

ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT AND ACCOUNTS

for the year ended
31st March 2011

Company Registration Number 02238053
Charity Number 328154

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MITCHELL CHARLESWORTH
Chartered Accountants

ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE

Financial Statements

Year ended 31st March 2011

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ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Members of the Board and Professional Advisers

Registered charity name ECTARC Limited

Charity number 328154

Company registration number 02238053

Registered office Parade Street
Llangollen
Denbighshire
LL20 8RB

Trustees Ms Rhiannon Wyn Hughes
Mr Stewart Milne
Mr Gwyn Williams
Mr Albert Ellison
Ms Morrgan Ellis

Secretary Mr Malcolm James

Auditor Mitchell Charlesworth
Chartered Accountants
Statutory Auditor
24 Nicholas Street
Chester
CH1 2AU

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

OBJECTIVES AND ACTIVITIES

The Company is established for the promotion, maintenance, improvement of education and training within the company, elsewhere in the United Kingdom and in the regions of Europe. The company will deliver this by organising and taking part in education and training projects and programmes which stimulate an interest and understanding of the cultures of Europe.

Despite the current economic recession the year under review proved to be one of consolidation in improving the structure and working practices of the company. The level of activity was on a par with the previous year and an increased level of activity within the company in the development of new initiatives has led to another good year in terms of income generation.

It should be noted that the financial situation of the company is closely monitored. Management accounts are now produced on a three monthly basis and reported to the Board of Directors. In terms of income generated programmes and projects, activity has concentrated on the further developments of education and training programmes as noted above in particular in responding to the increased interest from existing and new Leonardo da Vinci partners from Europe in the delivery of language courses and work based training. During the year under review groups from regions in Spain, Italy, France, Germany, Denmark and Hungary contracted with ECTARC for the provision of such programmes which involved the participation of 245 participants.

ECTARC continued to recruit participants from Wales for the project entitled PETRO which enabled 94 people from Wales to undertake a language course and a work experience in another European Country. Although the amount of funding from ECORYS, the Leonardo National Agency was less than anticipated in the original offer a request for additional funding was secured later in the financial year to address the shortfall. Some funding was secured from the Welsh Assembly but less than previous years.

The Grundtvig courses continued to develop to include other themes such as Storytelling and CLIL – Content Language Integrated learning but only attracted a small number of participants.

ACHIEVEMENTS AND PERFORMANCE

ECTARC ran three Grundtvig Effective English Language Teaching courses and one CLIL Content Language Integrated learning Course in 2009/2010 which attracted over 30 participants from a range of European member states.

ECTARC ran a VETPRO project for a group of Hungarian teachers who were interested in the subject of working with children with learning disabilities.

The VETPRO project submitted to ECORYS for funding in 2010 was *not* approved.

ECTARC attended a number of conferences throughout the year. ECTARC was invited by the Welsh Assembly to attend the EARLALL's (The European Association of Regional and Local Authorities for Lifelong Learning) in Budapest in October. The EFVET Annual conference was held in Lisbon and attended by over 500 participants from Europe. Both events offered opportunity to network and forge new partnerships. ECTARC also participated in a Grundtvig seminar in Turkey to discuss the use of ICT in Adult Education and quality issues.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

ECTARC were invited to attend an evaluation meeting in KTS Technical College in Copenhagen in January. The aim of the meeting was to reflect on the past two years of co-operation and produce a strategy for future investment. A Leonardo bid was to be submitted in February to enable 82 apprentices to take part in the programme in Wales in 2011.

ECTARC hosted Leighton Andrews AM, the Minister for Children, Education and Lifelong Learning in November. The Minister was most impressed with ECTARC's work and successes and was keen to do all he could to support the project, given the programme's importance in supporting the Welsh Government's employment agenda. Officials from the Minister's department were to arrange a meeting between HEFCW's GO Wales programme Co-ordinator and ECTARC to look at identifying opportunities for collaboration and funding.

In February ECTARC applied for a Leonardo Mobility Certificate at the invitation of the Leonardo National Agency, the Certificate would be awarded to only four institutions across the UK. The Certificate recognises the operational capacity of ECTARC to manage Mobility projects in the framework of the Leonardo da Vinci programme. It also recognises the high quality of previous Mobility projects, the long-term commitment to the continuous improvement of Mobility and the strategic approach of the organisation to incorporate Mobility in its activities.

ECTARC were also invited to participate in ECORYS Leonardo Welsh Advisory group and the Thematic Networking Group 3 on Meeting Training and Skills Needs.

IMPACT ASSESSMENT: Europe Direct Llangollen 2010/ 2011 EU School Workshops

Europe Direct ran a series of workshops for schools and colleges across north east Wales, targeting Foundation Phase through to A-level in both primary and secondary schools across Denbighshire and Flintshire. The Workshops have attracted groups of 30 to 200 on each given day. All workshops have gained positive feedback.

The aim of the workshops is engage with young people in education on Europe, the EU and citizenship, so that they can be equipped in the future to make substantiated decisions regarding the EU and citizen's rights. The workshops also aim to ensure that young people understand that they are growing up in an EU member state and to communicate what it means to be an EU citizen and what their rights are.

LIBRARY SURGERIES IN DENBIGHSHIRE AND FLINTSHIRE

Europe Direct Llangollen ran monthly surgeries in the larger libraries across Denbighshire and Flintshire. The surgeries are organised jointly with Wales Enterprise Europe Network, so that the general public have the opportunity to look at resources and ask questions about both general European information and more specific business information. Europe Direct is part-funded by both Denbighshire and Flintshire County Councils and these surgeries ensure that members of the general public in these regions can access European information in their own community.

The aim is to engage with the general public in an accessible place in their own communities and in an informal environment to give general access to European information and raise awareness of Europe Direct and its free services.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

EUROPE DIRECT SURGERY AT GLYNDWR UNIVERSITY

Europe Direct Llangollen runs monthly surgeries at Glyndwr University to benefit the staff and students. Glyndwr University is a partner of Europe Direct Llangollen, and maintains a permanent stand in the Edward Llywd Centre – the busy university library building. These surgeries ensure that young people, students and academics have access to European information. The surgeries run from 9am until 5pm on the selected and advertised days, and they are an opportunity for the staff and students to come and talk to a member of Europe Direct staff and pick up some free information. The aim is to engage with youth, students and academics in an accessible place in an informal environment on a regular basis to the university to communicate the dates and times to staff and students. Surgeries in Glyndwr have been running for over two years, and gradually numbers have improved. Students have commented that it is useful to find out about the EU in general and also about specific EU policies to support their studies. The resources that are the most popular among the students there are those related to travelling/working in Europe and about EU opportunities for young people. Additionally, Europe Direct Llangollen speaks to a lot of international students who would like to know more about their rights in the EU/mobility and further opportunities in the EU after study.

Europe Direct had a presence at four major festivals in Wales namely Llangollen International Music Eisteddfod, The Royal Welsh Agricultural show, Llangollen Food Festival and Mold Food Festival.

CHRISTMAS TREE DECORATION EXCHANGE

The European Christmas tree decoration exchange is a Europe Direct Llangollen initiative. This year's was the fifth Exchange project. The exchange is promoted to schools throughout the European Union via the Europe Direct information network.

Participating schools (mostly primary but some secondary schools) are placed in a group with other schools from different European countries. They are asked to create a pack which consists of a Christmas tree decoration for each other participating school, representative of their region or country, along with an information pack on how they celebrate Christmas in their respective regions and include information on local Christmas traditions, culture, folk tales, recipes, activities, etc.

This activity aims to educate young people in primary schools about other countries in the EU in a creative and fun way. Each school not only learns about their own culture and traditions through making their decorations and putting together an information pack on Christmas in their region, but also finds out about other cultures and traditions. Through learning about Christmas in other countries, it is anticipated that children will learn about other aspects of each country such as language, geography, history and culture, and therefore gain a better understanding of what it means to be a citizen of Europe.

Europe Direct Llangollen concludes that this project was very successful and has achieved its objectives. This project reached 130 schools across 20 countries, and it is predicted that it reached over 10,000 pupils across the EU, based on the number of pupils in each school who would have benefited either directly or indirectly from this project.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

EUROSCOLA

Euroscola is an initiative of the European Parliament, which allows a group of around 24 pupils from Denbighshire and Flintshire to visit the European Parliament in Strasbourg each year and take part in multilingual debating activities with over 500 other pupils from across the EU. The visit is mostly funded by the European Parliament, with additional funding from Denbighshire County Council. Pupils aged 16-18 year in Denbighshire and Flintshire are invited to enter an essay competition each year, organised by Europe Direct Llangollen, to win a free place on this 3 day visit. Additionally, pupils are invited to an Awards Ceremony prior to the event, hosted by the Chairman of Denbighshire County Council, to celebrate their achievements and meet fellow winners.

The aim of the project is to encourage young people in Denbighshire and Flintshire to improve their knowledge of the daily working of the EU and its role and policies, and to encourage them to further develop and express their own opinions on European Union issues in a debate with 500 young people from across Europe. In addition, participants will receive a boost to their personal and academic/linguistic skills and cultural awareness in the context of the EU.

Denbighshire County Council continues to support and promote the Euroscola competition each year, recognising the positive benefits of the opportunity for young people in the region.

EUROPE DAY 'ACT NOW: YOU CAN MAKE A DIFFERENCE'.

The European Year for Combating Poverty and Social Exclusion was the driving factor behind this event. The year touches on a number of ESDGC themes. ESDGC is 'Education for Sustainable Development and the Environment', and it includes 7 themes: wealth and poverty, choices and decisions, the natural environment, climate change, consumption and waste, health and identity and culture, which schools in Wales must integrate into the national curriculum. Europe Direct Llangollen invited each secondary school in Denbighshire and Flintshire to select 10 pupils per school in total to attend the event. The pupils could be on an eco-committee or the school council or could be democratically elected by their year group. Following the event, pupils would be expected to report back to their year groups what they have learned from the day, in relation to ESDGC.

The event consisted of workshops by CAFOD (wealth and poverty), north east Wales Wildlife (natural environment), Teams4U/Operation Christmas Child (wealth and poverty), Shelter Cymru (identity and culture), Healthy Schools (health), Traidcraft (consumption and waste), the Children's Commissioner for Wales (choices and decisions), the European Commission Office in Wales (wealth and poverty), CEWC-Cymru (identity and culture) and Scintillate (climate change).

The aim of the event was to communicate the European Year for Combating Poverty and Social Exclusion by targeting young people in secondary schools in Denbighshire and Flintshire to attend the event.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

EUROPEAN WEEK AT CHRISTCHURCH PRIMARY SCHOOL, RHYL

From evaluation and shadowing of schools by Europe Direct over the past four years, the Centre discovered that many schools hold international weeks annually, with nil evidence of European weeks. Occasionally, Europe Direct found schools organising European days, many that were run by Europe Direct. Europe Direct felt that schools in the region would benefit from focusing on Europe and the EU for a week in order to gain a more in depth understanding of the cultures, life, languages and people on our doorstep, and to encourage young people to understand that they are citizens of the EU and promote what this means to them as individuals. Europe Direct found that pupils had gained a good understanding of cultures outside the EU, but little on the EU member states. Furthermore, although Europe Days are beneficial, a day alone does not go far enough to fully engage young people with Europe. Having consulted schools, Europe Direct decided that it would trial a Europe week in one school and evaluate whether it had a greater and more worthwhile impact than one day – if so, it would put together a framework for schools across the region to implement.

EUROPEAN DAY OF LANGUAGES

This was the 5th consecutive year that Europe Direct Llangollen has celebrated the European Day of Languages for primary and secondary school pupils aged 8 – 14 years. The European Day of Languages is celebrated on 26th September each year with the aim of raising awareness of the benefits of learning languages. In Europe Events are organised across Europe on this day to encourage intercultural awareness.

Europe Direct aims to target young people who are about to move to secondary school and start learning a second language or those who have just started learning a second language, in year 7 or 8. The aim of this event is to inspire young people to succeed in language learning, through a number of interactive workshops that show the importance of languages and expand the intercultural awareness of participants.

FUTURE PLANS

Europe Direct Llangollen will take into consideration all feedback received from this study. Successful projects or tactics will be used again for future projects. Where projects faced challenges, these will also be noted in future project and the situations which induced these challenges avoided where possible. Where events are to be repeated in upcoming years and where these projects have been previously successful, these frameworks can be used again which will encourage a potentially more straightforward implementation of the project.

BUILDING AND REFURBISHMENT

ECTARC carried out the refurbishment of the kitchen/social area with funding secured from the Rural Key Fund. Dry Rot was discovered in various areas of the new entrance, classroom1 and reception area. The area was treated and maintained by ECTARC using its own funds. Further work was completed on the Airbus Suite which has provided a social area for the students. The facility includes games, TV, music console and film.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Trustees Annual Report *(continued)*

Year ended 31st March 2011

Financial Review

The result for the year show a net surplus of £250,644

Plans for Future Periods

Whilst the overall financial performance for the year as noted above showed a welcome increase in the level of income generated, the Company's Business Plan will continue to be reviewed and updated to reflect the need to maintain a secure financial base by refining key objectives aimed at developing new and existing business

ECTARC will seek to extend its operation to pursue the possibility of opening a South Wales base in order to develop its network of work placement companies and host families as well as having closer links to the National Bodies of Wales. A Memorandum of Understanding has been set up with Cardiff County Council and a hot desk facility has been secured in their offices in Cardiff on an ad hoc basis. It is hoped that this cooperation agreement will generate new business potential in the coming year.

ECTARC will continue to consolidate and develop existing partnerships by actively promoting and marketing ECTARC services in order to attract new partners. In this year ECTARC have produced a series of electronic newsletters that have been sent to over 2000 customers. In particular ECTARC will continue to work with the Welsh Government. It is also proposed that the potential for increased joint working with existing partners such as HEFCW and GO Wales and internationally through its networks.

ECTARC will continue to pursue grant aid for further renovation and refurbishment of the premise.

RESERVES POLICY

In light of the current climate the Board recommend a reserves policy of the equivalent of six months of overhead.

A substantial amount needs to be set aside in a restricted fund for the refurbishment and upkeep of the premise, shortly to require a new roof and upgrade of toilet facilities. The company are pursuing the Welsh Government's Transfer Asset programme for ownership of the premise.

The proposal to establish a South Wales base remains ongoing and requires a considerable sum in reserve to facilitate this action.

AUDITOR

Mitchell Charlesworth are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

**ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE**

Trustees Annual Report *(continued)*

Year ended 31st March 2011

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Registered office
Parade Street
Llangollen
Denbighshire
LL20 8RB

26/9/11

Signed by order of the trustees

A handwritten signature in black ink, appearing to read 'Malcolm James', written over a horizontal line.

Mr Malcolm James
Charity Secretary

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Statement of Trustees' Responsibilities

Year ended 31st March 2011

The trustees (who are also the directors of ECTARC Limited for the purposes of company law) are responsible for preparing the Trustees Annual Report and the 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. 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 Charities SORP,

make judgements and estimates that are reasonable and prudent,

state whether applicable UK 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 charitable company will continue in operation

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

In so far as the trustees are aware

there is no relevant audit information of which the charitable company's auditor is unaware, and

the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information

Mitchell Charlesworth

Chartered Accountants
24 Nicholas Street Chester

Independent Auditor's Report to the Trustees of ECTARC Limited

Year ended 31st March 2011

We have audited the financial statements of ECTARC Limited for the year ended 31st March 2011 on pages 12 to 19, which have been prepared on the basis of the accounting policies set out on pages 14 to 15

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's 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 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 AUDITORS

The responsibilities of the trustees (who also act as directors of ECTARC Limited for the purposes of company law) for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Responsibilities of the Trustees on page 9.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with regulations made under section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees Annual Report is not consistent with those financial statements, if the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with these accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Mitchell Charlesworth

Chartered Accountants
24 Nicholas Street Chester

Independent Auditor's Report to the Trustees of ECTARC Limited *(continued)*

Year ended 31st March 2011

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31st March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and

the financial statements have been prepared in accordance with the Companies Act 2006



MITCHELL CHARLESWORTH
Chartered Accountants
Statutory Auditor

24 Nicholas Street
Chester
CH1 2AU

26/9/2011

ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE

Statement of Financial Activities (Incorporating the Income and Expenditure Account)

Year ended 31st March 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Incoming resources					
Incoming resources from generating funds					
Charitable activities	2	841,435	287,515	1,128,950	1,081,929
Investment income	3	634	—	634	437
Other incoming resources	4	2,315	—	2,315	4,426
Total incoming resources		<u>844,384</u>	<u>287,515</u>	<u>1,131,899</u>	<u>1,086,792</u>
Resources expended					
Costs of generating funds					
Charitable activities	5	(572,832)	(287,515)	(860,347)	(854,122)
Governance costs	6	(20,908)	—	(20,908)	(21,588)
Total resources expended		<u>(593,740)</u>	<u>(287,515)</u>	<u>(881,255)</u>	<u>(875,710)</u>
Net incoming resources for the year/net income for the year	7	250,644	—	250,644	211,082
Reconciliation of funds					
Total funds brought forward		702,795	—	702,795	491,713
Total funds carried forward		<u>953,439</u>	<u>—</u>	<u>953,439</u>	<u>702,795</u>

The Statement of Financial Activities includes all gains and losses in the year and therefore a statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 12 to 17 form part of these financial statements.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Balance Sheet

31st March 2011

	Note	2011 £	£	2010 £	£
Fixed assets					
Tangible assets	9		20,276		16,905
Current assets					
Debtors	10	177,709		264,593	
Cash at bank		944,483		744,368	
		<u>1,122,192</u>		<u>1,008,961</u>	
Creditors: Amounts falling due within one year	11	<u>(189,029)</u>		<u>(323,071)</u>	
Net current assets			933,163		685,890
Total assets less current liabilities			<u>953,439</u>		<u>702,795</u>
Net assets			<u>953,439</u>		<u>702,795</u>
Funds					
Restricted income funds	13		—		—
Unrestricted income funds	14		953,439		702,795
Total funds			<u>953,439</u>		<u>702,795</u>

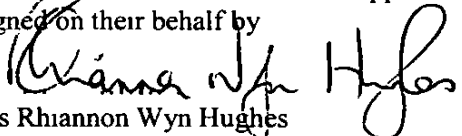
The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of the Act. However it is required to have a statutory audit under the Charities Act 1993.

The trustees acknowledge their responsibilities for

- (i) ensuring that the charity keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

These financial statements were approved by the members of the committee on the 26/9/11 and are signed on their behalf by


Ms Rhiannon Wyn Hughes
Company Registration Number 02238053

The notes on pages 12 to 17 form part of these financial statements.

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005) and the Companies Act 2006

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

Incoming resources

Income is recognised in the accounts based on the performance of the activity, deposits received in advance of the project are treated as deferred income

Grants

Grants are recognised in full in the statement of financial activities in the year in which they are receivable

Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund

Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources

Costs of generating voluntary income are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Other resources expended are those incurred in connection with administration of the Charity. Governance costs relate to the compliance with constitutional and statutory requirement. There are no material support costs and therefore they have not been disclosed separately

Fixed assets

All fixed assets are initially recorded at cost

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

1. Accounting policies *(continued)*

Deferred income

Deferred income consists of resources received by the charity that do not meet the criteria for recognition as incoming resources in the Statement of Financial Activities as entitlement to the incoming resource does not exist at the balance sheet date

Deferred income is not recognised in the Statement of Financial Activities until the charity is entitled to the incoming resource and instead is disclosed as a liability in the balance sheet

2. Charitable activity

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Charitable activity				
Welsh Assembly re Leonardo	160,475	—	160,475	212,658
Ecotec re Leonardo	—	245,954	245,954	224,037
Leonardo Inward	574,977	—	574,977	392,500
Europe Direct	—	41,561	41,561	62,617
Language courses	29,086	—	29,086	68,641
VETPRO	2,930	—	2,930	62,888
Grants receivable				
Denbighshire County Council - direct	45,291	—	45,291	46,088
Denbighshire County Council - kitchen upgrade	16,176	—	16,176	—
Denbighshire County Council - re lease	12,500	—	12,500	12,500
	<u>841,435</u>	<u>287,515</u>	<u>1,128,950</u>	<u>1,081,929</u>

3. Investment income

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	<u>634</u>	<u>634</u>	<u>437</u>

4. Other incoming resources

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Room hire	<u>2,315</u>	<u>2,315</u>	<u>4,426</u>

ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

5. Costs of charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Grants	21,139	-	21,139	21,079
Youth exchange costs - outward	-	215,135	215,135	249,706
Youth exchange costs – inward	249,028	30,819	279,847	198,134
Europe Direct expenses	-	37,935	37,935	62,617
Wages- charitable activities	136,117	3,626	139,743	135,863
Language courses	13,553	-	13,553	45,849
Wages- language courses	21,733	-	21,733	16,169
Building improvements	30,821	-	30,821	9,437
Heat and light	2,677	-	2,677	2,931
Printing, postage, stationery and advertising	8,874	-	8,874	7,119
Telephone and internet	7,591	-	7,591	7,532
Wages	23,201	-	23,201	25,103
Equipment rental	2,558	-	2,558	1,748
General expenses	28,334	-	28,334	27,102
Profit on foreign exchange	1,847	-	1,847	(4,906)
VETPRO	-	-	-	48,639
Bad debts written off	25,359	-	25,359	-
	<u>572,832</u>	<u>287,515</u>	<u>860,347</u>	<u>854,122</u>

6. Governance costs

	Unrestricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Wages	16,344	16,344	16,336
Audit and accountancy fees	3,820	3,820	4,160
Legal and professional fees	744	744	1,092
	<u>20,908</u>	<u>20,908</u>	<u>21,588</u>

7. Net incoming resources for the year

This is stated after charging

	2011 £	2010 £
Auditors' fees	<u>2,950</u>	<u>2,950</u>

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

8. Staff costs and emoluments

Total staff costs were as follows:

	2011 £	2010 £
Wages and salaries	226,806	226,806
Social security costs	18,286	18,942
	<u>245,092</u>	<u>245,747</u>

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows

	2011 No	2010 No
Number of administrative staff	<u>18</u>	<u>16</u>

No employee received remuneration of more than £60,000 during the year (2010 - Nil)

9. Tangible fixed assets

	Land and buildings £	Other plant & machinery etc. £	Total £
Cost			
At 1st April 2010	28,511	59,331	87,842
Additions	—	7,986	7,986
At 31st March 2011	<u>28,511</u>	<u>67,317</u>	<u>95,828</u>
Depreciation			
At 1st April 2010	17,797	53,140	70,937
Charge for the year	1,071	3,544	4,615
At 31st March 2011	<u>18,868</u>	<u>56,684</u>	<u>75,552</u>
Net book value			
At 31st March 2011	<u>9,643</u>	<u>10,633</u>	<u>20,276</u>
At 31st March 2010	<u>10,714</u>	<u>6,191</u>	<u>16,905</u>

10. Debtors

	2011 £	2010 £
Trade debtors	75,000	208,065
Other debtors	100,744	54,694
Prepayments	1,965	1,834
	<u>177,709</u>	<u>264,593</u>

ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

11. Creditors: Amounts falling due within one year

	2011	2010
	£	£
Trade creditors	109,531	34,919
Other creditors	79,498	288,152
	<u>189,029</u>	<u>323,071</u>

12. Deferred income

	2011	2010
	£	£
Balance brought forward	267,323	175,372
Amount released to incoming resources	(267,323)	(175,372)
Amount deferred in the year	75,738	267,323
Balance carried forward	<u>75,738</u>	<u>267,323</u>

Deferred income comprises grants received which are to be used in future accounting periods

13. Restricted income funds

	Incoming resources	Outgoing resources	Balance at 31 Mar 2011
	£	£	£
General restricted funds	<u>287,515</u>	<u>(287,515)</u>	<u>-</u>

General Restricted Funds

The funding provided by Ecotec for the Leonardo da Vinci outwards program and the Europe Direct programme are treated as restricted funds

14. Unrestricted income funds

	Balance at 1 Apr 2010	Incoming resources	Outgoing resources	Balance at 31 Mar 2011
	£	£	£	£
General Funds	<u>702,795</u>	<u>844,384</u>	<u>(593,740)</u>	<u>953,439</u>

ECTARC LIMITED COMPANY LIMITED BY GUARANTEE

Notes to the Financial Statements

Year ended 31st March 2011

15. Analysis of net assets between funds

	Tangible fixed assets £	Net current assets £	Total £
Unrestricted Income Funds:			
Designated Funds	–	933,163	933,163
General Funds	20,276	–	20,276
	<u>20,276</u>	<u>933,163</u>	<u>953,439</u>
Total Funds	<u>20,276</u>	<u>933,163</u>	<u>953,439</u>

16. Related party transactions

During the year ECTARC received a grant of £45,291 from Denbighshire County Council towards running costs. In addition, a grant of £16,176 was received for an upgrade to the kitchen on the premises, Denbighshire County Council also allowed ECTARC to lease its premises on Parade Street at a peppercorn rental. The value of this lease has been assessed at £12,500 per annum.

The amounts owing to Denbighshire County Council at 31st March 2011 was £74,497 (2010 £135), this relates to the ECTARC payroll which is processed by Denbighshire County Council and repaid in arrears.

17. Company limited by guarantee

The company is limited by guarantee and does not have a share capital. The liability of the members of the company is such that it will not exceed £1.

**ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE**

Detailed Statement of Financial Activities

Year ended 31st March 2011

	2011 £	2010 £
Incoming resources		
Voluntary income		
Welsh Assembly re Leonardo	160,475	212,658
Ecotec re Leonardo	245,954	224,037
Leonardo Inward	574,977	392,500
Europe Direct	41,561	62,617
Language courses	29,086	68,641
VETPRO	2,930	62,888
Denbighshire County Council - direct	45,291	46,088
Denbighshire County Council - kitchen upgrade	16,176	—
Denbighshire County Council - re lease	12,500	12,500
	<u>1,128,950</u>	<u>1,081,929</u>
Investment income		
Bank interest receivable	634	437
Other incoming resources		
Room hire	2,315	4,426
	<u>1,131,899</u>	<u>1,086,792</u>
Total incoming resources		

**ECTARC LIMITED
COMPANY LIMITED BY GUARANTEE**

Detailed Statement of Financial Activities

Year ended 31st March 2011

	2011	2010
	£	£
Resources expended		
Charitable activities		
Wages - grants	21,139	21,079
Youth exchange costs - Outward	215,135	249,706
Youth exchange costs - Inward	279,847	198,134
Wages- charitable activities	139,743	135,863
Language courses	13,553	45,849
Wages- language courses	21,733	16,169
Heat and light	2,677	2,931
Printing, postage, stationery and advertising	8,874	7,119
Telephone and internet	7,591	7,532
Wages - administration	23,201	25,103
Equipment rental	2,558	1,748
General expenses	28,334	27,102
Building improvements	30,821	9,437
Europe Direct expenses	37,935	62,617
Profit on foreign exchange	1,847	(4,906)
VETPRO	—	48,639
Bad debts	25,359	—
	<u>860,347</u>	<u>854,122</u>
Governance costs		
Wages	16,344	16,336
Audit and accountancy fees	3,820	4,160
Legal and professional fees	744	1,092
	<u>20,908</u>	<u>21,588</u>
Total resources expended	<u>881,255</u>	<u>875,710</u>
Net incoming resources for the year	<u>250,644</u>	<u>211,082</u>