

WEA



Learning*for***Life**

Report of the Trustees and Financial Statements

for the Year Ended
31st July 2006

WEA National Association
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Financial Statements
for the Year Ended 31st July 2006

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Reference and Administrative Details

NATIONAL EXECUTIVE COMMITTEE

The NEC were the Trustees of the Unincorporated Association throughout the Financial Year and until 2nd August 2006. On that date the whole business of WEA with its assets and liabilities was transferred to the Charitable Company of the same name. The members of NEC continue to advise the Directors now, in accordance with the Articles, as members of the Association Committee.

David Lanch – President	
Janet Racklyeft – Deputy President	Resigned 16 October 2005
Peter Cooper – Honorary Treasurer	
Edmund Conway – Vice then Deputy President	
Colin Barnes – Vice President	Resigned 16 October 2005
Christopher Morton – Deputy President	Elected 16 October 2005
Judy Briggs	
Ellen Carling	
David Freeman	
Colleen Horton	
John Hurst	Resigned 30 November 2005
Pat Kynaston	Resigned 30 November 2005
Charlie Lynch	
Geoffrey Mitchell	Resigned 30 November 2005
Alasdair Nicolson	
Esther Quinn	Resigned 16 October 2005
Tony Reid	Resigned 30 November 2005
Kathleen Ryder	
Lynne Smith	
Ruth Tanner	
Hugh Humphrey	Appointed 30 November 2005
Gordon Vowles	Appointed 5 November 2005
Rosemary Mayes	Co-opted – 24 June 2006

TRUSTEE-DIRECTORS

David Lanch – President	Elected 16 October 2005
Edmund Conway – Deputy President	Elected 16 October 2005
Christopher Morton – Deputy President	Elected 16 October 2005
Peter Cooper – Honorary Treasurer	Elected 16 October 2005
Professor Richard Taylor	Appointed 24 February 2006
Stephen Twigg	Appointed 26 April 2006
Baroness Shephard of Northwold	Appointed 12 July 2006
Anne King	Appointed 12 July 2006
David Freeman	Appointed 24 February 2006
Charlie Lynch	Appointed 24 February 2006
Ruth Tanner	Appointed 24 February 2006
Gordon Vowles	Appointed 24 February 2006

GENERAL SECRETARY:
DIRECTOR OF FINANCE:

Richard Bolsin
Linda Acquaye

WEA Report of the Trustees and Financial Statements

PRINCIPAL ADDRESS:

70 Clifton Street
London, EC2A 4HB

EXTERNAL AUDITORS:

Baker Tilly
2 Bloomsbury Street
London , WC1B 3ST

REGISTERED CHARITY

NUMBER: 314001

INTERNAL AUDITORS:

PKF
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

BANKERS:

National Westminster Bank Plc
9th Floor
280 Bishopsgate
London
EC2M 4RB

SOLICITORS:

Bates Wells & Braithwaite
2-6 Cannon Street
London, EC4M 6YH

PENSION FUND TRUSTEES AND ADMINISTRATORS:

The Pensions Trust
Verity House
6 Canal Wharf
Leeds, LS11 5BQ

Report of the Board of Trustees for the year ending 31st July 2006

The Board of Trustees of the Workers' Educational Association presents the report and financial statements for the year ended 31 July 2006. The statements appear in the format required by the Statement of Recommended Practice for Accounting and Reporting by Charities (revised March 2005).

1. Object & Aims

The WEA was created from a concept of widening participation and, over the last century, has changed the lives of hundreds of thousands of adults by taking education to where people are and developing provision with learners (and partners) that is central to their needs and interests. The Association's roots in "the education of the working class" are as relevant now as they were in 1903, albeit in a different social context.

The object of the Association is to promote adult and general education for the benefit of the community regionally, nationally and internationally based on democratic principles in its organisation and practice, through the participation of its voluntary members. In pursuit of this object, the Association shall have the following aims:-

- Stimulating and responding to the demand for liberal education,
- Providing for the needs of working class adults and of those who are socially, economically, or educationally disadvantaged
- Providing educational programmes for organisations concerned with collective educational needs in the community and in the workplace
- Generally furthering the advancement of education so that all people in England, Scotland and other parts of the world may have full access to education needed for their complete individual and social development.
- Promoting the effectiveness of charities with similar purposes

2. Structure, Governance and Management

The Workers' Educational Association (WEA) was an unincorporated Association throughout the financial year, governed by the National Executive Committee (NEC) comprising some 20 Trustees, mainly elected National Officers and representatives of different parts of England and Scotland.

The Trustees meet at least four times a year. They seek to ensure that the Association's activities are within the agreed charitable objectives. Their work includes setting strategic direction and agreeing the financial strategy and operational budgets. This has not changed since incorporation, just after the close of the financial year and a more detailed description follows at the next section on pages five to six.

Reforms to Structure, Governance and Management

The Trustees were planning to incorporate the association into a charitable company at the beginning of the year and this proposal was approved at the WEA National Conference on 15 October 2005. To reduce transfer costs for properties and for reasons of continuity, WEA Nominees Limited (the holding company for WEA properties, limited by guarantee number 2806910) was given an amended Memorandum and Articles of Association in accordance with the Resolutions of the National Conference and the Trustees. The Charity Commission approved the new Governing Document and placed this company on the Register of Charities in England on 20 January 2006 (charity number 1112775). After obtaining all necessary consents during the financial year, the Transfer of Assets and Undertaking took place just after the year end on 2 August 2006 including a Scheme for the transfer of WEA assets approved by the Charity Commission (all assets were included except one Leased property with a Lottery Fund restriction requiring additional approval for transfer).

Throughout 2005-6 WEA continued to operate as the old unincorporated association governed by the Trustees sitting as the National Executive Committee. This ceased from 2 August 2006 when the new Board of Trustees took over. The new Constitution sets up a smaller Board of twelve Trustees, comprising four

WEA Report of the Trustees and Financial Statements

Association Officers, four representatives of English Regions and Scotland and four external Trustees to ensure independent governance. Trustees serve for a term of four years and may be appointed to serve for one further term. The first Trustees to be appointed were the four Association Officers (President, two Deputy Presidents and Treasurer), who were elected to those positions at the WEA 2005 Conference.

A further four "internal" Trustees were appointed following their election by the Association Committee. Finally, four new "external" Trustees were co-opted to the Trustee Board following extensive discussions among the membership of the WEA, for the particular strengths they could bring to the Board in respect of their position, ability to lead and influence and their extensive knowledge and experience of education and/or business.

All new Trustees are required to sign the NCVO Code for Best Behaviour and make a full Declaration of Interests, which will be updated annually by the Company Secretary. Under the Code all new Trustees are given an induction pack on the work of the charity and the legal Roles and Responsibilities of Trustees and receive an induction/briefing by a member of the Board and General Secretary and all Trustees are required to attend training events each year held regularly in conjunction with strategic reviews of Board efficiency. Trustees also have opportunity to attend external training events to update their skills and knowledge.

Formation of the new Board of Trustees, acting as shadow to the National Executive Committee and working in close co-operation with the existing Trustees whilst the transfer of undertakings was finalised, began in November 2005. The new Board of Trustees will meet at least four times a year. Its work will include governance and setting strategic direction and agreeing the financial strategy and operational budgets. The Board will act on advice and information received from the Association Committee, Association Conference and other WEA Regional (including Scottish) and local committees across England and Scotland together with advice, staff reports and consultations with WEA members and stakeholders. The General Secretary meets regularly with the President, Chair of the Trustees and other Trustees to ensure all are kept fully informed. Delegated decisions made at other levels of the Association are regularly reported to the Board, to ensure Trustees have full information to fulfil their roles.

The Board is supported in its work by the Association Committee, Audit Committee, Risk Management Committee, and other committees and working groups as required. The Association Committee comprises the four National Officers, one representative from each of the English Regions and two from the Scottish Association and up to five co-opted members. It meets at least four times a year. The Audit Committee reports to the Board of Trustees and consists of six members (including three Trustees and one independent). It meets four times a year to consider reports from both external and internal auditors. It also reviews the audited financial statements of the charity and recommends them to the Board. The Risk Management Committee includes two Trustees, who support management in implementing risk-mitigating strategies across the Association. Each Committee has its own Terms of Reference, and its reports are a standing agenda item for the Board of Trustee meetings.

The General Secretary is responsible for the day-to-day management of the charity's affairs and for implementing policies agreed by the Board. He is assisted by a team of Corporate and Regional Directors (the Association Management Team). This operates within an approved scheme of delegation.

Risk Management and Internal Controls

The Association's Board of Trustees through the Risk Management Committee monitors the business risks to which the charity is exposed and ensures the implementation of effective risk management strategies. Their work involves identifying the business, operational and financial risks the Association faces, prioritising them in terms of potential impact and likelihood of occurrence and proposing means of mitigating the risks.

The Trustees have reviewed the adequacy of the Association's internal controls and are pleased to report that the internal financial controls in particular, conform to guidelines issued by the Charity Commission. The charity's internal audit plan includes the audit of risk management processes within the charity, and risk management efficacy, and Audit recommendations are systematically followed up and monitoring reports regularly received by Audit Committee.

Wider network of relationships

The WEA has affiliated relationships with other WEA institutions outside of England and Scotland, a number of organisations linked to the trade union movement, and adult education bodies.

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There is a wider network of funders and various partnerships that support the delivery of the Association's work.

Contribution of Voluntary Members and Volunteers

Volunteers drawn from more than 19,000 members play a crucial part in achieving the objectives of the WEA. The WEA has more than a thousand voluntary members and volunteers supporting the work of the Association, serving as Trustees, regional or local committee members and running branch activities.

The WEA values the skills, enthusiasm and many hours of time given by voluntary members and volunteers as they directly support a significant part of WEA's regional and national activities and work.

In keeping with recommended practice, we have made our estimate of the number of hours that our volunteers give to us free of charge during the year. We have not put any value on this work in the accounts, but if we were to value it at £20 per hour, the total would come to nearly £2 million.

Table 1 : Estimated time given by volunteers to the WEA

WEA Estimated Volunteer Hours	2005/06	2004/05
Governance	8,900	5,100
Regional activities	40,200	30,200
Branch Activities	11,900	11,100
Conferences	33,900*	400
Portfolio Services	800	500
Total hours	95,700	47,300
If costed @ £20 per hour	£1,914,000	

*There was a biennial conference held in October 2005.

Pensions

The WEA operates a defined benefit scheme, managed by The Pensions Trust, and participates in the Teachers' Pension Scheme which is part of the government's superannuation scheme. A professional actuary carries out a three yearly valuation of the Pensions scheme. The last one on 30 September 2005, showed that the scheme assets were sufficient to cover 53 percent of the accrued benefits. Additionally the actuary carries out a separate annual valuation for financial reporting purposes in line with the new accounting standard (FRS17). This is carried out using different assumptions and results in a very different funding deficit. The 31 July 2006 valuation under this method showed a deficit of £1.796m compared to a deficit of £3.296m in 2005. The details are in note 19 of the accounts.

3. Achievements and Performance

The Association can take pride in the achievements of the past year.

We continue to deliver lifelong learning opportunities, appropriate to the needs of thousands of adults, against a funding backdrop which seems to threaten much of what we hold dear.

Across the country adults from all backgrounds come to us to study and learn – with motivations for learning as varied as their personal histories.

It is this diversity of student body and of educational provision that places the WEA in a unique position in the field of adult education. As both charity and leading voluntary-sector provider we continue to 'reach the parts' that many other adult education providers can only hope to reach.

WEA Report of the Trustees and Financial Statements

At one end of the spectrum we offer a rich curriculum for adults of all ages and at the other we work with community partners across the UK to ensure that educational opportunities exist in particular for those adults facing social and economic barriers to learning and to life.

In another successful year at the WEA we have:

- secured a clean bill of health from inspectors of the Adult Learning Inspectorate (ALI)
- again exceeded targets for student numbers and budgets
- engaged with ministers in continuing dialogue about policy and its implementation.

A milestone for the Association this year has been the formal conversion of the WEA into an incorporated charity on 2 August 2006. Our new status places us on the same legal and financial footing as many of the country's leading charities, enabling us to move forward with greater confidence as we develop business strategies for securing the future of the WEA.

External Trustees including a former Secretary of State for Education, another former education minister and the current Director of Continuing Education and Lifelong Learning at the University of Cambridge have this year joined the WEA's Governing Body. They bring skills and acumen that will help us along the journey ahead.

At the heart of the WEA, the partnership that exists between the WEA's voluntary members and its tutors and staff remains the critical factor in the present and future success of the Association. It is a partnership built upon shared beliefs and in an understanding of education as an agent for change for individuals and society as a whole.

It is a tribute to this partnership and the work of those committed to the ethos of the WEA that we continue to prosper more than a century after foundation. The WEA's immediate future is assured. Our immediate priorities are now to manage the changes needed over the coming years to position the WEA at the forefront of lifelong learning provision.

Key highlights of educational activities in 2005-06

The Association attracted over 81,000 learners in England in the academic year 2005-06 achieving a sustained enrolment of 157,000, with 13,000-plus courses and 3.3 million enrolment hours.

During 2004-2005 the Association introduced in England a curriculum-based organisation of provision into ten WEA Curriculum Management Areas (CMAs). These, with further development, provided a good platform for curriculum management and development in 05-06. The Adult Learning Inspectorate (ALI) Areas of Learning that these align to, change from September 2006 to Sector and Subject Areas (SSAs), which map less well with the CMAs and, in addition, government funding priorities have changed. In response, the WEA is developing a framework of three educational strands to run through the curriculum (second chance; personal and community development learning (PCDL) and cultural studies) to meet the changes.

The Association's Quality Improvement Framework for England continues to be embedded, with Observation of Teaching & Learning (OTL) providing regular grade profiles that inform about the quality of learning and teaching and areas for improvement. A range of consistent opportunities for capturing stakeholder feedback have been introduced and these too are beginning to provide valuable information about the quality of the work of the WEA. Systems for performance management have also been strengthened, providing greater transparency and accountability and an improving platform for future planning.

Supporting the management of the Association's work are increasingly effective Management Information Systems in both England and Scotland that provide reliable and 'real-time' information that enables regions to plan, monitor and manage their financial and educational performance.

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Table 2: Educational achievements (English Regions)

Academic Year	03-04	04-05	05-06
Total Courses	13,701	11,953	13,152
Total Course Hours	307,644	273,946	272,982
Total Enrolments	155,913	143,208	156,893
Total Enrolment Hours	3,564,030	3,336,434	3,256,545
Average Class Size	11.4	12.0	11.9
% of Female	75.1%	75.1%	73.7%
% of Male	24.9%	24.9%	26.3%
% of Declared Ethnic Minorities	10%	10.4%	11.4%
% Ethnicity Not Known	-	6.7%	7.4%
% of Fee Remitted Learners	23.5%	25.9%	28.6%
% of Disadvantaged Postcode	29.4%	24.4%	26.7%
Average Age	55	56	55
% No Qualifications	-	20.4%	17.8%
% Below Level 2	-	27.9%	25.9%
% Qualifications Not Known	-	19.9%	24.4%
% Physical Disability	8.3%	11.8%	14.6%
% Learning Difficulty	3.8%	6.5%	6.7%
% Mental Health Difficulty	4.2%	-	
% Sensory Impairment	3.7%	-	
% Total Declared Disabilities	-	18.3%	17.8%

All percentages are based on enrolments (i.e. a learner who attends 3 different courses will impact on the statistics 3 times).

In Scotland, workplace learning programmes increased to 47% of our provision. This included the expansion of our workplace based adult literacy provision organised by 11 geographically based literacy Tutor Organisers.

The WEA/UNISON Return to Learn programme was extended to offer preparation courses for workers wishing to move on to professional study or Higher Education, and the Scottish Qualifications Authority (SQA) approved the Higher Communication Award to our Improve Your Study Skills course.

Accreditation is also increasingly available within our community programme in Scotland. The most significant developments were the approval of SQA accreditation for parents completing our Parenting Skills and Child Development course, the establishment of a curriculum management system and SQA approval for the delivery of English for Speakers of Other Languages (ESOL) and Citizenship courses for a variety of levels of language skills. This latter development was in response to the influx of migrant workers to small communities in the Highlands. The new course "Living in the Highlands" develops confidence in speaking and understanding English in everyday situations and includes information and mentoring on all aspects of living in the Highlands. The model is being taken up in other parts of Scotland.

Table3: Educational achievements April -March (Scotland)

Academic Year	03-04	04-05	05-06
Total enrolments	15,733	15,889	13,819
Female enrolments	11,013	11,440	9,811
Male enrolments	4,720	4,449	4,008
Total courses run	1,183	1,148	1,160
Total class meetings & % workplace learning programmes	5,986	6,299 / 49%	6,365 / 47%
Learners registered with Scottish Qualifications Authority (SQA)	949	700	676
Number of Adult Literacy learners registered with SQA	0	95	119

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The number of courses increased marginally but student numbers decreased due, in part, to smaller groups of students taking more intensive courses.

4. Financial Review

This year end marked the final year of the first three- year financial strategy which was focussed on achieving financial and educational targets and contributing to reserves. The final analysis indicates overachievement on all the targets agreed in the original plan in 2003, promising sustainability and future viability of the WEA.

The disposal of the Temple House building at the beginning of the year resulted in a gain on disposal of £0.439m, which has boosted reserves.

The year commenced with a financial strategy and an approved budget to produce a targeted surplus of £0.8m. During the year, regular monitoring and prudent management of the Association’s finances, coupled with the sale of property resulted in an overall surplus of £0.8m, which is as targeted.

Total income for the year was £30.645m, a decline of £0.522m (2%) from the previous year owing to the end of a number of government funded projects and fewer income streams being introduced. Expenditure on charitable activities was £29.856m which represents 1% decrease on the previous year.

Fig1. WEA Income 2005/06

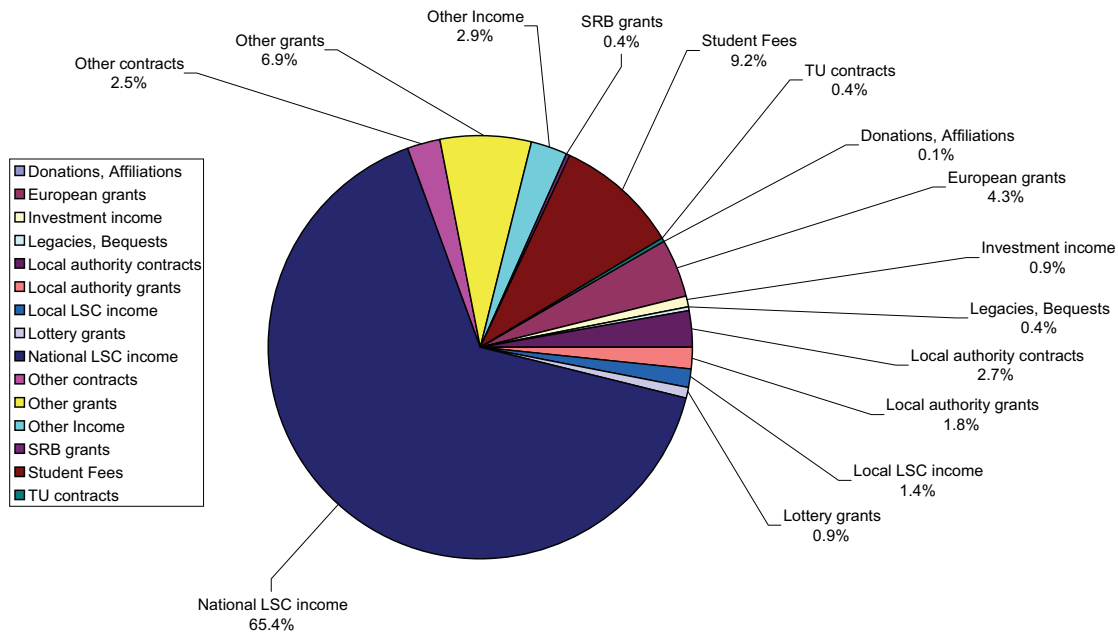
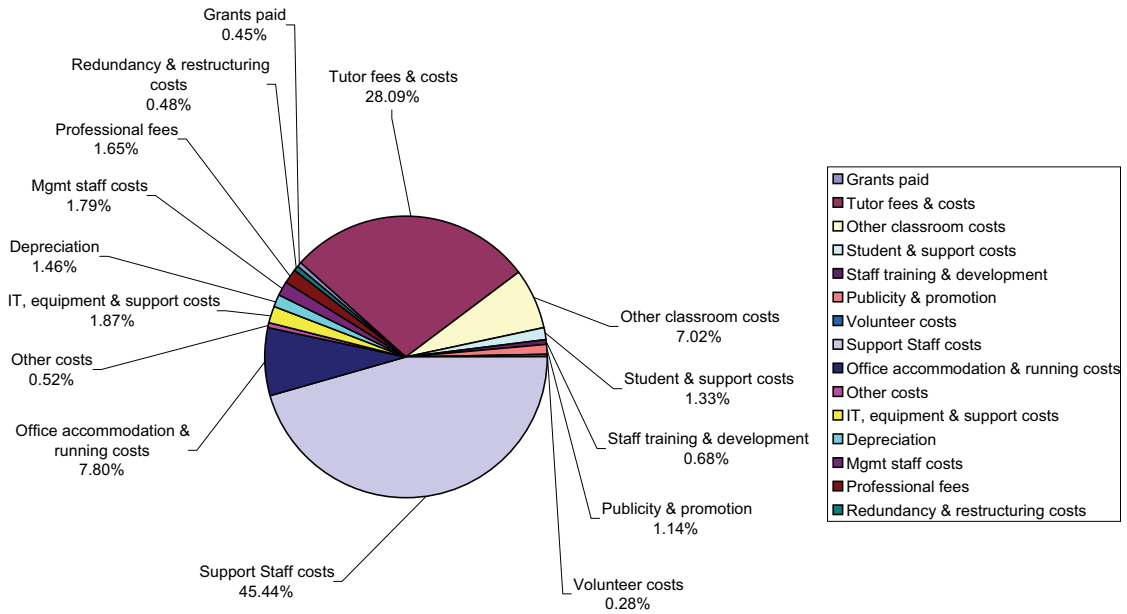


Fig2 WEA Expenditure 2005/06



Reserves

Total reserves of £4.315 million fall into three categories:-

Unrestricted funds (£2.497m) are made up of the general funds which are the operating and base reserves, (£2.631m), branch reserves (£1.232m), designated reserves (£0.117m), and revaluation reserve of (£0.313m), less pension fund deficit of £1.796

Restricted funds (£1.772m) are required to be devoted to particular projects on which expenditure will be incurred in future financial years.

Endowment funds (£0.046m) are bequests given by individuals on condition they are invested and the income used for the benefit of specific WEA courses and students.

Reserves Policy

Reserves enable us to make long-term commitments to projects, and to protect our work against the effects of financial fluctuations and other uncertainty. The Board of Trustees conducts an annual review of the level of unrestricted reserves in the General Fund by considering risks associated with the various income streams, expenditure plans and balance sheet items. This enables us to estimate the level of reserves that are sufficient to:

- allow us to hold a base reserve sufficient to protect our ongoing programme of work,
- invest in strategic development (much of which is long term in nature).

The Board approved a reserve target level over the next three years which is incorporated in the current financial strategy.

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The target for free reserves at 31st July 2006 was £3.277m, made up of one month's unrestricted expenditure (£2.098m) plus capital expenditure (£0.679m), plus £0.500m for contingencies.

Budgetary and financial control continues to improve in order to reduce the risks of over expenditure and to mitigate the effect of a drop in income in any one financial year. A small surplus is budgeted for in 2006/07, in order to increase the level of reserves, and the Trustees are satisfied that this is appropriate to support the present level of activity and forecast growth shown in the 3 year plan

Free Reserves (defined as unrestricted funds less fixed assets) as at 31st July 2006, amounted to £0.819m after deducting the pension deficit. The figure would be £2.616m without taking account of the pension deficit.

The shortfall on free reserves as at 31st July 2006 is therefore £2.458m with the pension deficit, and £0.661m without it. The trustees acknowledge the current shortfall.

Principal funding sources including any borrowings

The principal funder of the WEA is the Learning and Skills Council (LSC) which funded 65% of the total income for the year. The Charity received a loan of £3m from the LSC in April 2003 to support its financial recovery processes. The repayment of the loan commenced from August 2004, under a repayment schedule agreed with the LSC. At the end of the year £2.4m had been repaid and final repayment is expected in January 2007. There are no other outstanding loans against the Association.

5 Plans for Future Periods

As a result of the successful re-inspection in England by the Adult Learning Inspectorate and our continuing success in meeting and exceeding financial and educational targets, we have now secured the immediate future of the WEA. Through incorporation, we have strengthened governance and co-opted influential external Trustees who bring skills and experience that will help to position the WEA well for the journey ahead, and importantly, as we develop the WEA's new trading arm.

During the coming year the WEA will appoint a Head of Trading whose prime role will be to exploit opportunities for the WEA to develop alternative sources of income and in turn reduce its dependency on the contract with the LSC. That will take time to achieve, and we shall need to exercise patience alongside our optimism for the success of this venture. By developing and building our "tutor academy" we also expect to attract more investment from other sources, whether by increasing fee income or diversifying our provision more around citizenship, health, well-being and regeneration without losing sight of learning and skills.

At the same time, the overall financial climate for adult education is unlikely to improve. In line with Government policy, fees will continue to rise as a proportion of costs and funding for general adult education will, at best, stand still. As a result there can be no doubt that the funding and finances of the Association will need to be reviewed. These are complex and serious issues, touching on WEA membership, funding, including the contract with the Learning and Skills Council, fee policy and the structure of the Association. We are currently giving serious thought to what that may entail and will be consulting widely with members and Branches later this year and next prior to taking decisions at the next WEA Conference in Coventry at the end of October 2007.

Statement of Trustees' Responsibilities for Financial Statements

Law applicable to charities in England & Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of year. In preparing financial statements giving a true and fair view, the Trustees have followed best practice and:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- stated whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;

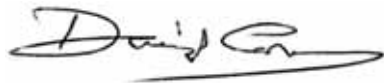
WEA Report of the Trustees and Financial Statements

- prepared the financial statements on the going concern basis.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and to ensure that the financial statements comply with Charities Act 1993 and regulations there-under. 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 ensure that there are appropriate financial and management controls in place sufficient to safeguard public funds and that these funds are used only in accordance with the conditions under which they have been made available. In addition the Trustees are responsible for ensuring the economic, efficient and effective management of the Association's resources so that the benefits that should be derived from the application of public funds from the Learning and Skills Council and others are not put at risk.

Approved on behalf of Trustees



David Lanch
President

Date: 25 November 2006

Independent Auditors' Report to the Trustees of the Workers' Educational Association

We have audited the financial statements on pages 15 to 31.

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 1993. 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 Trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' responsibilities.

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 United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Charities Act 1993. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

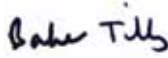
Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the 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 within the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 July 2006 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Charities Act 1993.


Baker Tilly
2 Bloomsbury Street
London, WC1B 3ST

Date 29 November 2006

WEA National Association

Workers' Educational Association - charity registration 314001

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31st JULY 2006

		Total unrestricted funds £' 000	Total restricted funds £' 000	Endowmen t Funds £' 000	Total Funds 2006 £' 000	Restated Funds 2005 £' 000
Incoming resources	<i>Notes</i>					
Incoming resources from generated funds:						
Voluntary Income		146	3	-	149	489
Activities for generating Funds		35	-	-	35	-
Investment Income		1,025	25	-	1,050	883
Incoming resources from charitable activities:						
Education Activities	2	24,341	4,291	-	28,632	29,693
Other incoming resources		703	76	-	779	102
Total Incoming Resources		26,250	4,395	-	30,645	31,167
Resources expended						
Charitable activities						
Education Provision	3a	24,921	4,679	-	29,600	29,950
Governance costs		256	-	-	256	248
Total Resources expended		25,177	4,679	-	29,856	30,198
Net incoming/ outgoing resources before transfers		1,073	(284)	-	789	969
Transfers		(91)	91	-	-	-
Net Income/(expenditure) for the Financial year		982	(193)	-	789	969
ActuarialGains/(Losses) on Pension Scheme	19	1,571	-	-	1,571	56
Net (Decrease)/Increase in Funds		2,553	(193)	-	2,360	1,025
Reconciliation of Funds						
Total funds at 1 August 2005 as reported		3,240	1,965	46	5,251	4,226
Prior Year Adjustments	20	(3,296)	-	-	(3,296)	(3,296)
Restated		(56)	1,965	46	1,955	930
Total funds at 31 July 2006	21	2,497	1,772	46	4,315	1,955

WEA National Association

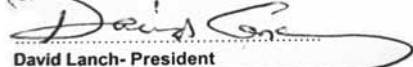
Workers' Educational Association - charity registration 314001

BALANCE SHEET FOR THE YEAR ENDED 31st JULY 2006

	Notes	2006		Restated 2005
		£' 000	£' 000	£' 000
Fixed Assets				
Tangible Assets	9		2,098	2,281
Current Assets				
Debtors	7	1,328		1,802
Cash at bank and in hand		6,691		6,652
Total current assets		8,019		8,454
Creditors: amounts falling due within one year	8	4,006		4,884
Net current assets			4,013	3,570
Total assets less current liabilities			6,111	5,851
Creditors: amounts falling due after more than one year	10		-	600
Provisions for Liabilities and Charges			-	-
Net assets excluding pension liability			6,111	5,251
Pension Liability	19		1,796	3,296
Net assets including pension liability			4,315	1,955
<i>Represented by:</i>				
Unrestricted funds:	14			
General		2,632		1,474
Designated		116		111
Branch		1,232		1,315
Revaluation Reserve		313		340
Unrestricted funds Excluding Pension reserve/(deficit)			4,293	3,240
Pension Reserve(deficit)	19		(1,796)	(3,296)
Total Unrestricted funds			2,497	(56)
Restricted funds:	14			
Revenue grant funds		1,352		458
Capital grant funds		420		1,507
Endowment funds	14	46		46
Total restricted funds			1,818	2,011
Total funds			4,315	1,955

The financial statements on pages 14 to 31 were approved by the trustees on 25th November 2006 and signed on their behalf by

ON BEHALF OF THE TRUSTEES:


David Lanch- President


Peter Cooper- Honorary Treasurer

WEA National Association

Workers' Educational Association - charity registration 314001

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st JULY 2006

		2006		Restated
	Notes	£'000	£'000	2005 £'000
Net cash inflow from operating activities	15		839	2,858
Capital expenditure				
Purchase of capital fixed assets		(605)		(263)
Sale of tangible fixed assets		807		346
			202	83
Returns on investments and servicing of finance	16		254	197
Cash flow before Management of liquid resources and financing	17		1,295	3,138
Financing				
Repayment of loans			(56)	(140)
LSC loan advance	17		(1,200)	(1,200)
Management of liquid resources				
Decrease in short term deposits			-	-
Increase/ (Decrease) in cash in the year			39	1,798

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the financial cost convention as modified by the revaluation of certain assets and in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in 2005, the Charities Act 1993 and applicable accounting standards.

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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Branch funds represent the funds held in the nationwide network of branches that deliver the general programme.

The **revaluation reserve** represents the amount by which two buildings were revalued up until the charity adopted a non-revaluing approach under FRS 15.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Transfers represent that element of funding made by the Association where it provides match funding to restricted fund projects. At the end of a project, if an overspend has occurred this is required to be satisfied by transfer from the general fund.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Association is entitled to the income, its receipt is sufficiently certain and the amounts can be quantified with reasonable accuracy

Voluntary income is received by way of donations and gifts and is included in full in the statements of financial activities when receivable. Volunteer time is not included in the financial statements.

Grants receivable are recognised when the conditions for receipt has been met and there is reasonable assurance of receipt, unless these relate to a specific future period in which case they are deferred.

Service level agreements are recognised in line with performance.

LSC grants are recognised on accruals basis

Capital grants are recognised in the period in which they are received in either a designated fund or a restricted fund according to the nature of the grant. The relevant fund is reduced over the economic life of the asset in line with its depreciation.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they all have been allocated to activities on a basis consistent with the use.

Governance costs comprise trustees management of the charity's assets, organisational management and compliance with constitutional and statutory requirements.

Support Costs are allocated to programme areas on the basis of contracted tutor costs.

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

Accounting policies *(Continued)*

Branches

The charity carries out much of its activities through a national network of branches which operate under the charity's same registration number. These run courses for the charity locally and receive support from the charity through advice, publicity and meeting tutor costs.

Fixed assets and depreciation

Tangible fixed assets costing more than £1000 are capitalized and included at cost including any incidental costs of acquisition. Computers regardless of costs are capitalised

Software costs associated with the development of the course administration module have also been capitalized in line with this policy.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold land	Nil
Freehold buildings	over 50 years
Improvement to buildings	over 10 years
Grant funded equipment	over the life of the project
Other equipment	over 3 to 10 years
Computer software	over 3 years

The transfer of revaluation reserve represents the transfer from the reserve set up before implementation of a non-revaluation approach under FRS 15. The reserve is released in line with the depreciation policy for buildings.

Rentals Payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statements of financial activities in the year in which they fall due.

Pension costs

Retirement benefits to employees are provided by the Teachers Pension (TP) and the charity's own Workers' Educational Educational pension scheme whose trustee and administrator is The Pensions Trust (WEA Scheme). These are defined benefit schemes, the former being externally funded. Contributions to the TP are recognised as incurred, being a multi-employer pension scheme.

The contributions are determined by qualified actuaries on the basis of triennial valuations using projected unit method for the WEA scheme and quinquennial valuations using the prospective benefit method for the TP scheme.

The Association has fully adopted accounting standard FRS17 'Retirement Benefits' during the year. The impact of this standard has been reflected throughout the financial statements. Prior comparatives have been restated.

The difference between the fair value of the assets held in the Association's defined benefit pension scheme and the scheme's liabilities measured on an actuarial basis using the projected unit method are recognised in the Association's balance sheet as a pension scheme asset or liability as appropriate.

Changes in the defined benefit pension scheme asset or liability arising from factors other than cash contribution by the Association are charged to the Income and expenditure account or the statement of total recognised surpluses and deficits in accordance with FRS 17 'Retirement Benefit'

The deficit arising from the adoption of FRS 17 is recognised as a reduction in general reserves.

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

2. Incoming Resources from charitable activities

	Fees and contracts	LSC grants	Other grants receivable	Other income from activities	TOTAL	
	£ '000's	£ '000's	£ '000's	£ '000's	2006	2005
					£ '000's	£ '000's
Educational Provision						
Foundation and Access Studies	704	3,132	675	9	4,520	4,688
Information and Communications Technology	669	2,976	641	9	4,295	4,454
Schools and Parenting	207	919	198	3	1,327	1,376
Visual and Performing Arts and Media	1,048	4,661	1,004	14	6,727	6,976
Health, Fitness and Personal Development	634	2,823	608	8	4,073	4,224
Humanities, Languages, Literature	814	3,621	780	11	5,226	5,419
Community Development, Citizenship	54	240	52	1	347	359
Trade Union Learning	108	479	103	1	691	716
Professional Development	51	226	49	1	327	340
Environmental Studies and Science	171	762	164	2	1,099	1,141
Total incoming resources from charitable activities	4,460	19,839	4,274	59	28,632	29,693

2a. Analysis of income from charitable activities

	TOTAL	TOTAL
	2006	2005
	£ '000's	£ '000's
Unrestricted grants		
LSC core	19,142	18,615
Other LSC grants and contracts	244	319
Local LSC grants	199	285
Total LSC unrestricted grants	19,585	19,219
Other unrestricted grants:		
Local authority grants	191	-
Central government grants	12	-
Capital grants	-	-
Sundry other grants	255	408
Total Other unrestricted grants	458	408
Total unrestricted	20,043	19,627
Restricted grants (note 14)	4,395	4,969
Total grant income & restricted income	24,438	24,596

3. Analysis of Resources Expended

	Staff Costs	Other Costs	Depreciation	TOTAL	Restated
	£ '000's	£ '000's	£ '000's	2006	TOTAL
				£ '000's	2005
					£ '000's
Grants Payable	-	105	-	105	106
Direct Services	18,005	3,627	-	21,632	21,880
Central Management/Region	2,534	2,525	424	5,483	5,556
Facilities Management	-	1,225	-	1,225	1,240
IT & Communications	-	1,155	-	1,155	1,168
Governance	48	208	-	256	248
Total	20,587	8,845	424	29,856	30,198

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

3.a Resources expended on charitable activities

	Direct Staff Costs	Other Direct Costs	Grants Payable	Support costs	TOTAL 2006	Restated TOTAL 2005
	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's
Educational provision						
Foundation and Access Studies	1,200	2,207	17	1,249	4,673	4,728
Information and Communications Technology	1,140	2,098	16	1,187	4,441	4,493
Schools and Parenting	352	648	5	367	1,372	1,388
Visual and Performing Arts and Media	1,786	3,285	25	1,859	6,955	7,037
Health, Fitness and Personal Development	1,081	1,989	15	1,125	4,210	4,261
Humanities, Languages, Literature	1,388	2,553	19	1,444	5,404	5,467
Community Development, Citizenship	92	169	1	96	358	362
Trade Union Learning	183	337	3	191	714	722
Professional Development	87	159	1	90	337	342
Environmental Studies and Science	292	537	4	303	1,136	1,149
Total resources expended on charitable activities	7,601	13,982	106	7,911	29,599	29,950
Governance costs	48	-	-	208	256	248
Total resources expended	7,649	13,982	106	8,119	29,856	30,198

3.b. Governance Costs

Governance Costs include the following

	2006 £' 000	Restated 2005 £' 000
Audit Fees	130	131
Legal and Professional Fees	65	55
Trustees Meetings and other Costs	13	14
Support Costs	48	48
	256	248

Professional legal costs represent the costs of strategic planning and providing support to Trustees

4 Allocation of Support Costs	Corporate/ Regional management	Facilities Management	IT & Communi- cation	TOTAL 2006	Restated TOTAL 2005
	£ '000's	£ '000's	£ '000's	£ '000's	£ '000's
Educational Provision					
Foundation and Access Studies	873	193	183	1,249	973
Information and Communications Technology	830	184	173	1,187	925
Schools and Parenting	256	57	54	367	286
Visual and Performing Arts and Media	1,299	288	272	1,859	1,448
Health, Fitness and Personal Development	787	174	164	1,125	877
Humanities, Languages, Literature	1,009	224	211	1,444	1,125
Community Development, Citizenship	67	15	14	96	74
Trade Union Learning	133	30	28	191	149
Professional Development	63	14	13	90	70
Environmental Studies and Science	212	47	44	303	237
Total support costs	5,529	1,226	1,156	7,911	6,164

Support Costs are further categorised into central and regional management, facilities management, and IT & communications costs. Central management costs relate to Corporate Services and include staff salaries and running costs. Regional management costs relate to all other regional running costs. Facilities management costs include both regional and central costs but specifically relate to the maintenance and running of the buildings. IT & Communication costs also include both regional and Corporate Services costs but specifically relate to information, communication and technology of the Association.

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

5. Analysis of staff costs

Staff costs	TOTAL 2006 £ '000's	Restated TOTAL 2005 £ '000's
Wages and salaries	17,410	17,945
Social security costs	1,733	1,175
Other pension costs	1,295	1,156
Exceptional redundancy costs	148	351
Total staff costs	20,586	20,627
The average number of full time equivalent employees during the year was as follows:	2006	2005
Staff	432	436
Tutors	400	402
Total average number of employees	832	838

One employee received remuneration between £100,000 and £110,000. This employee is in the WEA defined benefit scheme administered by the Pension Trust.

6. Analysis of charitable expenditure

Charitable expenditure includes:	2006 £ '000's	2005 £ '000's
External auditors' remuneration	42	42
Other services performed by external auditors*	49	52
Internal auditors' remuneration	39	37
Depreciation	424	647
Gain on disposal of tangible assets	(439)	(50)
Total	115	728

* Other Services performed by External Auditors include the audit of learner records to meet LSC grant conditions who are the main funders

7. Analysis of debtors

Debtors	2006 £ '000's	2005 £ '000's
Trade debtors	727	745
Other debtors	107	394
Prepayments	195	141
Other grant income receivable	299	522
Total debtors	1,328	1,802

8. Creditors: amounts falling due within one year

Current liabilities	2006 £ '000's	2005 £ '000's
Trade creditors	1,075	1,831
Accruals	1,815	1,300
Social security & other taxes	413	497
Deferred Income-see note 11	103	-
LSC loan	600	1,200
Bank loans (secured)	-	56
Total creditors: amounts falling due within one year	4,006	4,884

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

9. Tangible fixed assets

	Land and Buildings £ '000's	Education Equipment £ '000's	Admin Equipment £ '000's	Total £ '000's
Cost				
At 1 August 2005	2,343	1,584	2,069	5,996
Additions	-	149	498	647
Disposals	465	45	192	702
At 31 July 2006	1,878	1,688	2,375	5,941
Depreciation				
At 1 August 2005	537	1,447	1,731	3,715
Charge for the year	44	109	271	424
Disposals	104	-	192	296
At 31 July 2006	477	1,556	1,810	3,843
Net Book value				
At 31 July 2006	1,401	132	565	2,098
At 31 July 2005	1,806	137	338	2,281

10. Creditors: falling due after more than on year:

	2006 £ '000's	Restated 2005 £ '000's
Long term liabilities		
LSC Loan	-	600
Total creditors: amounts falling due after more than one year	-	600

11. Deferred Income

	2006 £ '000's	2005 £ '000's
Deferred income		
Grants	103	-
Other Deferred Income	-	-
Total deferred income	103	-

12. Financial commitments - leases

	Land and Buildings Lease Hold £ '000's	Total 2006 £ '000's	Restated Total 2005 £ '000's
As at 31st July 2006, the charity has annual commitments under non-cancellable leases as follows:			
Expiry date:			
Within one year	216	216	250
One to five years	230	230	275
Over five years	1	1	3
Total financial commitments - leases	447	447	528

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

13. Analysis of net assets by fund

	Unrestricted Funds £ '000's	Restricted Funds £ '000's	Endowments Funds £ '000's	Total Funds 2006 £ '000's	Restated Total Funds 2005 £ '000's
Net assets					
Tangible Fixed Assets	1,678	420	-	2,098	2,281
Net Assets	2,616	1,352	46	4,013	3,550
Creditors: More than one year	(1,796)	-	-	(1,796)	(3,876)
Net Assets	2,497	1,772	46	4,315	1,955

14. Statement of funds

	Restated At 1 August 2005 £ '000's	Income £ '000's	Expenditure £ '000's	Transfers £ '000's	At 31 July 2006 £ '000's
Unrestricted funds:					
Designated funds					
Temple fund	8	-	-	-	8
Contingency fund	103	4	-	1	108
Total designated funds	111	4	-	1	116
General fund	1,474	23,664	22,515	9	2,632
Branch funds	1,315	2,653	2,662	(74)	1,232
Revaluation reserve	340	-	-	(27)	313
Pension Fund	(3,296)	1,500	-	-	(1,796)
Total unrestricted funds	(56)	27,821	25,177	(91)	2,496
Restricted funds:					
Revenue	1,507	4,339	4,585	91	1,352
Capital	458	56	94	-	420
Total restricted funds	1,965	4,395	4,679	91	1,772
Endowment funds:					
Endowment Fund	6	-	-	-	6
Ernest Green Fund	6	-	-	-	6
Fred Sedgewick Fund	5	-	-	-	5
Margaret James Fund	2	-	-	-	2
Ruben George Fund	10	-	-	-	10
John W Rhodes Fund	16	-	-	-	16
Summer School Fund	1	-	-	-	1
Total endowment funds	46	-	-	-	46
Total funds	1,955	32,216	29,856	-	4,315

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

14. Statement of funds *(continued)*

Explanation of funds:

Designated funds

The **Temple Fund** was set up from appeal funds to provide for the acquisition of headquarters in London to be known as Temple House, the enlargement of staff and improvement of organisation, and the establishment of adult education centres.

The **Contingency Fund** exists to set aside monies that at the discretion of the Trustees may be used to provide funds for matters that could not have been budgeted for.

Endowment funds

The **Jeffery-Machin Foundation Fund** was established from a bequest from Mrs Brenda Jeffery-Machin for the encouragement of liberal studies (excluding sociology) for the benefit of learners in the County of Hampshire. In 2003 the Trustees authorised the expenditure of £80,000 per annum for three years to support the general programme in Hampshire.

The **Restricted Capital Grant Funds** represent restricted grants received or receivable that are being written off over the life of the assets for which the grants were given.

The **Margaret James Fund** was left to the President of the WEA in 1935 "to found a university scholarship for the benefit of a working class woman, preferably a member of a Workers' Education class". The exact terms of the bequest were left to be decided by the then President of the WEA.

The **Dr Ernest Green Fund** has a permanent endowment of £5,000. The income from this fund is unrestricted.

The **National Endowment Fund** was previously held by the Official Custodian of Charities and was released to the WEA as part of a statutory divestment process.

The **John W Rhodes Bequest**. A permanent endowment of £10,000 was bequeathed by John W Rhodes, former District Secretary of East Midlands Region so that the income generated could be used for the benefit of East Midlands District (now Region).

The **Summer School Bursary** was set up in the Southern Region to provide financial assistance to visually handicapped students attending summer school courses. Subject to the Charity Commission scheme for Thames and Solent District, it is a permanent endowment. Capital £1,000

The **Reuben George Fund** was set up in 1938 from appeal funds as a memorial to Mr Reuben George, one of the founders of the Swindon WEA branch and the very first WEA Western District Chairman. Its purpose is to provide financial assistance to enable disadvantaged learners to attend WEA summer schools.

The **Fred Sedgwick Scholarship Fund** was established in 1984 with a donation of £1,000 to Yorkshire North District by Mrs Gladys Sedgwick in the name of her late husband the former distinguished Secretary of the District. It is used to provide scholarships for students attending tutorial classes or other classes run jointly by the WEA and Leeds University. With Mrs Sedgwick's agreement the bequests of Miss Bella Travis and Mrs John Boothroyd were added bringing the capital of the fund to £1,300 in total.

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2005

14. Statement of funds (continued)

	At 1 August 2005 £ '000's	Received income £ '000's	Accrued income £ '000's	Transfer from/(to) general fund £ '000's	Funded expenditure £ '000's	At July 2006 £ '000's
Lottery funded projects						
East Midlands						
NOF - Area 5 ICT project	-	10	-	-	10	-
A4A - Healthy Living pilot	-	5	-	-	5	-
London						
BLF - Community Interpreters	54	76	-	-	136	(6)
North West						
A4A - Cpmunity Grid for Learning	-	5	-	-	-	5
West Midlands						
NOF/ CMF	8	10	-	-	18	-
BLF - Tandrusti	-	76	-	-	76	-
A4A - Coventry	-	5	-	-	-	5
Yorkshire & Humber						
BLF - GO project	-	76	-	-	76	-
BLF - BASIT 2159	(19)	19	-	-	-	-
Scottish Association						
BLF - Reach Out Project	-	17	-	-	15	2
HLF - Exploring your Past	-	1	-	-	1	-
A4A - Inverness - Sense of Place	-	5	-	-	1	4
A4A - North East LA	-	4	-	-	4	-
Corporate Services						
BLF - Workers' Education, Zambia	2	-	-	-	2	-
Total lottery fund projects	45	309	-		344	10
Other projects						
ESF	132	1,404	45	-	1,494	87
SRB	17	218	-	(3)	176	56
Other	1,313	2,252	111	94	2,571	1,199
Total restricted revenue funds	1,507	4,183	156	91	4,585	1,352

Deficits arising at the end of a project are covered by a transfer from general funds. Surpluses of funds are returned to funders. BLF is an abbreviation for Big Lottery Fund, A4A; Awards for All, HLF; Heritage Lottery Fund and NOF for New Opportunities Fund. ESF; European Social Fund, SRB; Social Regeneration Budget

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

15. Reconciliation of change in resources to net cash inflows from operating activities

	2006 £ '000's	Restated 2005 £ '000's
Net Incoming Resources	789	1,025
Gain on sale of fixed assets	(439)	(50)
Depreciation	424	647
Interest Payable	796	686
(increase)/decrease in debtors	529	1,423
(Decrease)/ increase in creditors	(325)	(45)
Interest Receivable	(1,050)	(883)
Other Charges	115	55
Net cash inflow from operating activities	839	2,858

16. Return on investments and servicing of finance

	2006 £ '000's	2005 £ '000's
Income from investments and interest receivable	1,050	883
Interest paid	(796)	(686)
Net Cash inflow for return on investments and servicing of finance	254	197

17. Analysis of change in net funds

	At 1 August 2005 £ '000's	Cash Flow £ '000's	At 31 July 2006 £ '000's
Net Cash:			
Cash at Bank	6,652	39	6,691
Debt:			
Bank Loans	(56)	56	-
LSC Loan	(1,800)	1,200	(600)
Total net funds	4,796	1,295	6,091

18. Trustees' remuneration

The trustees neither received nor waived any emoluments during the year.

	2006 £ '000's	2005 £ '000's
Travel & Accommodation	13	15
	13	15

Number of trustees reimbursed out of pocket expenses were 20, (2005: 22)

The trustees hold indemnity insurance. During the year £1386. was expended by the Association for the purchase of insurance to indemnify the trustees against consequences of any neglect or default on their part and to protect the Association from loss arising from such acts.

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

19. Pension schemes

The pension schemes operated by the Association are the Teachers Pension (TP) and the WEA pension scheme whose trustee and administrator is The Pensions Trust (WEA Scheme).

The **TP** is an unfunded defined benefit scheme. Contributions on a pay-as-you-go basis are credited to the Exchequer, under arrangements governed by the Superannuation Act 1972. Actuarial valuations are carried out on a notional set of investments. Under the definitions set out in Financial Reporting Standard 17 retirement Benefits, the TP is a multi-employer pension scheme. The WEA is unable to identify its share of the underlying (notional) assets and liabilities of the scheme. Accordingly, the Association has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme.

Following the implementation of Teachers' Pensions (Employers Supplementary Contributions) Regulations 2000, the government actuary carried out a further review on the level of employers' contributions. From 1 April 2004 the employer contribution was 13.5%.

	TPS
Latest actuarial valuation	31-Mar-01
Next actuarial valuation	31-Mar-06
Actuarial method	Prospective benefits
Rate of return on investments	7.00%
Rate of increase in salaries	5.00%
Market value of the assets at the date of last valuation	£142,880 million
Proportion of members accrued benefits covered by the actuarial value of the assets	100%

The WEA scheme provides benefits on a final remuneration basis. The scheme is funded and is contracted out of the state scheme. The employer has paid contributions at the rate of 16.70% of pensionable salaries over the accounting period. Members under age 30 have contributed at the rate of 4.00% of pensionable salaries and members over age 30 at the rate of 6.00%.

	WEA Scheme
Last actuarial valuation	30-Sep-02
Next Actuarial valuation	30-Sep-06
Actuarial method	Projected unit
Market value if the assets at the date of last valuation	£6.87 million
Proportion of members accrued benefits covered by the actuarial value of assets	55%

The following disclosures are made in accordance with FRS 17. The trustees have relied upon advice from the Pensions Trust in determining the financial assumptions.

	2006	2005	2004
Rate of increase in salaries	4.00%	4.50%	4.50%
Rate of inflation	2.50%	2.50%	2.60%
Rate of increase of pensions payment subject to LPI increases	2.50%	2.50%	2.50%
Rate of increase for deferred pensioners subject to statutory revaluation	2.50%	2.50%	2.60%
Discount rate	5.20%	5.25%	5.75%

WEA National Association

Notes to the Financial Statements Year Ended 31st July 2006

19. Pensions schemes *(continued)*

History of experience gains and losses	2006 £ '000's	2005 £ '000's	2004 £ '000's	2003 £ '000's	2002 £ '000's
Gain / (loss) on scheme assets	690	1208	24	(108)	1,529
% of scheme assets at end of year	5.3%	10.7%	30.0%	(0.8%)	22.2%
Experience gain / (loss) on scheme liabilities	903	110	273	(242)	90
% of scheme liabilities at end of year	6.1%	0.8%	2.2%	2.0%	1.1%
Total actuarial gain/ (loss) that would be recognised in SOFA	1,571	56	1,030	(2,553)	1,622
% of scheme liabilities at end of year	10.6%	4.0%	8.2%	(21.1%)	18.9%

Reconciliation to the balance sheet	2006 £ '000's	2005 £ '000's	2004 £ '000's
Fair value of scheme assets	13,078	11,291	9,255
Actuarial value of scheme liabilities	(14,874)	(14,587)	(12,552)
Deficit in the scheme / net pension liability	(1,796)	(3,296)	(3,297)

Under the provisions of FRS17, the Association has incorporated the pension scheme liability into the balance sheet at 31 July 2006. The effect of the Association's net assets is as follows:

Net Assets	2006 £ '000's	2005 £ '000's	2004 £ '000's
Net Assets as reported	6,111	5,251	4226
Pension scheme liability	(1,796)	(3,296)	(3,297)
Net assets / (liabilities) including pension liability	4,315	1,955	929
Unrestricted funds			
Unrestricted funds as reported	4,293	3,240	2913
Pension scheme liability -as above	(1,796)	(3,296)	(3,297)
Unrestricted funds after charge for pension liability	2,497	(56)	(384)

19a. Pension Scheme movement

	Balance 01-Aug-05 £ '000's	Gains/(Losses) £ '000's	Balance 31-Jul-06 £ '000's
Pension Asset/(Liability)	(3,296)	1,500	(1,796)

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Notes to the Financial Statements Year Ended 31st July 2006

19b. Pension Scheme assets and expected rate of return

	2006		2005		2004	
	Fair value £' 000	Expected rate of return % p.a.	Fair value £' 000	Expected rate of return % p.a.	Fair value £' 000	Expected rate of return % p.a.
Equities	9,007	8.00	8,227	7.75	6,801	8.00
Bonds	3,902	4.40	3,062	4.75	2,275	5.00
Cash	169	4.75	2	4.50	179	4.50
Total	13,078	6.88%	11,291	6.94%	9,255	7.19%

Components for the combined benefits cost for the accounting year 2005/06.

Under FRS17 the Association has incorporated into the statements of financial activities, the components of the defined benefit cost for the year ended 31 July 2006. Items i) to iii) below illustrates the effect on the statement of financial activities.

	2006 £ '000's	2005 £ '000's
i) Analysis of amounts that have been charged to resources expended (FRS17 para.82)		
Current service cost	(671)	(572)
Past service cost	-	-
Gains & Losses on any settlements or curtailments	-	-
Total (charge) to educational provision	(671)	(572)
ii) Analysis of the amount that have been charged to other finance (FRS 17 para.84)		
Interest on pension scheme liabilities	(778)	(726)
Expected return on assets in the pension scheme	794	671
Net (charge) / credit to other income	16	(55)
Total credit / (charge) to net resources expended		
iii) Analysis of amounts that have been included in the SOFA (FRS 17 para.85)		
Gain / (loss) on assets	690	1,208
Experience gain / (loss) on liabilities	903	110
Change of assumptions (financial and demographic)	(22)	(1,262)
Actuarial gain / (loss)	1,571	56
Analysis of the movements in deficit in the Scheme during the year		
Deficit in the scheme at beginning of year	(3,296)	(3,297)
Contributions paid	(671)	(572)
Current service cost	584	572
Other finance (charge) / income	16	(55)
Actuarial gain / (loss)	1,571	56
Deficit in the Scheme at the end of the year	(1,796)	(3,296)

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Notes to the Financial Statements Year Ended 31st July 2006

20. Prior Year Adjustment

The prior year adjustment relates to the first time adoption of FRS17 'Retirement Benefits'. The adoption of FRS17 has resulted in an increase in staff costs of £87,000 (2005: £nil.) and other Income/Costs of £16,000 (2005: £55,000.), and a decrease in net surplus of £71,000.

i) Analysis of Prior Adjustments	2006 £ '000's
Opening Pension Reserves	(3,297)
Adjustment to income and expenditure for the year ended 31 July 2005	(55)
Adjustment to statement of total recognised surpluses and deficits for the year ended 31 July 2005	56
Total prior year adjustment	(3,296)

The net adjustment of £3,296,000 is disclosed on the face of the Statement of Total Recognised Surpluses and Deficits.

21. Reserves

i) Reserves	2006 £ '000's	Restated 2005 £ '000's
Reserves excluding pensions asset/(liability)	6,111	5,251
Pension asset	-	-
Pension liability	(1,796)	(3,296)
Total reserves	4,315	1,955

ii) Analysis of reserves	Unrestricted reserves £ '000's	Restricted reserves £ '000's	2006 Total reserves £ '000's
At 1 August 2005 as previously reported	3,240	2,011	5,251
Prior Year Adjustment (note 20)	(3,296)	-	(3,296)
At 1 August 2005 as restated	(56)	2,011	1,955
Surplus in the year	1,073	(284)	789
Transfers	(91)	91	-
Other Gains	-	-	-
Actuarial Gains/(loss) on pension scheme Asset/liability	1,571	-	1,571
Reserves at 31 July 2006	2,497	1,818	4,315

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Appendix I: Restricted Funds - SRB & ESF

Year Ended 31st July 2006

Restricted Funds - SRB

	At 1 August 2005 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2006 £
East Midlands						
Hurst House SRB	-	76,637	-	-	76,637	-
	-	-	-	-	-	-
North East						
Dev Educ Progression	-	71,320	-	-	16,360	54,960
Mental Health SRB	14,217	45,398	-	-	59,615	-
Community Initiatives	3,319	-	-	(3,319)	-	-
	-	-	-	-	-	-
North West						
SRB Rochdale WTI	-	5,000	-	-	3,725	1,275
SRB Rochdale School Governors	-	3,500	-	-	3,500	-
	-	-	-	-	-	-
Southern						
SRB - Let's Learn	-	16,351	-	-	16,351	-
	-	-	-	-	-	-
Total SRB restricted funds (To note 10)	17,536	218,207	-	(3,319)	176,188	56,235

Restricted Funds - ESF and other european funding

East Midlands						
ESF- TIME project	-	32,119	-	-	36,815	(4,696)
North East						
Learn to Engage	5,240	77,056	1,985	-	80,807	3,474
One to One Intense	(129)	75,120	-	-	63,354	11,637
Five Lamps Org	-	37,488	-	-	25,143	12,345
Intensive Activity S/T	-	10,200	-	-	11,552	(1,352)
Southern						
ESF - Brighton	15,514	13,275	-	-	28,789	-
ESF - Access to Education	-	20,550	-	-	20,550	-
Equal	-	105,798	39,194	-	144,992	-
ESF - Steps to Success	-	4,100	-	-	385	3,715
Yorkshire & Humber						
3 BASIT Single Pot/Objective 1	-	50,258	4,113	-	54,371	-
Scottish Association						
South Lanarkshire Workforce JobRotation II	50,000	154,509	-	-	204,509	-
South Lanarkshire Workforce JobRotation III	-	52,878	-	-	46,878	6,000
North Ayrshire JobRotation 2005	42,531	121,092	-	-	163,623	-
North Ayrshire JobRotation 2006	-	168,351	-	-	112,351	56,000
Lothian & Clacks JobRotation	19,050	127,530	-	-	146,580	-
EQUAL - JobRotation Information Unit	-	26,167	-	-	26,167	-
EQUAL JobRotation	-	2,582	-	-	2,582	-
EQUAL - Hi-Hopes Project	-	17,828	-	-	17,828	-
ESF - Managing Progress - Realise Project	-	17,883	-	-	17,883	-
East Ayrshire JobRotation 2005	-	59,035	-	-	59,035	-
East Ayrshire JobRotation 2006	-	94,414	-	-	94,414	-
Girvan JobRotation 2005	-	75,472	-	-	75,472	-
Girvan JobRotation 2006	-	32,092	-	-	32,092	-
ESF - Its Your Turn 2005	-	11,714	-	-	11,714	-
ESF - Its Your Turn 2006	-	16,570	-	-	16,570	-
Total european restricted funds (to note 14)	132,206	1,404,081	45,292	-	1,494,456	87,123

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Appendix II: Restricted Funds - Others

Year Ended 31st July 2006

Restricted funds - Other

	At 1 August 2005 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2006 £
East Midlands						
Joan Freeman Legacy	25,000	-	-	-	-	25,000
Hazel Arnold Legacy	2,000	-	-	-	1,647	353
Algy Beaven Legacy	-	1,775	-	-	-	1,775
Local Initiative Development Fund	-	3,722	-	-	3,722	-
Local Network Fund	-	4,603	-	-	4,603	-
University for Industry - Nottingham	-	98,152	-	-	98,152	-
University for Industry - Leicester	-	27,545	-	-	27,545	-
University for Industry - Mansfield	-	23,962	-	-	23,962	-
London						
ALG E-Learning	29,497	-	-	-	8,429	21,068
SKEIN project	6,602	23,324	-	-	28,115	1,811
NIACE Learning Platform	-	8,000	-	-	6,526	1,474
NIACE E-Guides	-	13,000	-	-	13,000	-
North East						
New Deal for Communities	3,753	31,905	-	-	29,013	6,644
Men In Education	10,429	-	-	(10,429)	-	-
Rural Learning programme	-	(381)	-	381	-	-
Dales Mental Health	14,358	13,734	11,793	-	28,196	11,689
Tyneside Co-Financing	-	27,573	19,500	7,820	54,892	-
Five Arts Cities	-	44,325	-	-	44,325	-
North East Reg Donation	2,069	1,062	-	-	-	3,131
North West						
Community Grid for Learning	(3,396)	92,443	3,248	(9,225)	83,070	-
Grow It/Eat It	(1,278)	32,106	3,983	-	11,700	23,110
Knowsley NLDC	-	8,898	-	(86)	7,304	1,508
Bromley Cross	-	3,999	-	-	3,999	-
Halton NLDC	-	3,006	-	(1,308)	1,698	-
NCFE	11,757	12,700	-	(15,797)	8,660	-
Barrow Family Learning	125	8,183	-	6,592	14,900	-
Surestart Dovecot	-	-	-	-	-	-
Cumbria Longtown Surestart	2,800	-	-	(2,691)	110	-
5-Arts Cities via Channel 5	6,713	-	-	(321)	6,393	-
SHARE Project	6,304	-	-	(1,063)	5,240	-
Knowsley NLDC - Software	(4,176)	-	-	35	(4,142)	-
Southern						
Reading WLC	-	43,306	-	-	-	43,306
Southampton CC - Writing Courses	5,580	6,102	-	-	3,833	7,849
Southampton CC - Childrens Fund / Hello Too	45,501	45,000	-	-	68,970	21,531
Jeffery-Machin Legacy	-	80,000	-	-	80,000	-
Jeffery-Machin Foundation	-	1,355	70,710	-	72,065	-
Slough funding	-	40,000	-	-	-	40,000
South West						
Swindon Women	(5,399)	54,284	-	28,695	77,580	-
SPARC (NIACE/ Esmee Fairbairn)	4,547	49,122	-	-	48,095	5,574
Dorothy Webster	1,061	-	-	-	1,061	-
Esmee Fairbairn - Interim Project	-	8,889	-	-	6,468	2,421
Yorkshire & Humber						
SPARC (NIACE/ Esmee Fairbairn)	227	42,241	-	-	42,411	57
NLDC Scunthorpe	10,572	-	-	-	4,397	6,175
Learning Champions	-	7,106	-	-	7,106	-
In My Back Yard	(12,095)	8,035	-	4,060	-	-
Kirklees Helping In Schools	-	35,731	-	-	35,731	-
Information & Learning Technologies	6,680	-	-	-	1,854	4,827
Darfield Project	-	33,180	-	-	13,615	19,565
Balance Carried Forward	169,231	937,986	109,234	6,664	974,248	248,867

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Appendix II: Restricted Funds - Others contd.

Year Ended 31st July 2006

Restricted funds - Other (continued)

	At 1 August 2005 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2006 £
Balance Brought Forward	169,231	937,986	109,234	6,664	974,248	248,867
Corporate Services						
SPARC (NIACE/ Esmee Fairbairn)	-	2,970	-	-	2,970	-
Home Office (Active Citizenship hub)	26,016	73,920	-	-	99,936	-
HomeOffice (Refugee Communities in SY)	9,090	-	-	-	6,882	2,208
British Council (Grundtvig)	-	11,831	-	-	11,831	-
Academy for Community Leadership (Grundtvig) RaCATEL	-	15,276	-	-	15,276	-
	-	6,295	1,574	-	7,768	101
Jeffery-Machin Foundation	656,535	(125,624)	-	-	-	530,911
Scotland						
Scottish Executive HQ Grants	-	263,553	-	-	263,553	-
NAMAL - The British Council	-	2,639	-	-	2,639	-
Edinburgh Community Grant Fund	1,080	-	-	-	1,080	-
Scottish Executive Women at Work	9,340	50,000	-	-	46,840	12,500
Scottish Executive - Widening the Net	-	1,166	-	-	1,166	-
Scottish Executive - ESOL Learning Publication	-	3,000	-	-	305	2,695
Highland Literacy Partnership - Community	8,580	9,500	-	-	11,110	6,970
Highland Literacy Partnership - Workplace	22,479	17,629	-	-	31,228	8,880
Highland Literacy Partnership - ESOL	-	9,888	-	-	1,918	7,970
Highland ABE	1,000	-	-	-	1,000	-
Scottish Executive - Working & Learning Together Project	-	4,950	-	-	-	4,950
Highland Council - Fair Trade Project	-	2,300	-	-	2,300	-
Inverness & Nairn Enterprise Prevocational Programme	-	6,600	-	-	6,600	-
Ross & Cromarty Enterprise Prevocational Programme	-	10,750	-	-	10,750	-
SCARF Project	2,005	-	-	-	2,005	-
CLAN - Edinburgh Literacy Partnership - Workplace	3,490	38,245	-	-	39,375	2,360
CLAN Edinburgh Literacy Partnership - Scottish Writing	933	663	-	-	1,596	-
CLAN Edinburgh Literacy Partnership - Powerful Literacies	-	4,094	-	-	4,094	-
West Lothian Literacy Partnership - Workplace	42,856	50,752	-	-	55,698	37,910
West Lothian Council - Biz Litz Project	-	2,712	-	-	-	2,712
R2L NHS Programme	75,442	(6,190)	-	-	64,912	4,340
R2L Social Care Programme	10,186	46,336	-	-	41,322	15,200
R2L Internal Programme	8,670	-	-	-	8,670	-
R2L Personal Learning Credits Programme	1,800	-	-	-	1,800	-
R2L Lifelong Learning Advisors Programme	6,230	5,400	-	-	3,630	8,000
R2L Employer Partnership Programme	-	1,180	-	-	-	1,180
R2L NHS 2006 Programme	-	59,200	-	-	4,440	54,760
Esmee Fairbairn Scottish Culture Project	1,500	-	-	-	1,500	-
Aberdeenshire Literacy Partnership - Workplace	24,827	35,719	-	-	22,100	38,446
Aberdeen City Literacy Partnership - Workplace	4,600	27,570	-	-	25,720	6,450
Moray Literacy Partnership - Workplace	-	12,733	-	-	10,233	2,500
South Lanarkshire Literacy Partnership - Workplace	10,825	26,331	-	-	37,156	-
East Renfrewshire Literacy Partnership	2,062	17,890	-	-	15,766	4,186
Prestwick Airport JobRotation Project II	6,200	-	-	-	6,200	-
ANSIP Learning Through the Arts Project	12,572	26,863	-	-	29,985	9,450
Glasgow Literacy Partnership - Numeracy Project	20,658	10,742	-	-	20,554	10,846
Glasgow Literacy Partnership - Literacy Project	5,428	36,470	-	-	27,998	13,900
Glasgow Literacy Partnership Challenge Fund - ESOL	1,760	32,725	-	-	31,585	2,900
Glasgow Literacy Partnership - ESOL Project 06/08	-	18,952	-	-	10,152	8,800
Glasgow Literacy Partnership - Numeracy Project 06/08	-	11,250	-	-	7,900	3,350
Glasgow Literacy Partnership - Literacy Project 06/08	-	16,635	-	-	535	16,100
Glasgow Literacy Partnership - Quarriers Project	-	11,000	-	-	11,000	-
Glasgow Literacy Partnership - Drugs Calculation Project	-	1,430	-	-	715	715
Scottish Arts Council - Creative Kids	-	7,000	-	-	-	7,000
Learning Connections Numeracy Grant - Highland	-	500	-	-	500	-
Learning Connections Numeracy Grant - East Renfrewshire	-	500	-	-	500	-
Learning Connections Numeracy Grant - Glasgow	-	500	-	-	500	-
Aberdeen City Council - Social Work Dept - Reach Out	-	50,264	-	-	47,107	3,157
Aberdeen City Council - Education Dept - Reach Out	-	6,000	-	-	6,000	-
Aberdeen City Literacy Partnership - Reach Out	-	18,345	-	-	16,145	2,200
Balance Carried Forward	1,145,395	1,876,440	110,808	6,664	2,056,792	1,082,515

WEA National Association

Appendix II: Restricted Funds - Others contd.

Year Ended 31st July 2006

Restricted funds - Other (continued)

	At 1 August 2005 £	Received income £	Accrued income £	Transfer from/(to) general fund £	Funded expenditure £	At 31 July 2006 £
Balance Brought Forward	1,145,395	1,876,440	110,808	6,664	2,056,792	1,082,515
Scotland contd.						
Reach Out Project	54,635	-	-	-	31,224	23,411
NHS Grampian - Reach Out	-	5,000	-	-	5,000	-
Aberdeen City Community Health - Reach Out	-	10,000	-	-	-	10,000
Scottish Community Project - Reach Out	-	1,000	-	-	1,000	-
Scottish Community Foundation - Reach Out	-	4,320	-	-	4,320	-
Healthy Living Network - Reach Out	-	1,500	-	-	1,500	-
Scottish Natural Heritage - Reach Out	-	4,800	-	-	4,800	-
Aberdeen City Council - Drug & Alcohol Project - Reach Out	-	500	-	-	500	-
Aberdeen City Council - Neighbourhood Project - Reach Out	-	600	-	-	600	-
The British Council - Grundtvig Project - Reach Out	-	5,790	-	-	-	5,790
NHS JobRotation Ayrshire	-	15,000	-	-	1,540	13,460
CLAN Powerful Literacies	4,910	-	-	-	4,910	-
Prestwick JobRotation Project III	5,575	30,697	-	-	36,272	-
Lothian COPAL Project	-	2,000	-	-	680	1,320
Learning Connections	50,000	-	-	-	50,000	-
Learning Connections - Edinburgh Literacy Pack	-	4,118	-	-	4,118	-
Women in Small Places	-	150	-	-	-	150
Home Front Recall	17,588	-	-	-	17,588	-
Reaching for Families	-	24,000	-	-	2,500	21,500
North Ayrshire Council - JobRotation Network	-	3,000	-	-	1,000	2,000
Moving Feet Ticking Hearts	-	1,178	-	-	1,178	-
Falkirk Literacies	-	32,502	-	-	32,502	-
Other Small grants	-	2,200	-	-	-	2,200
Fife Council - Revenue	-	31,460	-	12,465	43,925	-
Fife Council - Teaching	-	13,956	-	-	13,956	-
Highland Council - Revenue	-	18,007	-	12,465	30,472	-
Highland Council - Teaching	-	6,167	-	-	6,167	-
Aberdeen City Council - Revenue	8,510	17,641	-	4,155	30,306	-
Aberdeen City Council - Teaching	-	11,428	-	-	5,898	5,530
Moray Council - Revenue	1,640	2,000	-	4,155	7,795	-
Aberdeenshire Council - Revenue	-	3,300	-	4,155	7,455	-
Aberdeenshire Council - Teaching	4,600	12,500	-	-	13,530	3,570
Falkirk Council - Revenue	-	5,275	-	3,116	8,391	-
Falkirk Council - Teaching	-	3,445	-	-	3,445	-
City of Edinburgh Council - Revenue	-	22,403	-	3,116	25,519	-
City of Edinburgh Council - Teaching	-	5,600	-	-	5,600	-
Midlothian Council - Revenue	-	3,593	-	3,116	6,709	-
West Lothian Council - Revenue	-	6,719	-	3,116	9,835	-
Argyll & Bute Council - Revenue	-	2,220	-	125	2,345	-
Argyll & Bute Council - Teaching	-	1,560	-	-	520	1,040
West Dunbartonshire Council - Revenue	-	2,220	-	4,115	6,335	-
West Dunbartonshire Council - Teaching	4,250	780	-	-	3,990	1,040
South Lanarkshire Council - Revenue	-	2,960	-	4,115	7,075	-
South Lanarkshire Council - Teaching	-	1,040	-	-	1,040	-
North Lanarkshire Council - Revenue	-	4,440	-	4,115	8,555	-
North Lanarkshire Council - Teaching	-	1,560	-	-	1,560	-
North Ayrshire Council - Revenue	-	2,960	-	3,116	6,076	-
North Ayrshire Council - Teaching	-	1,040	-	-	240	800
South Ayrshire Council - Revenue	-	2,151	-	3,116	5,267	-
South Ayrshire Council - Teaching	-	1,628	-	-	753	875
East Renfrewshire Council - Revenue	13,300	7,620	-	3,116	3,116	20,920
East Renfrewshire Council - Teaching	2,860	260	-	-	-	3,120
Renfrewshire Council - Revenue	-	740	-	3,116	3,856	-
Renfrewshire Council - Teaching	-	260	-	-	260	-
Glasgow City Council - Revenue	-	22,500	-	12,465	34,965	-
Glasgow City Council - Teaching	-	7,500	-	-	7,500	-
Balance Carried Forward	1,313,263	2,251,728	110,808	93,922	2,570,480	1,199,241

WEA National Association
Appendix III: National Summary Year Ended 31 July 2006
Year Ended 31st July 2006

	CORPORATE SERVICES		EASTERN		EAST MIDLANDS		LONDON		NORTH EAST		NORTH WEST		SOUTHERN		SOUTH WEST		WEST MIDLANDS		YORKSHIRE & HUMBER		SCOTTISH ASSOC		CONSOLID ADJUSTMENTS		TOTAL					
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£			
Statement of Financial Activities																														
Voluntary Income	(137,502)	1,098	2,533	65	1,033	335	284,132	6,111	1,799	265	6,383	2,500	148,753																	
Activities For Generating Funds	3,301	10,063	6,691	-	10,357	-	148	4,610	-	50	-	-	35,241																	
Investment Income	1,020,262	2,675	3,288	1,555	1,089	679	12,815	1,432	544	1,584	4,204		1,050,127																	
Fees & Contracts	7,016	486,381	649,660	422,647	243,647	396,878	857,893	418,495	320,435	582,655	98,719	(24,993)	4,459,679																	
Grants Receivable	4,197,223	1,344,406	2,016,391	1,496,122	1,162,177	2,366,108	1,889,053	1,569,671	1,279,819	3,790,601	2,579,041	421,807	24,112,420																	
Other Income From Activities	(384,712)	57,464	64,793	31,979	25,195	32,758	51,233	58,741	25,889	130,920	1,177	(36,000)	59,437																	
Other Incoming Resources	464,830	98,568	25,984	15,454	13,220	1,760	91,799	7,269	1,150	15,501	23,482	20,472	779,489																	
Total Incoming Resources	5,170,420	2,000,675	2,769,341	1,968,065	1,456,718	2,798,518	3,167,074	2,066,330	1,629,637	4,521,576	2,713,006	383,786	30,645,147																	
Grants Payable	125,675	10,093	(31,486)	33,522	2,500	3,739	73,425	(9,831)	(70)	2,769	-	(104,204)	106,133																	
Programme Costs	171,529	1,653,281	2,543,749	1,726,519	1,402,283	2,354,483	2,587,309	1,899,476	1,565,970	4,155,947	1,878,112	(355,659)	21,583,000																	
Facilities Management	274,498	36,852	159,749	97,600	153,560	98,553	91,947	84,466	49,754	101,426	78,229		1,226,633																	
IT & Communications	480,904	38,861	92,456	81,370	114,008	52,527	79,265	52,527	41,233	109,976	31,363	3,100	1,155,208																	
Support & Admin Costs	2,687,021	117,942	180,056	100,603	55,210	119,457	230,738	98,263	64,276	182,709	806,630	865,935	5,528,840																	
Governance Costs	254,436	-	-	-	-	1,288	-	-	-	764	-	-	256,488																	
Total Resources Expended	3,994,063	1,857,029	2,944,524	2,039,613	1,643,700	2,691,529	3,062,664	2,124,901	1,721,163	4,553,591	2,794,334	429,172	29,856,302																	
Surplus/(Deficit) for Year	1,176,356	143,647	(175,182)	(71,548)	(166,981)	106,989	104,390	(58,571)	(91,526)	(32,015)	(81,328)	(45,386)	788,645																	
Transfer between reserves	(38,900)	-	42,309	-	-	-	-	-	-	(3,409)	-	-	-																	
Reserves b/fwd	1,181,424	646,600	421,551	533,835	163,030	188,989	458,574	183,113	128,170	677,957	611,411	56,332	5,250,986																	
Prior year adjustments	(3,296,000)	-	-	-	-	-	-	-	-	-	-	-	(3,296,000)																	
Actuarial gains/ (losses) on pension scheme	1,571,000	-	-	-	-	-	-	-	-	-	-	-	1,571,000																	
Reserves c/fwd	593,880	790,247	288,678	462,287	(23,951)	295,978	562,964	124,542	36,644	642,533	530,083	10,946	4,314,831																	
Balance Sheet																														
Fixed Assets	809,999	329,053	182,913	305,664	14,638	15,059	27,826	10,358	4,331	370,091	28,303		2,098,234																	
Current Assets	3,110,439	695,204	359,328	366,007	187,036	664,581	811,039	389,349	251,871	937,381	645,429	(399,160)	8,018,505																	
Total Assets	3,920,438	1,024,257	542,242	671,671	201,674	679,640	838,865	399,707	256,202	1,307,472	673,732	(399,160)	10,116,740																	
Current Liabilities< 1 Year	(1,530,558)	(234,011)	(253,564)	(209,384)	(225,625)	(363,661)	(275,901)	(275,164)	(219,559)	(664,939)	(143,649)	410,106	(4,005,909)																	
Liabilities> 1 Year	(1,796,000)	-	-	-	-	-	-	-	-	-	-	-	(1,796,000)																	
Total Liabilities	(3,326,558)	(234,011)	(253,564)	(209,384)	(225,625)	(363,661)	(275,901)	(275,164)	(219,559)	(664,939)	(143,649)	410,106	(5,801,909)																	
Net Assets	593,880	790,247	288,678	462,287	(23,952)	295,979	562,964	124,542	36,643	642,533	530,083	10,946	4,314,831																	
Financed By:																														
General Reserve	1,694,925	314,664	(32,006)	355,241	(169,994)	198,701	83,798	45,386	(37,127)	141,546	25,049	10,946	2,631,151																	
Pension Reserve	(1,796,000)	-	-	-	-	-	-	-	-	-	-	-	(1,796,000)																	
Designated & Unrestricted Capital	116,258	-	-	-	-	-	-	-	-	-	-	-	116,258																	
Branch Reserves	-	194,639	226,939	83,760	43,513	63,201	362,766	71,161	68,800	118,290	-	-	1,233,070																	
Revaluation Reserve	-	270,578	42,374	-	-	-	-	-	-	-	-	-	312,952																	
Endowment	45,976	-	-	-	-	-	-	-	-	-	-	-	45,976																	
Restricted Capital	-	10,345	28,938	5,213	-	3,529	-	-	-	352,042	19,160	-	419,228																	
Restricted Funds	-	-	(4,696)	(6,280)	81,065	4,655	3,715	-	4,970	68,886	68,886	-	152,346																	
Restricted Funds - others	532,722	-	27,128	24,353	21,464	25,893	112,665	7,995	-	30,624	416,988	-	1,199,852																	
Total Reserves	593,880	790,247	288,678	462,287	(23,951)	295,979	562,964	124,542	36,643	642,533	530,083	10,946	4,314,831																	

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