

LETCWORTH EDUCATIONAL SETTLEMENT

TRUSTEES REPORT AND EXAMINED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

Registered Charity in England and Wales: 311085



LETCHWORTH EDUCATIONAL SETTLEMENT

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LETCHWORTH EDUCATIONAL SETTLEMENT

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name Letchworth Educational Settlement
Also known as the Settlement

Charity number 311085

Governing instrument Amended Constitution adopted 27 November 2017

Management Committee

Chair Hilary Kemp

Secretary Marian Adams

Treasurer Alan Higbey

Other Committee members Katherine Alcock
Nigel Carrick
Stephen Charles
Abigail Huffer
Natalie Maguire
Shauna Miller

Dr Carole Brooks (to 23 November 2021)

President Vacant

Principal address 229 Nevells Road
Letchworth Garden City
SG6 4UB

Independent Examiner Kenneth H Holden, FCA
7 Church View
Portmill Lane
Hitchin
SG5 1EU

LETCHWORTH EDUCATIONAL SETTLEMENT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022

Structure, governance and management

Letchworth Educational Settlement (“the Settlement”) was established in 1920 and moved to its current address in 1925. In 2020 the Settlement celebrated its Centenary.

The Constitution was amended at the Annual General Meetings in 2002, 2008 and 2017.

The Settlement is a registered charity in England and Wales.

Appointment of Trustees

The Board of Trustees is elected annually by the Members at the Annual General Meeting. To be eligible for election, a candidate must be a Member of the Settlement. Management Committee members are the Trustees. The Management Committee (“the Committee’ or “we”) is the title and designation of the body responsible for the governance and administration of the Settlement. The election of the Trustees includes that of the Officers of the Committee.

Members

Any person is deemed to be eligible for the membership of the Settlement by the Committee providing they support the Settlement’s aims and objects, abide by the Settlement’s rules as set out in the Constitution and pay the annual subscription applicable to ordinary Members or other class of membership as the Committee at its discretion, may create, including honorary fellowships, who will not be liable to any subscription.

Committee

The number of Trustees is not subject to any maximum. There is no maximum period for which a Member can serve as a Trustee, or upper age limit.

The Committee can co-opt any Member onto the Committee to serve until the next AGM, although not in the capacity of a Trustee until formally elected at the Annual General Meeting.

The Committee meets at least four times a year.

The Trustees receive no remuneration or other benefit from their involvement with the Settlement. The declaration of interests is a standing agenda item for all Committee meetings.

The Trustees who were serving on the date this report was approved by the Committee are listed on page 3, together with those who had served during the year ended 31 July 2022.

As noted in the annual report for the year ended 31 July 2021, all the Officers and Committee members serving at the date of the Annual General Meeting on 23 November 2021 stood for election or re-election with the exception of Dr Carole Brooks. The Committee would like to re-iterate its thanks to Carole for her contribution to the Settlement.

Management

We delegate the day to day running of the Settlement to the Manager and other staff, who work with us to ensure the Settlement’s objectives are achieved.

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TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

As noted in the annual report for the year ended 31 July 2021, the then Manager, Sally Rogers, and the Senior Administrative Officer, Jacqui Black, both resigned their positions with effect from 31 March 2022. On behalf of the Settlement community, we would like to once again thank Sally and Jacqui for their contribution, especially during a very difficult period in the Settlement's history resulting from the Covid-19 pandemic.

Their extended notice periods given by Sally and Jacqui allowed us time to review resourcing, taking into account practical and financial considerations given the Settlement's size as a local organisation. We had a good response to advertising for a new full time (rather than part time) Manager and we appointed Nick Skinner. Nick lives locally and brings with him a wealth of experience of working in the educational sector. His most recent position had been as Director of Arts and Community at Richmond and Hillcroft Adult Community College, but previously he had worked as Director of Music at St Christopher's in Letchworth Garden City. He was able to start work in February, allowing valuable time for Nick to work alongside Sally and Jacqui for a month.

In addition to Nick's appointment, we also appointed an experienced office administrator, Chloe Ernst, on a full time six month temporary contract. Chloe was also able to start work in February and benefit from a handover period. This temporary contract provided Nick with time to consider how the Settlement office should be resourced going forward, given the Settlement's current and future needs. Following his recommendations, we advertised for two Deputy Managers (term time only) to work with Nick and provide a greater staffing presence and continuity. Again we were fortunate that the response to advertising meant we could fill the two positions and the two new Deputy Managers started at the beginning of September 2022. One Deputy is Julie Butcher, already known to Settlement users, as she started working in the office as additional support in September 2021. The other Deputy is Carly Simmons. We are grateful for Chloe's contribution during her time working in the office.

The Committee continues to be very grateful for the support of all users of the Settlement, whether they be students or hirers, to the tutors for their contribution to the Settlement's success and to a small but hardworking group of volunteers who support the Settlement in many different ways. Without all these different people, the Settlement would not continue to exist.

Objectives and activities

In setting the Settlement's objectives and planning its activities we give careful consideration to the Charity Commission's public benefit guidance.

The Settlement's objectives are to provide a centre for education, recreation and social activities open to all Members and visitors attending events in a friendly, accessible and supportive atmosphere.

The Settlement achieves its objectives by:

- Providing classes and courses of instruction to meet some of the educational requirements and interests of adults living in Letchworth Garden City and the surrounding area.
- Providing facilities and teaching for the creative and performing arts and other special interest and language courses.
- Providing a meeting place for local organisations.
- Arranging a diverse programme of workshops, lectures and talks.

LETCHWORTH EDUCATIONAL SETTLEMENT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

- Liaising locally and more widely with other parties involved in education and the creative and performing arts. Matters of common concern include provision of local facilities, meeting local needs and heritage issues.

Achievements

Despite the relaxation of restrictions, the Settlement's activities continued to be impacted by the pandemic, most notably in the reduced number of students in classes that we kept in place and the general cautious approach to participating in activities, both educational and social.

The number of courses planned for the year ended 31 July 2022 was 277 (2021:168) but 54 (2021:45), representing 19% (2021: 27%), were cancelled due to low take up. The 223 (2021: 123) courses delivered were broken down between:

	In person	Online	Total
Arts and crafts	88	14	102
Special interest	38	4	42
Creative writing	26	6	32
Languages	46	1	47
Total	<u>198</u>	<u>25</u>	<u>223</u>

The total number of courses delivered increased by 81% although the number of those delivered online reduced by 58% (2021: 59).

Enrolments on the courses were 1,831 (2021: 1,226), representing a 49% increase over the previous year that is encouraging. Enrolments were broken down between:

	2022	2021
Arts and crafts	677	296
Special interest	648	620
Creative writing	241	167
Languages	265	143
Total	<u>1,831</u>	<u>1,226</u>

In addition to courses, there were 47 (2021:26) workshops and lectures, broken down as follows:

	2022	2021
Arts and crafts	27	7
Special interest	14	14
Creative writing	2	2
Languages	4	3
Total	<u>47</u>	<u>26</u>

The total number of workshops and lectures delivered increased by 81% although the number of those delivered online reduced by 76% to 4 (2021: 17). Just over half of the workshops and lectures related to arts and crafts.

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TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

Enrolments on the workshops and lectures were 394 (2021: 344), representing a 15% increase over the previous year. Enrolments were broken down between:

	2022	2021
Arts and crafts	226	46
Special interest	101	176
Creative writing	11	16
Languages	56	106
Total	<u>394</u>	<u>344</u>

Guided learning hours (active teaching hours) for courses and workshops amounted to 3,196 hours (2021: 1,733.5), representing an 84% increase over the previous year. The hours were broken down between:

	2022	2021
Arts and crafts	1,769.0	779.0
Special interest	452.5	368.5
Creative writing	332.0	227.0
Languages	642.5	359.0
Total	<u>3,196.0</u>	<u>1,733.5</u>

Membership numbers at 31 July 2022 were 736 (2021: 639), representing a 15% increase over the previous year. 75% of Members are concessions (60 years and over). 71% (2021: 68%) of Members live in the Settlement's local community, the Letchworth/Baldock/Hitchin postcode area. Although the majority of Members have joined the Settlement to enrol on a course or workshop, there are also those who continue to be Members because they want to support a local and valued community organisation.

Fundraising from other activities continues to be challenging. However, we were able to hold the annual Christmas Fayre at the end of November 2021 again and this was our biggest fundraising event of the year. We also held a photographic competition for images of Letchworth Garden City which were included in a Settlement calendar for 2022 and arranged a concert by the London Accordion Orchestra which was held in the Broadway Theatre on 2 July 2022.

The Settlement's facilities continued to be used by a large number of hirers ranging from the Settlement Players (who staged three productions during the year, including the hilarious "Fardale Avenue Macbeth"), the Camera Club, the Dance Steps Academy (congratulations to the Academy for being chosen to represent Team England in the Dance World Cup in Spain in June 2022 and finished 4th – a wonderful achievement) and local organisations and clubs, including art, music, chess, table tennis and wine tasting.

Financial review

The Settlement had net expenditure of £40,089 for the year ended 31 July 2022 (2021: net income £57,622).

Income from charitable activities, comprising fees from courses, membership fees and hirings was £189,214 (2021: £143,455).

Donations were £22,513 (2021: £105,551) of which £15,734 (2021: £67,000) was grants. The grants and any restrictions on them are detailed in note 3 to the financial statements.

LETCHWORTH EDUCATIONAL SETTLEMENT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

Total expenditure was £263,629 (2021: £196,110), a 34% increase on the previous year. Some of the Settlement's expenditure is incurred directly as a result of the courses and events that it offers but ongoing costs for staffing and premises continue to be incurred whatever the position on the course offer.

The main contributors to the large increase in expenditure were tutor fees (an increase of £42,660) and staff costs (an increase of £27,478).

The increase in tutor fees was due to the increase in the number of courses.

The increase in staff costs was due to a number of factors. As noted in the Management section above, we employed additional office support from September 2021 and there was a one month handover period where the staff who were leaving and the new staff appointed worked together. Additionally, when we were recruiting for a new Manager, we advertised the position as a full time one at a higher salary to reflect the experience and skills we felt were needed by the successful applicant. The temporary contract for the office administrator was also a full time rather than part time one.

However, premises costs were lower than in the previous year (a decrease of £8,386) as the previous year's costs included a programme of external redecoration was carried out to comply with the terms of the Settlement's lease.

The shortfall between the income from charitable activities and the cost of raising it, and without taking into account a proportion of support costs (for staff and office costs), is an issue that we have to address as a matter of urgency. At the very least the aim is to break even as soon as practicable. We have therefore increased course fees from September 2022, the first increase since before the pandemic.

We have also recently completed a review of hiring fees and these will also be increased over the coming month, again the first increase since before the pandemic. The review included ensuring that the hirings fee structure was on a consistent and transparent basis, as well as making its administration more efficient.

We are very conscious that these increases come at a time when everyone is under financial pressures and we have tried to balance the needs of the Settlement against the needs of its users. But the bottom line remains that unless the Settlement can generate more income, its future remains under threat.

Another factor in expenditure being greater than income was that donations were significantly lower than in the previous year. As noted in last year's annual report, non charitable income from donations and fundraising activities has become an essential element for the Settlement to survive.

We continue to try to find savings in the running costs of the Settlement. However, we believe our investment in staffing and other resources such as IT infrastructure is an important part of enabling the Settlement to achieve financial security for the future.

Risk management

The biggest risk to the Settlement continues to be a financial one, with some of that risk determined by external forces like the pandemic, the increase in energy costs and the cost of living crisis. The increase in energy costs and the cost of living crisis also effects all of the Settlement's users.

LETCWORTH EDUCATIONAL SETTLEMENT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

The Settlement is not an endowed charity and is reliant on the annual income it generates. We recognise that providing courses, events and facilities that attract students and users is the lifeblood of the Settlement's activities and we are looking at ways to enhance what we offer and make as much use of our facilities as possible. One of the new initiatives was the introduction of a Summer School in August 2022.

Reserves policy

We consider it prudent that unrestricted reserves should be sufficient to cover:

- a) three months' operating expenses based on our phased annual budget. This allows for some timing differences in forecast income and expenditure and for any action to be taken if income levels fall below those budgeted by either reducing expenditure levels and/or finding other sources of funding.
- b) other short term commitments agreed by us as required.
- c) the cost of closing the Settlement which could be achieved within three months if required.

Restricted funds are not included in the reserves policy.

In the year ended 31 July 2021 we agreed to set up a fund to meet the cost of future property repairs/maintenance to comply with the terms of the Settlement's lease. The annual amount to be allocated to the fund will be £5,000 for 7 years, as under the terms of the lease there is a requirement to redecorate (interior and exterior) at least every 7 years. The amount held in this designated fund as at 31 July 2022 was £10,000 (2021: £5,000). During the year we also reviewed whether to designate any other funds and decided there was no requirement to do so at present.

At 31 July 2022, the level of free reserves was £99,034 (2021: £137,504). As at this date the amount required in accordance with the reserves policy was £50,500. Although the level of free reserves has reduced from the previous year, they still comfortably cover the amount required under the reserves policy.

Plans for the future

Our most immediate plans for the future focus on the development of the Settlement's existing provision and looking at new initiatives, including offering new courses and making more use of the Settlement's facilities in the evenings and weekends.

As noted in the Financial Review, we have already increased course and hiring fees to generate more income, and these will be reviewed again next year. The expectation is that they will need to continue to increase in the foreseeable future.

Over the next few months the new staffing structure should become embedded, and Nick will be able to spend more time on implementing some of the initiatives we have already discussed, and identifying other ones to contribute to the Settlement's future success. We have also started work on identifying changes required to our database, website and IT systems. This work will take some time as we know how important it is that we make the right decisions.

We also need to address the challenge of fundraising. We really need some new ideas and more people to work with us. The local community was galvanised to "save the Settlement" two years ago and we need that support to continue.

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TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

One of the issues we have is that the Settlement's current accommodation means that we cannot increase class sizes even if there is demand – our only option is to put on another class at a different time. So, one of our longer term objectives is an extension to our arts and crafts block. We are currently looking at the feasibility of the project and are grateful for the support we have received so far from the Letchworth Garden City Heritage Foundation. The research we are doing will provide us with valuable information regardless of whether we go ahead with the project or not.

We do not underestimate the challenges facing the Settlement in both the short and longer term, but we look forward to working with Nick, Julie and Carly, all users and supporters and the local community to meet them.

LETCHWORTH EDUCATIONAL SETTLEMENT

TRUSTEES ANNUAL REPORT FOR THE YEAR ENDED 31 JULY 2022 (continued)

Statement of Trustees' responsibilities

Charity law requires the Trustees to prepare financial statements for each financial year that show a true and fair view of the state of affairs of the charity and its financial activities for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The Trustees are responsible for keeping proper accounting records which 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 Act 1993. 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.

The Trustees have complied with the duty in Section 4 of the 2006 Charities Act having due regard to guidance published by the Charity Commission.

Approved by the Trustees on 15 November 2022

and signed on their behalf by:



Hilary Kemp
Chair

LETCHWORTH EDUCATIONAL SETTLEMENT

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF LETCHWORTH EDUCATIONAL SETTLEMENT

I report to the Trustees on my examination of the financial statements of Letchworth Educational Settlement for the year ended 31 July 2022.

Responsibilities and basis of report

As the charity's Trustees, you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a Fellow of the Institute of Chartered Accountants in England and Wales.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the financial statements do not accord with the accounting records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination.; or
- the financial statements have not been prepared in accordance with the methods and principles of the with the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Kenneth H Holden, FCA
7 Church View
Portmill Lane
Hitchin
SG5 1EU



Dated: 24 November 2022

LETCHWORTH EDUCATIONAL SETTLEMENT

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2022**

	Notes	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Income					
Donations and legacies	3	6,779	15,734	22,513	105,551
Income from charitable activities	4	189,214	-	189,214	143,455
Other income	5	11,645	-	11,645	4,751
Investment income	6	168	-	168	15
Total income		207,806	15,734	223,540	253,772
Expenditure					
Expenditure on charitable activities	7	256,973	6,656	263,629	196,110
Total expenditure		256,973	6,656	263,629	196,110
Net (expenditure)/income for the year		(49,167)	9,078	(40,089)	57,662
Transfers between funds		6,984	(6,984)	-	-
Loss on disposal of fixed assets		(1,442)	-	(1,442)	-
Fund balances at 1 August 2021		263,178	54,406	317,584	259,922
Fund balances at 31 July 2022	12	219,553	56,500	276,053	317,584

LETCHWORTH EDUCATIONAL SETTLEMENT

BALANCE SHEET AS AT 31 JULY 2022

	Notes	2022 £	2021 £
Fixed Assets			
Tangible Assets	9	<u>113,535</u>	<u>125,674</u>
Current Assets			
Debtors	10	1,586	22,350
Cash at Bank and in hand		<u>163,497</u>	<u>177,990</u>
		165,083	200,340
Creditors: amounts falling due within one year	11	(2,565)	(8,430)
Net Current Assets		<u>162,518</u>	<u>191,910</u>
Total Net Assets		<u>276,053</u>	<u>317,584</u>
Represented by:			
Unrestricted funds	12	209,553	258,179
Designated	12	10,000	5,000
Restricted funds	12	<u>56,500</u>	<u>54,405</u>
		<u>276,053</u>	<u>317,584</u>

The notes at pages 13 to 19 form part of the financial statements.

The financial statements were approved by the Trustees on 15 November 2022 and signed on their behalf by:



Hilary Kemp
Chair



Alan Higbey
Treasurer

LETCWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022

1. Accounting policies

a. Basis of preparation

The accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The Settlement constitutes a public benefit entity as defined by FRS 102.

The Trustees consider that there are no material uncertainties about the Settlement's ability to continue as a going concern.

b. Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the costs less estimated residual value of each asset over its expected useful life, as follows:

Fixtures and fittings	straight line over 10 years
Office equipment	straight line over 3 years
Property improvements	straight line over 3 years
Building improvements	straight line over 20, 27, 29 and 30 years

c. Income recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Investment income is recorded when receivable.

d. Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

LETCHWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

e. Funds structure

Unrestricted funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects.

Designated funds are unrestricted funds which have been set aside by the trustees for an essential spend or future purpose. The designation has an administrative purpose only, and does not legally restrict the trustees' discretion to apply the fund.

Restricted funds relate to amounts received in respect of expenditure used in fulfilling the charitable objects.

f. Pensions

Qualifying employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 6. There were no outstanding contributions at the year end. The costs of the scheme are included in costs and charged to the unrestricted funds of the charity.

2. Taxation

Letchworth Educational Settlement is a registered charity and accordingly is exempt from taxation on its income and gains where they are applied for its charitable purposes.

3. Donations and legacies

	Unrestricted	Restricted	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and legacies	4,112	6,250	10,362	10,515
Save Our Settlement Appeal	-	-	-	28,036
Grants	2,667	9,484	12,151	67,000
	<u>6,779</u>	<u>15,734</u>	<u>22,513</u>	<u>105,551</u>

Donations include related Gift Aid.

Grants were made by the following:

Grant maker	Unrestricted	Restricted	Total	Purpose
	£	£	£	
North Hertfordshire District Council	2,667	-	2,667	General grant to help recovery post COVID
North Hertfordshire District Council	-	9,484	9,484	SMART Board (£6,984) Contribution towards marketing campaign (£2,500)

LETCWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

4. Income from charitable activities

	Total 2022 £	Total 2021 £
Fees for courses	140,686	117,821
Membership fees	10,890	11,125
Hirings	37,638	14,509
	<u>189,214</u>	<u>143,455</u>

Membership fees include related Gift Aid.

5. Other income

	Total 2022 £	Total 2021 £
Other income	11,645	3,386
COVID-19 grants	-	1,365
	<u>11,645</u>	<u>4,751</u>

Other income includes the sale of refreshments, the Christmas Fayre, the Prize Draw and other fundraising activities.

6. Investment income

	Total 2021 £	Total 2021 £
Bank interest	131	15
Other interest	37	-
	<u>168</u>	<u>15</u>

LETCHWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

7. Analysis of expenditure

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Provision of course and other activities				
Tutor fees	92,276	-	92,276	49,616
Costs of raising other income	3,095	-	3,095	372
Premises costs	56,205	895	57,100	65,486
Depreciation	14,420	3,261	17,681	18,146
Support costs	90,201	2,500	92,701	61,571
Governance costs	776	-	776	919
	<u>256,973</u>	<u>6,656</u>	<u>263,629</u>	<u>196,110</u>
Support costs				
Staff costs	69,229	-	69,229	41,751
General office costs	20,972	2,500	23,472	19,820
	<u>90,201</u>	<u>2,500</u>	<u>92,701</u>	<u>61,571</u>
Governance costs				
Accountant's fees	-	-	-	-
Independent examiner's fee	-	-	-	-
Trustees liability insurance	417	-	417	362
Other	359	-	359	557
	<u>776</u>	<u>-</u>	<u>776</u>	<u>919</u>

All of the expenditure was incurred on charitable activities. No costs were attributable to investment management.

For the year ended 31 July 2022 the independent examination has been carried out free of charge.

LETCWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

8. Staff costs

	Total 2022 £	Total 2021 £
Remuneration paid to employees	67,307	41,002
Social security costs	692	-
Pension costs	1,230	749
	<u>69,229</u>	<u>41,751</u>

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

2.3 1.6

There were no employee benefits.

There were no employees whose employee remuneration amounted to over £60,000.

In the year ended 31 July 2022 Employer National Insurance contributions, disclosed in social security costs, were offset in part by the Employment Allowance (2021: offset in total).

9. Tangible fixed assets

	Fixtures & fittings £	Office equipment £	Building improve- ments £	Property improve- ments £	Total £
Cost					
At 1 August 2021	69,263	44,236	167,329	45,890	326,718
Additions	-	6,984	-	-	6,984
Disposals	(10,075)	(17,088)	-	-	(27,163)
At 31 July 2022	<u>59,188</u>	<u>34,132</u>	<u>167,329</u>	<u>45,890</u>	<u>306,539</u>
Depreciation					
At 1 August 2022	42,559	37,712	74,883	45,890	201,044
Disposals	(8,633)	(17,088)	-	-	(25,721)
Charge for the year	5,705	5,818	6,158	-	17,681
At 31 July 2022	<u>39,631</u>	<u>26,442</u>	<u>81,041</u>	<u>45,890</u>	<u>193,004</u>
Net book value					
At 31 July 2022	<u>19,557</u>	<u>7,690</u>	<u>86,288</u>	<u>-</u>	<u>113,535</u>
At July 31 2021	<u>26,704</u>	<u>6,524</u>	<u>92,446</u>	<u>-</u>	<u>125,674</u>

LETCHWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

10. Debtors

	Total 2022 £	Total 2021 £
Income tax recoverable	779	19,618
Other debtors	807	2,732
	<u>1,586</u>	<u>22,350</u>

11. Creditors: amounts falling due within one year

	Total 2022 £	Total 2021 £
Accruals and deferred income	<u>2,565</u>	<u>8,430</u>

12. Fund balances

Unrestricted funds are funds that are freely available to spend on any of the charity's purposes.

Designated funds are funds that the Trustees have set aside to meet future property repair and maintenance costs.

Restricted funds are funds subject to specific purpose(s) stipulated by the donor or grant maker. There are two restricted funds as at 31 July 2022:

Property improvements	To fund property improvements and is fully represented within tangible fixed assets
Bursary from an individual donor	To fund various specified expenditure for capital items (which, where applicable, are included in tangible fixed assets) and to support other costs

	Balance at 1 August 2021 £	Income £	Expenditure (incl. disposal loss) £	Transfers £	Balance at 31 July 2022 £
Unrestricted funds					
Unrestricted funds	258,178	207,806	258,415	1,984	209,553
Designated funds	5,000	-	-	5,000	10,000
	<u>263,178</u>	<u>207,806</u>	<u>258,415</u>	<u>6,984</u>	<u>219,553</u>
Restricted funds					
Property improvements	45,005	-	2,805	-	42,200
Bursary	9,401	6,250	1,351	-	14,300
SMART Board	-	6,984	-	(6,984)	-
Marketing campaign	-	2,500	2,500	-	-
	<u>54,406</u>	<u>15,734</u>	<u>6,656</u>	<u>(6,984)</u>	<u>56,500</u>
Total funds	<u>317,584</u>	<u>223,540</u>	<u>265,071</u>	<u>-</u>	<u>276,053</u>

The transfer from unrestricted funds to designated funds represents the agreed annual allocation to meet future property repair and maintenance costs.

LETCWORTH EDUCATIONAL SETTLEMENT

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 JULY 2022 (continued)

The transfer from restricted to funds to unrestricted funds represents the purchase of a SMART Board, disclosed as an addition to tangible fixed assets (office equipment) (note 9).

13. Trustee remuneration and expenses

The Trustees received no remuneration or other benefits (2021: £nil). Two Trustees received payments totalling £2,153 (2021: £1,852) for professional or other services as tutors for Settlement courses. No Trustees received any expenses for travel and related costs (2021: £nil).

14. Related party transactions

There were no related party transactions.