

Company Number: SC047161
Charity Number: SC016904

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

ANNUAL REPORT

YEAR ENDED 31 JULY 2012

WEDNESDAY



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EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

COMPANY INFORMATION

Directors	Mrs Rosemary Laird (Chairperson) Mr Andrew Allan (resigned 19 January 2012) Mr Douglas Skinner Mr Alan Hook Mr Brian Smith Mr George Curley Mr Colin Irvine Mr Christopher Smith (appointed 19 January 2012)
Secretary	Mr Brian Thorpe
Company Number	SC047161
Charity Number	SC016904
Registered Office	Fleming House Kinnaird Park Edinburgh EH15 3RD
Auditor	PKF (UK) LLP Citypoint 65 Haymarket Terrace Edinburgh EH12 5HD
Solicitors	Stuart & Stuart 23 Rutland Street Edinburgh EH1 2RN
Bankers	Clydesdale Bank Plc 4 Bernard Street Edinburgh EH6 6PX

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

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EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

DIRECTORS' REPORT YEAR ENDED 31 JULY 2012

The directors submit their report and the financial statements for the year ended 31 July 2012.

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.

The background of EDETA

EDETA (Edinburgh & District Engineering Training Scheme) was set up in 1966. The name was then changed in 2003 to "Edinburgh and District Employers' Training Association Limited". It is a Limited Company with charitable status under the Companies Acts, 1948 to 1967. EDETA was initially located in Dock Street and moved to Kinnaird Park in January, 2002.

The Chief Executive Officer, Mr Brian Thorpe, is responsible to a Board of Directors appointed from member companies of the Association.

For over forty years the main activity of the Association has been the provision of training for engineering apprentices and also health and safety training.

EDETA is approved to deliver Engineering Apprenticeships; Engineering Leadership; Administration and I.T. training to VQ standards, a variety of Health and Safety courses, Forklift Truck instruction and First Aid at Work courses.

Governance

In accordance with the memorandum and articles of association, EDETA is governed by a Board of Directors appointed from member companies of the Association. The Directors are nominated by the member companies and are elected to the Board by the existing Directors. The nominee attends a meeting as an observer prior to election as part of the induction process. Further briefing is given by the Chief Executive as to the background of the Association and the responsibilities of the Directors.

The Board meets four times a year on a voluntary basis when the Chief Executive Officer gives a report on the Association activities, budgets are considered and fees for services are fixed. Any requests for capital equipment are made and authorised.

The day to day management of the Association is the responsibility of the Chief Executive Officer.

Mr Christopher Smith was appointed as a director on the 19th January 2012

Mr Andrew Allan resigned as a director on the 19th of January 2012

Directors who served during the year were

Mrs Rosemary Laird	- British Energy	- Chairperson
Mr Alan Hook	- Bruntons Aero Products Ltd	- Vice Chairperson
Mr Andrew Allan	- McMillan (Coppersmith) Ltd	- Hon Treasurer
Mr Douglas Skinner	- WL Gore Associates Ltd.	
Mr Brian Smith	- Aerospace Machining Technology Ltd	
Mr Colin Irvine	- Findlay Irvine Limited	
Mr George Curley	- NHS Lothian	
Mr Christopher Smith	- Almond Engineering Limited	

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

Mr Brian Thorpe	- EDETA	- Secretary/Treasurer
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EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

DIRECTORS' REPORT YEAR ENDED 31 JULY 2012

The Objectives of the Association

- Advance the theoretical and practical education and training of persons working or intending to work in industry and other organisations.
- Provide training, instruction and carry out the assessing and verification of training.
- Provide the most effective, efficient and economic training.
- Continue to improve the quality of training offered.
- Market the services offered effectively.
- Train and assist staff to develop their skills and expertise.
- Be aware of changing needs in industry and commerce to ensure that the training and courses delivered are appropriate.
- Not to discriminate against persons in employment, seeking employment or in training with the Association.
- Ensure training carried out by or on behalf of the Association is done within the appropriate Awarding Body; Health and safety regulations and current legislation.
- Finance the organisation by charging fees and obtaining grants for training.

Financial Review

Income has decreased from £487,356 to £405,532 in the year. Expenditure has increased from £436,101 to £439,906 in the year. Included within incoming resources for the prior year is an amount of £43,188 in relation to training grant income for apprentices who were due to complete by 31 July 2011. However, following review subsequent to the year end, the apprentices required further core skills and these were delivered early in the 2012 calendar year. The associated funding was received in March 2012. The result was a deficit of £34,374 in the year compared with a surplus of £51,255 in the prior year.

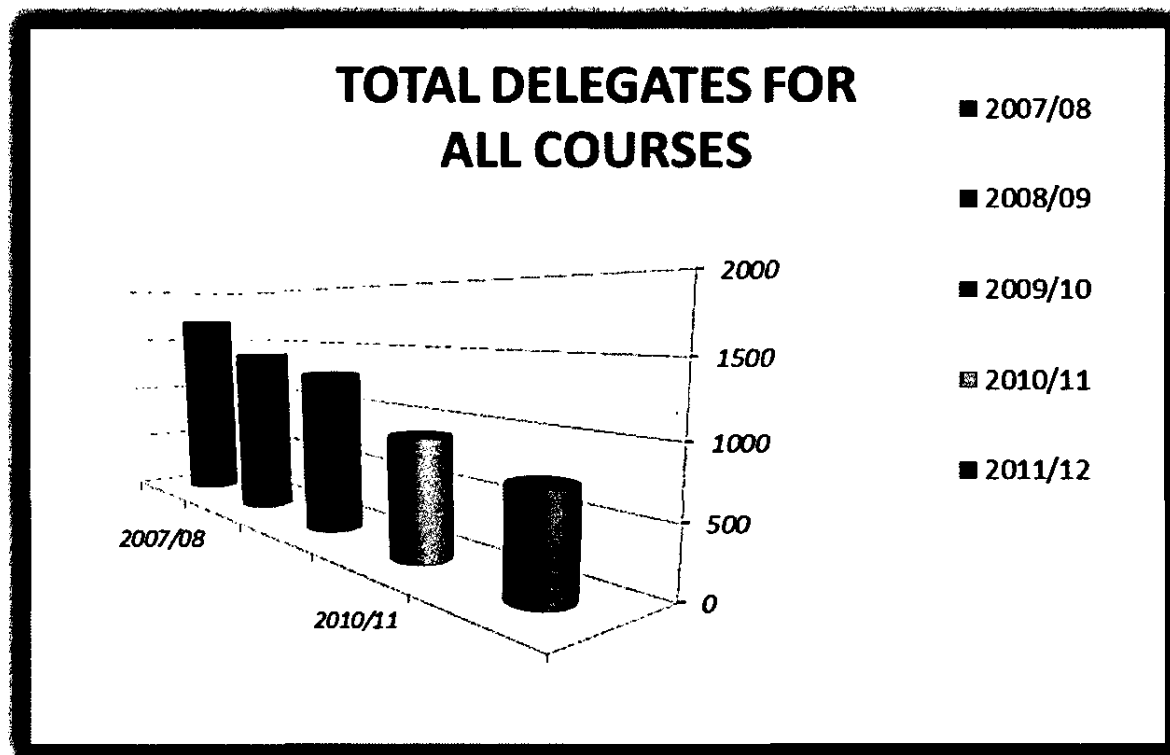
Performance during the past year

Apprentice Training – There is currently one hundred and twenty three apprentices on the Skills Development Scotland funded Skillseeker Training Scheme. Our success rate over the past three years for apprentices achieving their Modern Apprenticeship was 93.4% for 2009/10, 71.43% for 2010/11 and 80 % for 2011/12. The success rate for this year is up on last year by over 8%. We also received a positive Quality assurance audit report from Skills Development Scotland as a result Skills Development Scotland continues to consider EDETA to be a low risk category training provider.

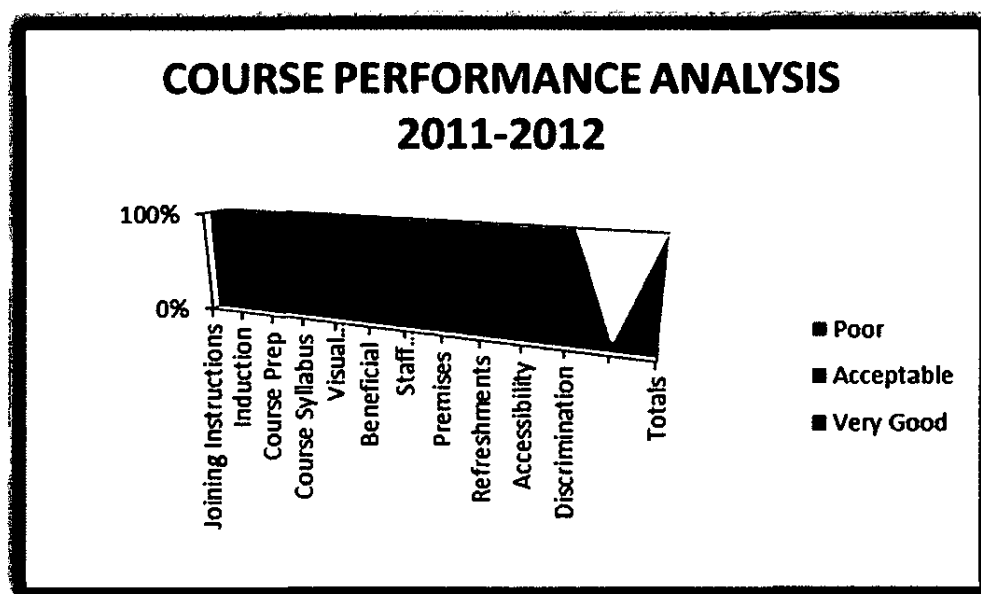
EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

DIRECTORS' REPORT YEAR ENDED 31 JULY 2012

Health and safety training



The above chart shows the number of delegates who attended health and safety training courses at EDETA over the past five years. This shows a decrease in number over the year in line with the current recession.



EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

DIRECTORS' REPORT YEAR ENDED 31 JULY 2012

The analysis of the course reviews indicated that 84% of the delegates were completely satisfied with the delivery; the training content and services provided and 16% were satisfied. None of the delegates were unhappy with the service provided. The analysis includes all delegates attending both in house and in company courses. The questions relating to premises, refreshments and accessibility are not appropriate to delegates attending courses held in their employer's premises and this is reflected in the graph.

EDETA continues to be an approved training provider for the Nuclear Skills Academy

Developments and actions being considered for this coming year

- Continue to encourage new organisations to use the services provided by EDETA
- Encourage new companies to join EDETA as Members in particular those who have taken on apprentices this year.
- Marketing the Association services to encourage employers to recruit apprentices who have not done so in the past. This will be an ongoing exercise throughout the year.
- Continue to develop the good relationship we have with the employers, apprentices, delegates attending courses and the Colleges.
- Reconsider submitting an application to Constructionline, this is a database of approved companies for councils and other large organisations.

Reserves

The reserve fund represents a build up of surpluses from past operating results and represents the free reserves of the company. The directors have reviewed the requirement to maintain a level of free reserves and have concluded that the most appropriate level is twelve months of operational expenditure. The current level of free reserves is £293,270 which equates to approximately 8 months operating expenditure.

Risk Policy

Having regard to the Charity Commission requirements on risk, the charity has undertaken an assessment of the major risks facing the charity, in particular those relating to the operations and finances of the charity and are satisfied that systems are in place to mitigate the exposure to major risks.

Investments

The directors adopt a low risk policy whilst maximising the annual return for the investments.

Auditor

It is the directors' assessment that there is no relevant audit information which the auditor has not been made aware of and they have taken all necessary steps to ensure that the auditor has been made aware of all relevant audit information.

PKF (UK) LLP is eligible for re-appointment as auditor to the company and a resolution proposing its re-appointment will be proposed at the AGM.

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

**DIRECTORS' REPORT
YEAR ENDED 31 JULY 2012**

Basis of preparation

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board

A handwritten signature in black ink that reads "Brian Thorpe". The signature is written in a cursive, slightly slanted style.

Brian Thorpe
Secretary

6 DECEMBER 2012

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

**STATEMENT OF DIRECTORS' RESPONSIBILITIES
YEAR ENDED 31 JULY 2012**

The directors are responsible for preparing the directors' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity law requires the directors to prepare financial statements for each financial year. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year.

In preparing those financial statements the directors are required to:

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

The directors are responsible for keeping adequate and proper accounting records that are sufficient to show and explain the charity's transactions and 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) the requirements of the Companies Act 2006. 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED (BY GUARANTEE)

We have audited the financial statements of Edinburgh and District Employers Training Association Limited for the year ended 31 July 2012 which comprise the statement of financial activities (incorporating the income and expenditure account), the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

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 and to the directors, as a body, in accordance with regulations made under section 44 of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charity's members and directors 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 directors as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities, the trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board'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 charity'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 annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2012 and of its 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 applicable to Smaller Entities; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND DIRECTORS OF EDINBURGH
AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED (BY GUARANTEE)
(CONTINUED)**

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where regulations made under the Charities and Trustee Investment (Scotland) Act 2005 and where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept in respect of the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements do not accord with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report.

 PKF and LP

10 December 2012

Martin Gill (Senior statutory auditor)
for and on behalf of PKF (UK) LLP, Statutory auditor
PKF (UK) LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006
Edinburgh, UK

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 JULY 2012**

	Notes	2012 £	2011 £
Incoming Resources			
Incoming resources from generated funds:			
Investment income		1,336	1,327
Incoming resources from charitable activities:			
Provision of training and education		404,196	486,029
Total Incoming Resources	4	405,532	487,356
Resources Expended			
Charitable activities:			
Provision of training and education		435,911	431,416
Governance costs	7	3,995	4,685
Total Resources Expended	5	439,906	436,101
Net Movement in Funds	3	(34,374)	51,255
Balances brought forward at 1 August 2011		327,644	276,389
Balances carried forward at 31 July 2012	17	293,270	327,644

All income and expenditure in the year related to unrestricted reserves.

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

BALANCE SHEET
31 JULY 2012

	Notes	2012	2011
		£	£
FIXED ASSETS			
Tangible	9	6,805	-
Investments	10	66,000	66,000
		<u>72,805</u>	<u>66,000</u>
CURRENT ASSETS			
Debtors	11	77,363	102,495
Cash at bank and in hand		163,922	175,298
		<u>241,285</u>	<u>277,793</u>
CREDITORS: amounts falling due within one year	12	(20,820)	(16,149)
NET CURRENT ASSETS		<u>220,465</u>	<u>261,644</u>
NET ASSETS		<u>293,270</u>	<u>327,644</u>
Unrestricted funds	17	<u>293,270</u>	<u>327,644</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the board on

Signed on behalf of the board of directors on 6 DECEMBER 2012

Rosemary Laird
R Laird

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2012

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, in accordance with the Statement of Recommended Practice (SORP), Accounting & Reporting by Charities (revised 2005) and the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Charities Accounts (Scotland) Regulations 2006.

(b) Incoming resources

Incoming resources comprise charges to Government bodies and private concerns for employee training facilities, courses etc, net of value added tax and is recognised in the Statement of financial activities either upon the completion of the relevant stage of the apprentice training or on the completion of the training course.

Course fees are recognised in the accounting period in which the course takes place.

Investment income is recognised in the period to which it relates.

Any income received in advance is treated as deferred income.

(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. Items below £1,000 are not capitalised.

Leasehold improvements	10%
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

Revenue grants are included within turnover in the year in which they are due. Capital grants are credited to the Statement of Financial Activities 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.

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2012

(i) Resources expended

Direct costs consisting of training expenses are charged to the charitable activity. 70% of staff cost, premises cost and general expenses are also allocated to direct cost, the remaining 30% is allocated to support costs.

Governance costs are charged directly to the Statement of Financial Activities when incurred and consist of external audit fees and board expenses.

2. TURNOVER

All turnover arose within the United Kingdom.

3. NET MOVEMENT IN FUNDS

The net movement in funds is stated after charging/(crediting):

	2012 £	2011 £
Depreciation		
- owned by the company	486	13,115
Auditors' remuneration - audit fee	3,995	4,550
Auditors' remuneration - non - audit services	-	135
Operating lease rentals:		
- land and buildings	40,625	39,873
Pension cost	14,367	12,777

4. INCOMING RESOURCES

	2012 £	2011 £
Incoming resources from generated funds		
Investment income	1,336	1,327

Incoming resources from charitable activities

Provision of training and education

Training grants	238,733	294,222
Training fees	50,520	49,398
Course fees	91,113	120,329
Validation fees	22,960	20,881
Other	870	1,199
Subtotal	404,196	486,029
Total incoming resources	405,532	487,356

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2012

5. RESOURCES EXPENDED

	Activities undertaken	Support costs	Governance costs	2012 Total	2011 Total
	£	£	£	£	£
Charitable activities					
Provision of training and education	331,961	103,950	-	435,911	431,416
Governance costs	-	-	3,995	3,995	4,685
Total resources expended	331,961	103,950	3,995	439,906	436,101

6. SUPPORT COST ALLOCATION

	Provision of training and education
	£
Staff costs	75,185
Premises costs	18,163
General expenses	10,602
	<u>103,950</u>

7. GOVERNANCE COSTS

	2012	2011
	£	£
Audit and accountancy	<u>3,995</u>	<u>4,685</u>

8. STAFF COSTS

	2012	2011
	£	£
Wages and salaries	208,236	208,102
Social security costs	21,075	21,867
Pension costs	14,367	12,777
	<u>243,678</u>	<u>242,746</u>

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

	2012 Number	2011 Number
Training services	4	4
Management and administration	2.8	3.8
	<u>6.8</u>	<u>7.8</u>

No employees earned over £60,000 (2011: Nil).

No director received any emoluments or reimbursed for expenses during the year (2011: £NIL).

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2012**

9. TANGIBLE FIXED ASSETS

	Leasehold improvements £	Fixtures, fittings and equipment £	Total £
Cost			
At 1 August 2011	149,501	90,380	239,881
Additions	-	7,291	7,291
At 31 July 2012	149,501	97,671	247,172
Depreciation			
At 1 August 2011	149,501	90,380	239,881
Charge in year	-	486	486
At 31 July 2012	149,501	90,866	240,367
Net book amount			
At 31 July 2012	-	6,805	6,805
At 31 July 2011	-	-	-

All fixed assets were held for direct charitable use.

10. FIXED ASSET INVESTMENTS

	National Savings Bonds £
Cost and valuation	
At 1 August 2011 and 31 July 2012	66,000

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

11. DEBTORS

	2012 £	2011 £
Due within one year:		
Trade debtors	54,160	88,746
Prepayments and accrued income	16,783	13,749
Other debtors	6,420	-
	77,363	102,495

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2012****12. CREDITORS:****Amounts falling due within one year**

	2012	2011
	£	£
Trade creditors	6,202	739
Other tax and social security	6,961	7,891
Accruals and deferred income	5,788	5,731
Pension	1,869	1,788
	<u>20,820</u>	<u>16,149</u>

13. DEFERRED INCOME

	2012	2011
		£
Deferred income at 1 August	-	8,633
Released during the year	-	(8,633)
Income deferred in the year	-	-
Deferred income at 31 July	<u>-</u>	<u>-</u>

14. OTHER COMMITMENTS

At 31 July 2012 the company had annual commitments under operating leases as follows:

	Land and buildings	
	2012	2011
	£	£
Expiry date:		
Less than 1 year	-	-
Between 1 and 5 years	-	-
Over 5 years	35,637	39,330
Total	<u>35,637</u>	<u>39,330</u>

15. TRANSACTIONS WITH RELATED PARTIES

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

16. 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 £14,367 (2011: £12,777).

EDINBURGH AND DISTRICT EMPLOYERS TRAINING ASSOCIATION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2012**

17. FUNDS

	2012 £
UNRESTRICTED	
Members' fund at 1 August 2011	327,644
(Deficit)/surplus for year	<u>(34,374)</u>
Members' funds at 31 July 2012	<u>293,270</u>