reporting Standard No 1 from including a cash flow statement in the financial statements on the grounds that the charitable company is small.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Equipment - 15% Reducing Balance

No depreciation is provided on freehold property as, in the opinion of the Trustees, the value of the property at the balance sheet date exceeds the total costs incurred as at that date.

Operating Lease Agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits as incurred.

Allocation of Costs

80% of costs incurred in respect of telephone, postage, stationery, printing, accountancy and consultancy fees have been allocated to direct charitable expenditure; the remaining 20% have been allocated to management and administration. This represents a change in accounting policy and the comparative figures have been adjusted to reflect this change. The total amount treated as direct charitable expenditure is shown under support costs.

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

2. GRANTS RECEIVABLE

	1998 £	1997 £
ESF/SRB Funding	151,334	42,385
National Lottery Charities Board	72,482	47,518
Natwest Charitable Trust	95,000	95,000
Ethnic Minority Grant	-	15,459
Westec Contribution	-	20,000
Bristol City Council Planning C'tee	-	9,333
Equalities & Community Development Committee (BCC)	15,764	70,924
Employment Services	22,583	20,778
Lloyds/TSB Lift Grant	5,000	-
English Partnerships	86,650	-
	<u>448,813</u>	<u>321,397</u>

3. DIRECT CHARITABLE EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total Funds 1998 £	Total Funds 1997 £
Provision of charitable services:				
General Fund	652,682	-	652,682	854,277
Support costs:				
Telephone	13,422	-	13,422	1,612
Postage, Stationery & Printing	10,824	-	10,824	3,266
Consultancy Fees	48,424	-	48,424	-
Accountancy	5,022	-	5,022	-
	<u>730,374</u>	<u>-</u>	<u>730,374</u>	<u>859,155</u>

Analysis of provision of charitable services:

	Staff costs £	Other costs £	Total 1998 £	Total 1997 £
General Fund	<u>270,115</u>	<u>382,567</u>	<u>652,682</u>	<u>854,277</u>

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

4. FUNDRAISING AND PUBLICITY

	Unrestricted Funds £	Restricted Funds £	Total Funds 1998 £	Total Funds 1997 £
Training	1,735	-	1,735	2,652
Marketing and Advertising	7,715	-	7,715	3,295
	<u>9,450</u>	<u>-</u>	<u>9,450</u>	<u>5,947</u>

5. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds £	Restricted Funds £	Total Funds 1998 £	Total Funds 1997 £
Salaries	-	-	-	-
Office costs	73,960	-	73,960	53,588
Accountancy fees	1,255	-	1,255	-
Audit fees	4,113	-	4,113	2,126
Interest payable	-	-	-	1,061
Other	14,351	-	14,351	7,444
	<u>93,679</u>	<u>-</u>	<u>93,679</u>	<u>64,219</u>

6. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total Funds 1998 £	Total Funds 1997 £
Direct charitable expenditure	270,115	-	460,259	730,374	859,155
Fundraising and publicity	-	-	9,450	9,450	5,947
Management and administration	-	10,359	83,321	93,680	64,219
	<u>270,115</u>	<u>10,359</u>	<u>553,030</u>	<u>833,504</u>	<u>929,321</u>

The aggregate payroll costs were:

	1998 £	1997 £
Wages and salaries	245,559	349,749
Social security costs	24,556	34,721
	<u>270,115</u>	<u>384,470</u>

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

6. TOTAL RESOURCES EXPENDED *(continued)*

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	1998 No.	1997 No.
Number of production staff	4	-
Number of administrative staff	3	-
Number of management staff	3	-
Number of staff	-	19
	<u>10</u>	<u>19</u>
	1998	1997
	£	£
Other costs:		
Premises	29,327	40,525
Legal and professional	5,368	2,126
Other	518,335	494,791
	<u>553,030</u>	<u>537,442</u>

7. PRIOR YEAR ADJUSTMENT

This represents amounts for traineeships invoiced prior to 31 March 1997 relating to the quarter commencing 1 April 1997 for which provision was not made in the accounts for the year ended 31 March 1997.

THE CEED (CHARITY) LTD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 1998

8. TANGIBLE FIXED ASSETS

	Land and buildings	Equipment	Total
	£	£	£
COST			
At 1 April 1997	83,792	83,195	166,987
Additions	<u>390,440</u>	<u>27,080</u>	<u>417,520</u>
At 31 March 1998	<u>474,232</u>	<u>110,275</u>	<u>584,507</u>
DEPRECIATION			
At 1 April 1997	-	41,212	41,212
Charge for the year	-	<u>10,360</u>	<u>10,360</u>
At 31 March 1998	<u>-</u>	<u>51,572</u>	<u>51,572</u>
NET BOOK VALUE			
At 31 March 1998	<u>474,232</u>	<u>58,703</u>	<u>532,935</u>
At 31 March 1997	<u>83,792</u>	<u>41,983</u>	<u>125,775</u>

9. DEBTORS

	1998	1997
	£	£
Trade debtors	139,655	92,515
Other debtors	<u>61,243</u>	<u>41,675</u>
	<u>200,898</u>	<u>134,190</u>

Included in other debtors is a figure of £55,993 (1997: £33,408) relating to YEDF Loans which are repayable over a maximum period of three years and carry interest at a fixed rate of 9% per annum for the duration of the loan.

10. CREDITORS: Amounts falling due within one year

	1998	1997
	£	£
Bank loans and overdrafts	10,032	-
Trade creditors	39,208	5,904
Amounts owed to group undertakings	442	441
PAYE and social security	5,407	3,734
Accruals	<u>99,804</u>	<u>2,500</u>
	<u>154,893</u>	<u>12,579</u>

THE CEED (CHARITY) LTD

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 1998

11. COMMITMENTS UNDER OPERATING LEASES

At 31 March 1998 the charitable company had annual commitments under non-cancellable operating leases as set out below.

	Assets other than land and buildings	
	1998 £	1997 £
Operating leases which expire: Within 2 to 5 years	<u>3,004</u>	<u>2,025</u>

12. RESTRICTED FUNDS

	Balance at 1 April 1997 £	Movement in resources: Incoming £	Balance at 31 March 1998 £
Restricted Funds	<u>136,953</u>	<u>259,132</u>	<u>396,085</u>

13. ANALYSIS OF NET ASSETS BETWEEN RESTRICTED AND UNRESTRICTED FUNDS

	Tangible fixed assets £	Other net assets £	Total £
Restricted Fund	211,650	184,435	396,085
Unrestricted funds	<u>321,285</u>	<u>(112,435)</u>	<u>208,850</u>
	<u>532,935</u>	<u>72,000</u>	<u>604,935</u>

14. RELATED PARTY TRANSACTIONS

CEED (Trading) Limited, a company limited by guarantee, forms the trading arm for the charity. The managing director and two of the Trustees serve on the Board of Directors of the trading company. The charity paid the trading company £16,851 (1997: £27,008) in respect of property rent during the year. At the balance sheet date the charity owed CEED (Trading) Limited £441 (1997: £441).

15. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and as such has no issued share capital. In the event of the company being wound up the liability of the members is limited to £1 each.