

**EDINBURGH AND DISTRICT
ENGINEERING TRAINING
ASSOCIATION LIMITED
(BY GUARANTEE)**

ANNUAL REPORT

YEAR ENDED 31 JULY 2000

PKF
Registered Auditors



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COMPANIES HOUSE 19/01/01

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)**

COMPANY INFORMATION

Directors	Mr J Stewart (vice-chairman) Mr R Bisset Mr B Thorpe Mr B Donaldson (treasurer) Mr A Hampshire Mr A Allan (chairman) Mr J Watson
Secretary	M Campbell
Company Number	47161
Registered Office	1 Dock Street Edinburgh EH6 6EY
Auditors	PKF 17 Rothesay Place Edinburgh EH3 7SQ
Solicitors	Stuart & Stuart 23 Rutland Street Edinburgh EH1 2RN
Bankers	Clydesdale Bank Plc 4 Bernard Street Edinburgh EH6 6PX

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)**

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**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
DIRECTORS' REPORT
YEAR ENDED 31 JULY 2000**

The directors submit their report and the financial statements for the year ended 31 July 2000.

Principal activity and review of the business.

The principal activity of the company during the year continued to be that of the supply of training services to the engineering profession.

The directors are satisfied with the results for the year which have improved compared to the previous year. They expect the company's financial position to improve further in the coming year.

Directors

The directors who served during the year were:

Mr J Stewart (vice-chairman)
Mr R Bisset
Mr B Thorpe
Mr B Donaldson (treasurer)
Mr A Hampshire
Mr A Allan (chairman)
Mr J Watson

None of the directors had any notifiable interest in the company at any time during the year.

Governing Instrument

Edinburgh and District Engineering Training Association Limited is a company limited by Guarantee, governed by its Memorandum and Articles of Association.

Status

The company is recognised by the Inland Revenue as a Scottish Charity, no. SC 016904.

Organisational Structure

The activities of the charity are ultimately controlled by the board of directors, who in turn delegate authority for the day to day management of the Association to the manager.

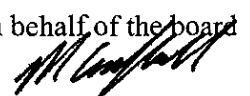
Auditors

The auditors, PKF, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

Basis of preparation

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

On behalf of the board



Mrs M Campbell
Secretary

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
STATEMENT OF DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**AUDITORS' REPORT TO THE MEMBERS OF
EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)**

We have audited the financial statements on pages 4 to 11 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of directors and auditors

As described on page 2 the company's directors are responsible for the preparation of 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 by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 state of affairs of the charitable company as at 31 July 2000 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



EDINBURGH

Date: 16 January 2001

PKF
Registered Auditors

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31 JULY 2000**

	Notes	2000 £	1999 £
TURNOVER	2	157,887	117,332
Operating expenses		<u>(185,488)</u>	<u>(183,035)</u>
OPERATING DEFICIT	3	(27,601)	(65,703)
Interest receivable and similar items	4	<u>16,381</u>	<u>24,379</u>
(DEFICIT) FOR THE FINANCIAL YEAR		<u><u>(11,220)</u></u>	<u><u>(41,324)</u></u>

All amounts relate to continuing operations.

There were no recognised gains or losses for the year other than those included in the income and expenditure account.

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 JULY 2000**

	Notes	2000 £	1999 £
Incoming Resources			
Training grants		67,559	54,986
Course fees		56,109	47,097
Training fees		17,950	12,000
Per capita fees		600	700
Validation fees		2,565	2,210
Hire of lecture room		124	273
Selection fees		-	66
Consultancy fees		12,980	-
Investment income	4	16,381	24,379
Total Incoming Resources		<u>174,268</u>	<u>141,711</u>
Resources Expended			
Direct Charitable Expenditure	5	139,507	133,137
Management and administration of the charity	6	45,981	49,898
Total Resources Expended	7	<u>185,488</u>	<u>183,035</u>
Net Movement in Funds		(11,220)	(41,324)
Balances brought forward at 1 August 1999		<u>322,712</u>	<u>364,036</u>
Balances carried forward at 31 July 2000		<u>311,492</u>	<u>322,712</u>

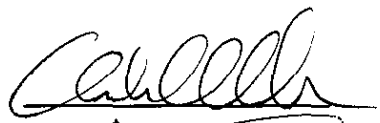
**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
BALANCE SHEET
31 JULY 2000**

	Notes	2000 £	1999 £
FIXED ASSETS			
Tangible	8	7,084	9,336
Investments	9	180,000	180,000
		<u>187,084</u>	<u>189,336</u>
CURRENT ASSETS			
Debtors	10	6,955	27,093
Cash at bank and in hand		138,162	126,349
		<u>145,117</u>	<u>153,442</u>
CREDITORS: amounts falling due within one year	11	(20,709)	(20,066)
NET CURRENT ASSETS		<u>124,408</u>	<u>133,376</u>
NET ASSETS		<u><u>311,492</u></u>	<u><u>322,712</u></u>
FUNDS	12	<u><u>311,492</u></u>	<u><u>322,712</u></u>

The financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the board on 16th January 2001

Signed on behalf of the board of directors



A Allan



J Stewart

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2000**

1 ACCOUNTING POLICIES

(a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with the exception of investments, which are included at market value, applicable accounting standards and the Statement of Recommended Practice, Accounting by Charities.

(b) Turnover

Turnover comprises charges to Government bodies and private concerns for employee training facilities, courses etc., net of value added tax.

(c) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following rates per annum on a straight line basis.

Leasehold improvements	20 %
Equipment	20 %

(d) Operating leases

Operating lease rentals are charged in the income and expenditure account on a straight line basis over the lease term.

(e) Investments

Investments are included in the balance sheet at market value.

(f) Grants

Grants are included within turnover in the year in which they are due.

(g) Taxation

The association has been granted charitable status by the Inland Revenue and is not therefore liable for taxation.

(h) Pensions

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge in the income and expenditure account represents the amounts payable by the company to the fund in respect of the year.

2 TURNOVER

All turnover arose within the United Kingdom.

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2000**

3 OPERATING DEFICIT

The operating deficit is stated after charging:

	2000 £	1999 £
Depreciation of tangible fixed assets:		
- owned by the company	4,616	4,143
Auditors' remuneration - audit fee	1,025	1,025
Auditors' remuneration - non audit work	1,350	1,350
Operating lease rentals:		
- plant & machinery	-	570
- land and buildings	18,000	18,000
Pension cost	4,910	6,551
	<u>16,881</u>	<u>20,039</u>

No director received any emoluments (1999 - £NIL).

4 INVESTMENT INCOME

	2000 £	1999 £
National Savings Bonds	6,376	11,825
Deposits	10,005	12,554
	<u>16,381</u>	<u>24,379</u>

5 DIRECT CHARITABLE EXPENDITURE

	2000 £	1999 £
Training expenses	38,632	42,467
Staff costs	60,982	57,870
Course expenses	22,262	13,772
Premises costs	17,631	19,028
	<u>139,507</u>	<u>133,137</u>

6 MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	2000 £	1999 £
Staff costs	26,135	24,802
Premises costs	7,556	8,158
Audit and accountancy fees	2,469	2,475
Sundry costs	9,821	14,463
	<u>45,981</u>	<u>49,898</u>

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2000**

7 TOTAL RESOURCES EXPENDED

	Staff Costs £	Other Costs £	Total 2000 £	Total 1999 £
Direct charitable expenditure	60,982	78,525	139,507	133,800
Management and administration of the charity	26,135	19,846	45,981	49,235
	<u>87,117</u>	<u>98,371</u>	<u>185,488</u>	<u>183,035</u>

Staff costs comprised:

	2000 £	1999 £
Wages and salaries	75,829	70,476
Social security costs	6,378	5,645
Pension costs	4,910	6,551
	<u>87,117</u>	<u>82,672</u>

Other costs comprised:

Premises	25,187	27,186
Training expenses	38,632	42,467
Course expenses	13,772	13,772
Miscellaneous	20,780	16,938
	<u>98,371</u>	<u>100,363</u>

The average number of employees during the year analysed by function was as follows:

	No	No
Training services	3	3
Management and administration	3	1
	<u>3</u>	<u>1</u>

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2000**

8 TANGIBLE FIXED ASSETS

	Leasehold Improvements	Equipment	Total
	£	£	£
Cost			
At 1 August 1999	10,877	9,839	20,716
Additions	-	2,364	2,364
At 31 July 2000	10,877	12,203	23,080
Depreciation			
At 1 August 1999	4,350	7,030	11,380
Charge for year	2,175	2,441	4,616
At 31 July 2000	6,525	9,471	15,996
Net book amount			
At 31 July 2000	4,352	2,732	7,084
At 31 July 1999	6,527	2,809	9,336

All fixed assets were held for direct charitable use.

9 FIXED ASSET INVESTMENTS

	National Savings Bonds £
Cost and valuation	
At 1 August 1999	180,000
At 31 July 2000	180,000

All fixed asset investments are unlisted and held within the United Kingdom.

10 DEBTORS

	2000 £	1999 £
Trade debtors	1,762	2,056
Other debtors	5,193	25,037
	6,955	27,093

**EDINBURGH AND DISTRICT ENGINEERING TRAINING
ASSOCIATION LIMITED (BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2000**

11 CREDITORS:

Amounts falling due within one year

	2000	1999
	£	£
Bank overdraft	17,083	15,478
Trade creditors	-	350
Other tax and social security	461	742
Other creditors	3,165	3,496
	<u>20,709</u>	<u>20,066</u>

12 FUNDS

	2000	1999
	£	£
Members' funds at 1 August 1999	322,712	364,036
(Deficit) for the year	(11,220)	(41,324)
Members' funds at 31 July 2000	<u>311,492</u>	<u>322,712</u>

All funds are unrestricted.

13 OTHER COMMITMENTS

At 31 July 2000 the company had annual commitments under operating leases as follows:

	Land and buildings		Other	
	2000	1999	2000	1999
	£	£	£	£
Expiry date:				
Between 1 and 5 years	18,000	18,000	-	787
	<u>18,000</u>	<u>18,000</u>	<u>-</u>	<u>787</u>

14 TRANSACTIONS WITH RELATED PARTIES

There are no items required to be disclosed under Financial Reporting Standard number 8.

15 PENSION COSTS

The company operates a defined contribution pension scheme, the assets of which are held separately from those of the company in an independently administered fund.

Contributions made by the company to the scheme during the year amounted to **£4,910** (1999 - £6,551).