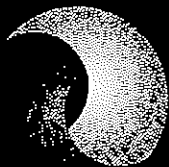




co-operative
college

Annual Report and Accounts for the year ended 31 July 2017



Great things happen
when people co-operate

coop

Annual Report and Accounts for the Year Ended 31 July 2017
Co-operative College
Registered charity 1159105

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Trustees' Report

Introduction from the Chair and Chief Executive & Principal

The past twelve months have seen the College continue on the rebuild phase of our strategy, so that we are in a stronger position to re-emerge and re-engage with the co-operative movement and beyond during our Centenary year in 2019.

The College has made progress in many areas and a number of these successes are listed below. However, this progression is still to be translated into a sustainable financial position in terms of operational delivery. Whilst our return on investment remains strong, leading to a relatively strong balance sheet, we have during the year delivered a deficit position with regards to the operational delivery of the College.

In an attempt to address this we had to make tough decisions regarding the size of the core staff team of the College which resulted in us losing long serving colleagues, Emma Willder, Julie Thorpe and Natalie Bradbury. It is only right that we acknowledge the hard work and dedication that they showed to the College over a number of years and we wish them well in the future.

College's charitable objectives

The College's charitable objective is *to promote the education of the public, in particular, but not exclusively, by the provision and conduct of a College for the education of people in a manner consistent with the values and principles of the co-operative movement.*

The College's strategy unveiled at our inaugural AGM in 2016 outlined four key outcomes to which all our activities contribute, as follows:

Developing Co-operators: To develop knowledge, skills, attitudes and behaviours to enable people to be effective co-operators.

Building Co-operative Capacity: To build capacity in new, emerging and existing co-operatives through embedding co-operative values and principles.

Advancing Co-operative Policy: To advance a policy context where co-operatives can flourish.

Progressing Global Co-operation: To progress global understanding of the co-operative ethos.

We are putting this strategy into action across the following major areas of activity:

Learning and Development: The Co-operative Learning and Development team is the 'hub' for the design, delivery and quality assurance of a wide range of programmes to meet the needs of co-operatives and learners.

Projects: Our innovative project work has a wide reach, from international co-operative development in countries such as Malawi, Sri Lanka, and Rwanda to a range of UK and European programmes that look to tackle some of society's biggest challenges, including youth unemployment and the rebalancing of the economy to provide decent living and working conditions.

Events: We hold a wide range of events from conferences to roundtable discussions drawing in delegates from around the world to explore current topics and issues. We also co-ordinate co-operative tours and host study visits, incorporating trips to regional co-operatives and the Rochdale Pioneers Museum.

Research: We believe in researching every aspect of global co-operation in order to understand the role, place and potential of co-ops in the 21st century. We have strong established relationships with universities and researchers across the globe leading us to form the Co-operative Research Network to bring together researchers and practitioners working in any area of co-operative research.

Achievements in our Co-operative projects

The continued hard work of the college team during this period has led to a number of achievements, some of which are listed below.

Membership: We have continued to develop our membership offer and to grow our membership base. At the end of July 2017 we have 218 individual members and 13 organisational members. As a member led organisation we will continue to drive opportunities to engage our members in the activity of the college

Events: The College continues to host co-operative visitors from around the world. We have seen return visits from our friends in Brazil, Sweden and Japan as well as visits from co-operatives based in Finland, Austria, South Korea and China. In total we have welcomed 218 delegates during 15 different visits from 7 countries. These visits are an important part of us helping to progress a global understanding of co-operation and a role we are proud to play on behalf of the UK co-operative movement.

Learning and Development: We have continued to develop both our eLearning and face to face learning and development offer. We are currently providing support for a wide range of co-operatives both in the UK and internationally, including work with Cartrefi Cyrmu, Supporters Direct Europe, The Phone Co-op, The Co-operative Party, Scotmid, Chelmsford Star Co-operative and Lincolnshire Co-operative, as well as our long standing relationship with The Co-operative Group. We are continuing to work closely with the WEA, with workshops for both WEA tutors and students being scheduled in the North

of England. We are actively working to re-instate our accredited provider status with the Chartered Management Institute and as part of this have begun a full curriculum review.

Projects: We have continued our co-operative international development work. Our ongoing projects in Malawi are highly regarded and this has led to us being successful in bids with partner agencies in neighbouring countries. We have had projects confirmed with Tearfund in Rwanda and with Christian Aid in Zambia, both of which are due to commence. Closer to home we are delighted to be working with The Co-op Foundation on a youth loneliness project centred in Manchester and Rochdale and as part of two European projects focussed on youth entrepreneurship.

Schools: During this year we have taken the difficult decision to pull back on the programme to directly support schools to convert to co-operative foundation trust status or to become co-operative academies. We have, however, continued our work to promote co-operative school improvement with our partner Edison Learning and in conjunction with Manchester Metropolitan University and the Co-operative Academies Trust have developed and delivered a Masters in Co-operative Educational Leadership.

Marketing and Communication: During the year we have invested in a full rebuild of our website and this went live in September 2017. Both the new website and a large improvement in our social media profile has helped us reposition the College and has raised awareness of the important work with are involved with.

Fundraising: This year has seen us start to utilise our new status as a Charitable Incorporated Organisation to drive fundraising activity for the College. As well as raising the income needed to deliver our project work we have also started to receive both individual and organisational donations into our Future Pioneers Fund. We are extremely grateful to all of our organisational and individual donors.

Co-operative Heritage Trust: We continue to manage the assets of the Co-operative Heritage Trust (The Rochdale Pioneers Museum and the National Co-operative Archive) and are supporting the board of the trust on its journey towards incorporation. We have seen increased activity in both our outreach work at the Museum and in visits to the Archive. We were delighted that the Correspondence Collection of Robert Owen, which forms part of the archive has been recognised by UNESCO as part of its Memory of the World Programme. The Archive becomes one of only 40 collection in England with this designation.

We continue to review and refresh our strategy and have set some clear and ambitious goals, relating to each strategic outcome, for the coming months, through to the end of our centenary year in 2019.

Strategic Outcome 1: To develop knowledge, skills, attitudes and behaviours to enable people to be effective co-operators

Goal 1: Through our work we will have supported 10,000 individuals to know more about the advantages of a co-operative approach to addressing social and economic issues.

Strategic Outcome 2: To build capacity in new, emerging and existing co-operatives through embedding co-operative values and principles

Goal 2: We will deliver degree level accredited programmes which meet the specific needs of co-operatives and other like-minded organisations in developing the next generation of co-operative leaders.

Strategic Outcome 3: To advance a policy context where co operatives can flourish.

Goal 3: We will produce a piece of primary research which will influence the policy environment in the sphere of adult learning. This has been identified as revisiting the '1919 Report' (landmark report of the Adult Education Committee of the Ministry of Reconstruction in

1919). We plan to use this as a platform for raising awareness of the value of adult education in society and garnering recognition for the critically important role co-operative education plays in adult education.

Strategic Outcome 4: To progress global understanding of the co operative ethos.

Goal 4: We will build on our existing international work by working in five new regions.

We would like to thank the entire Board for their support and challenge over the last twelve months and to recognise the contribution of the entire team at the College for their ongoing efforts and hard work. Thank you to all our donors and supporters and to our members. This is your organisation and we are proud to play our part in driving it forward.



Simon Parkinson
Chief Executive & Principal



Nigel Todd
Chair

Financial Summary

Overview of Financial Results

The year to 31 July 2017 was a difficult period for the Co-operative College financially and a net expenditure of £386,999 was incurred.

In many ways these results reflect a period of significant change for the College, a period in which the College incurred both the costs of restructure as a necessary reduction in long term cost base for certain areas was made, together with the costs of investment as it was recognised that there were both capacity and skills gaps in other areas which needed addressing to propel the College forward.

Both of the above placed a financial burden on the current financial year with benefits both in income and expenditure to be seen in subsequent years. We are budgeting to cut this period's losses by more than 50% in 2017-18 as we make strides towards a break even position.

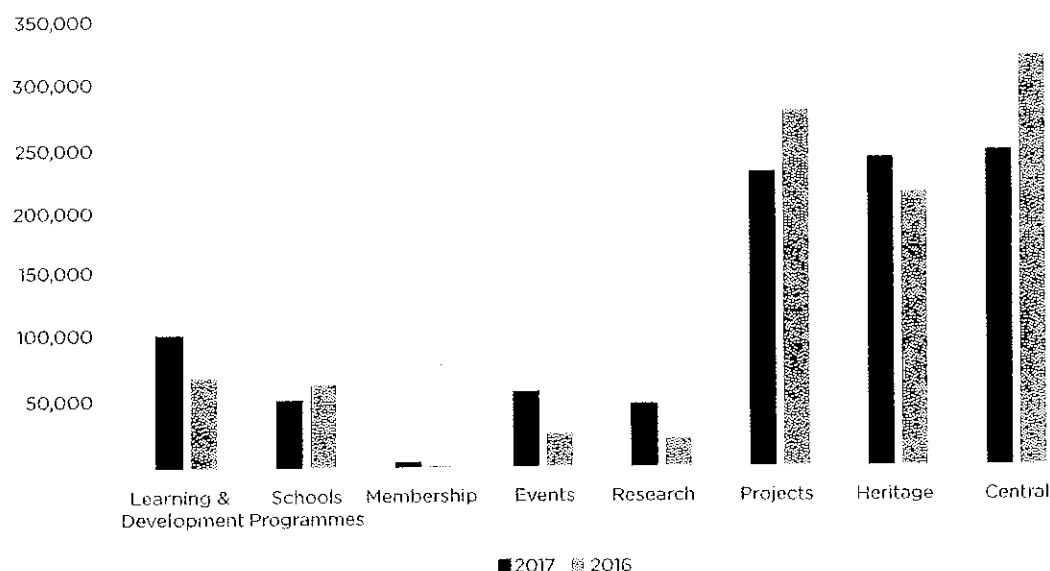
Income comparison

As the comparative period is for 15 months, the following graph has been adjusted to reflect a like for like 12 month income comparison.

Key points to note:

- Schools – the financial climate facing schools has resulted in a dwindling appetite for school conversions and our consultancy in this area has largely dried up. As such a decision was taken that our schools department would be one area restructured in the Spring of 2017. We will continue to work with schools but with the focus mainly on school improvement.
- Projects work continues to be our largest operational source of income. As some projects came to an end in 2015-16, the comparison year on year isn't favourable but our investment in the project team and in fundraising is bearing fruit with 2017-18 seeing 6 new projects and income expected to exceed the £300,000 level.
- Learning and Development income stood up well against 2016 figures but it is recognised that this is proving hard to maintain and so we are making strides to diversify with an increased elearning offer, open courses and accredited curriculum all under development.
- Event income rose in the current period as we continue to build a

Sources of income



reputation internationally and welcome visitors from across the globe.

- Our central income shows the greatest fall from 2016 to 2017 periods on a like for like basis. The bulk of this fall is attributable to a drop in core financing from the co-operative movement of over £60,000. Interest and dividends also fell by over £20,000 but this was accepted as our investments continued to produce significant capital gains.

Investment Review

As previously stated the year to 31 July 2017 was very much a period of transition, a period of restructure yet investment in the future.

The need to reduce the long term cost base in certain areas, particularly, as highlighted, in relation to our schools work, saw the departure of 3 colleagues in 2017. This incurred one off costs of £81,004 but reduced the cost base going forward by approximately £116,000 a year.

In other areas, investment was greatly needed and saw the employment of full time fundraising and marketing & communications staff for the first time at the College and capacity added to the projects team. Investment was also made in discreet pieces of work including developing our school improvement package alongside Edison Learning and developing a range of e-learning packages.

This investment cost the College approximately £97,000 within the period with £62,036 funded from the Co-operative College Endowment Fund as strategic investment kindly released by the Trustees.

Balance Sheet

The College balance sheet remains strong with £3,622,245 total funds. Of this £3.4 million is invested to provide the College with dividends, interest and investment growth as detailed below.

Investments

Investment Strategy

The Board of Trustees have agreed that funds be invested in order that the interest arising can be used in the furtherance of the object of the charity.

In line with the College's commitment to co-operative values, wherever possible we will seek to invest within the co-operative family.

It is recognised that the College does not have expertise in making longer-term investment decisions for capital growth and as such have appointed investment advisers to manage the College's portfolio.

The aim is to receive income that is comparable to the interest that would have been received through deposit account and short-term money market deposits and to achieve capital growth of the funds in the medium to long term so that the income generating potential of the fund is not compromised.

Performance

For the period the average rate of return on interest and dividends was 2.2%, with capital growth over the period being £256,933.

The Trustees are pleased with this overall performance and are comfortable that the above returns are within the policy.

Reserves

Investment Strategy

The Board of Trustees have taken a risk based approach to determine the appropriate level of unrestricted funds that the College should hold. All income streams and expenditure have been reviewed, based on an assessment of risk of these activities, the cost base of the College and taking account of the forward strategic plan. As a result the Board have agreed that unrestricted reserves should not fall below the minimum funds required should the College have an unplanned closure.

For the current period that minimum

level of reserves is calculated at £237,000. These calculations will be reviewed on an annual basis as part of the budgeting process.

Unrestricted Reserves

The level of unrestricted reserves held at the year end is £239,919.

Whilst the level of reserves at year end falls above the minimum level, it is recognised by the trustees that budgeted performance for the year to 31 July 2019 would result in reserves falling below the stated minimum. In order to ensure that the reserves are within the policy boundaries by the end of the next financial period the Trustees have agreed a transfer from the College endowment fund to unrestricted funds.

It is also recognised that there is a lead time between development and results, that significant developments can have a gradual impact over a number of years. The period to the end of financial year 2021-2022 is therefore considered an appropriate timescale to assess the current operating model of the College.

The Audit and Risk Committee will make an interim review of the trajectory following the 2018/19 financial year and make recommendation of any action they feel is required at this point. Operational performance will continue to be monitored irrespective of the impact of investment gains/losses on reserve levels to ensure that reserves are adequate for the three year strategic planning cycle.

Grant Making

The Co-operative College has a scholarship fund, the Co-operative Pioneers Memorial Fund, to assist learners attending College learning programmes and events. The purpose of the fund is *to advance education in particular but not exclusively by enabling learners facing financial difficulties to participate in programmes arranged by the College.*

During the period nine bursaries, with a total value of £2,356, were awarded to learners, the majority to enable

them to attend and participate in the Co-operative College conference which took place in April 2017.

The feedback we received from learners who benefitted from a bursary was positive with comments such as:

"The conference exceeded my expectation in both breadth and depth of the research and education provided."

"I am grateful to the Co-operative Pioneers Memorial Fund for giving me this opportunity; I got a lot out of the sessions and had the opportunity to meet some interesting people from the co-operative movement."

"One of the most important 'take-aways' for me is the understanding that as promoters of cooperative governance structures we are part of a movement to provide more equality and equity in our communities, organizations and businesses. The conference, for me, feels like a continuation of the work I have been doing, but I found a conference full of 'kindred spirits. I found much utility in the sessions, but more importantly, I found inspiration and motivation to carry on with the work."

"..the conference has provided me with a better understanding of the field of co-operative studies. I have found the diversity of the field, ranging from social care to co-operative universities, eye-opening, and the conference has helped me position myself, my interests and my own research within the broader field of co-operative studies. Moreover, I have become more aware of the activities of the Co-operative College such as its work with young people and its international outlook, of which I was not aware before attending the conference."

Further details on applying for a bursary can be found at <https://www.co-op.ac.uk/bursaries>.

Structure, Governance and Management

Governance of the Co-operative College is the responsibility of the Trustees who act in an unpaid capacity.

Trustees meet at least four times as a collective with further sub committees meeting when required. For the Audit & Risk Committee this is a minimum of once per quarter. Meetings are attended by relevant members of the executive and where appropriate other colleagues.

The Chief Executive & Principal provides first line leadership. The key role of the Chief Executive provides clear leadership in policy making, strategic planning and executive management to deliver the College's objectives and ambitions. The Chief Executive & Principal was supported by the Vice Principal (formerly Vice Principal: Co-operative Education & Research) and the Vice Principal: Finance & Resources (left post 31 May 2017). The Executive team is supported by a wider leadership team who are accountable for specific areas of the College's work.

Name	Role	
	Professional Qualifications	Length of service
Simon Parkinson	Chief Executive & Principal	
	Masters in Public Administration	3 years
Ciilla Ross	Vice Principal (formerly Vice Principal: Co-operative Education & Research)	
	PhD, Senior Fellow of the Higher Education Academy	3 years
Emma Willder	Vice Principal: Finance & Resources	
	Fellow of the Chartered Institute of Management Accountants	14 years

Remuneration for the Executive staff team is determined via the College's Reward & Recognition policy whereby all colleagues' roles are evaluated against specific role and salary bands. The role of the Chief Executive & Principal is external to these salary bands

and is determined via the College's Remuneration and Employment Committee with reference to market conditions and specific skill sets.

Risk Management

The College's Trustees and management have a clear responsibility for:

- Identifying risks facing the business.
- Putting in place actions and procedures to mitigate and control risks.
- Monitoring risks

During the period to 31 July 2016 the College reviewed its approach to risk management and further developed its risk management systems with the aim of the College becoming a risk embedded organisation. The implementation of this new approach began in the current period, is ongoing, continual, not irregular in nature and seeks to engage colleagues at all levels.

The top strategic risk facing the College remains that of financial sustainability

Though there is still much work to do, we have taken a number of actions to begin reducing this risk:

Work continues on diversification of income sources in order to become financially viable. Development of varied and dynamic methods of delivery, curriculum development, and work on accreditation are all underway to build a more robust Learning and Development offer. Projects are underway and in development in multiple regions both in the UK and internationally to reduce the dependence on any one specific source of funds.

Strategic investment has taken place in fundraising and marketing & communications. This incurs immediate costs but has been undertaken with the absolute aim of long term financial security.

We are extending our range of partnerships in terms of number, expertise and location. We have never before worked with so many project partners and experience has shown that these networks help build the opportunities of future years.

Alongside these measures we continually review our costs. Major savings have been made through the restructuring that took place in the Spring of 2017 but smaller savings continue to be made with the whole College team becoming much more aware of working in a financially smart way.

Internal Controls

The Trustees are ultimately responsible for the College's system of internal control and reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity's business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The Co-operative College has elected to work within the Co-operatives UK Corporate Governance Code of Best Practice for Consumer Co-operative Societies, revised 2013, where applicable.

Key procedures have been established, providing effective internal financial control. These include:

- Clearly defined lines of responsibility and delegation.
- Operation within approved financial regulations.
- Budget setting and approval.
- Regular review of performance and forecasts against the budget approved by the College's management team.
- Reporting to and review by the College's Audit and Risk Committee and Trustees on a regular basis.

Trustee Method of Appointment

The maximum number of Board members is 12, made up from the following categories:

- Up to seven Board members can be elected by and from the membership.
- Up to two Board members can be appointed by co-option by the Board of Governors for their particular skills and/or experience.
- One Board member who is a student/learner at the College can be nominated and elected by the students/learners.
- One Board member who is a member of the College staff can be nominated and elected by staff of the College.
- Up to one Board member can be appointed by Co-operatives UK.

The trustees determined that 4 places were up for election by and from the membership (two from the individual membership category, one from the learner membership category and one from the organisational membership category).

Following the formal election process overseen by the Electoral Reform Service (ERS) the following candidates were elected:

Individual membership category:
(uncontested)

Nigel Todd: 3 year term of office

Hazel Johnson: 3 year term of office

Learner membership category:
(uncontested)

Pamela Maxwell: 3 year term of officer

Organisational membership category:

Alison Lamond: 3 year term of office

During the period of this report the trustees met on six occasions. Overall average trustee meeting attendance was 89%.

Induction and Training of Trustees

All Trustees are required to attend an Induction Day which provides the

opportunity for Trustees to be reminded of their roles and responsibilities in accordance with Charity Commission guidelines. Training is an ongoing process throughout their appointment, with Trustees provided training opportunities through external providers where appropriate.

Audit and Risk Committee

The Audit and Risk Committee is a statutory committee of the trustees with its membership being as follows;

Committee Chair appointed by the Trustees	1
Member of the Trustee Board	1
Co-opted with relevant experience	1
Total	3
Quorum	2

For the year to 31 July 2017 the members of the Audit and Risk Committee were as follows:

John Chillcott (Chair)	Board member
Trisha Jaffe	Board member
Tony Saunders	Appointed 13 March 2017 Co-opted

Public Benefit

In planning and delivering our services and activities the Trustees and management of the College confirm that they have complied with the duty in Section 4 of the Charities Act 2011 to have due regard to public benefit guidance by the Charity Commission in delivering the activities undertaken by the Charity.

The College's charitable objective is to promote the education of the public, in particular, but not exclusively, by the provision and conduct of a College for the education of people in a manner consistent with the values and principles of the co-operative movement.

The College's activities as described in this report are considered to meet the public benefit requirement as specified in the Charities Act 2011.

Status and Charity Number

The Co-operative College was founded in 1919 and is registered with the Charity Commission as a Charitable Incorporated Organisation (registration date 6 November 2014); Registered charity number 1159105.

Governing Document

The Charity is administered in accordance with a constitution for a Charitable Incorporated Organisation, registered with the Charity Commission on 6 November 2014 and amended on 16 December 2015 and 28 June 2016.

The College is a designated further education institution under the Education Acts. The Education Act 2011 allowed greater flexibility for Colleges to put into place their own legal constitution (amending or replacing the former Instrument and Articles of Government previously approved by the Secretary of State for Business Innovation and Skills) provided it meets the minimum requirements of Schedule 4 of the relevant part of The Education Act 2011 applicable to 'designated' Colleges.

Board of Trustees

The Board of Trustees for the year to 31 July 2017 were as follows:

Nigel Todd (Chair)*	Individual member	Appointed 5 April 2017
Trisha Jaffe (Vice Chair)*	Individual member	Appointed 21 April 2016
Hazel Johnson*	Individual member	Appointed 5 April 2017
John Boyle	Individual member	Appointed 21 April 2016
Pamela Maxwell	Learner member	Appointed 5 April 2017
Alison Lamond	Organisational member	Appointed 5 April 2017
John Chillcott*	Co-operatives UK	Appointed September 2015
Sophie Stewart	Staff	Appointed 21 April 2016
Jon Nott	Co-optee	Appointed 12 October 2017

Registered Office

Co-operative College
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Manchester, M60 0AS
www.co-op.ac.uk
Tel: +44(0)161 819 3000

Email: enquiries@co-op.ac.uk

Registered charity 1159105

Principal Advisors

Bankers: Co-operative Bank plc
Balloon Street
Manchester
M60 4EP

Auditor: Beever and Struthers
St George's House
215-219 Chester Road
Manchester
M15 4JE

Statement of Trustees' Responsibilities in Respect of the Trustees' Annual Report and the Financial Statements

Under charity law, the trustees are responsible for preparing the Trustees' Annual Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. The trustees have elected to prepare the financial statements in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

In preparing these financial statements, generally accepted accounting practice entails that the trustees:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the recommendations of the Statement of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- state whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

those statements of accounts comply with the requirements of regulations under that provision. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

Approved by the trustees on 30 April 2018 and signed on their behalf by:



Nigel Todd
Chair of the Board of Trustees

The trustees are required to act in accordance with the trust deed of the charity, within the framework of trust law. They are responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the trustees to ensure that, where any statements of accounts are prepared by them under section 132(1) of the Charities Act 2011,

Independent Auditors' Report to the Trustees of the Co-operative College

We have audited the financial statements of The Co-operative College "the charity" for the year ended 31 July 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Our responsibilities

We conducted our audit in accordance with International Standards on auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our reporting to the charity's trustees

We have nothing to report to you in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on

the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Nothing can be done to ensure that the financial statements are correct.

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- the charity has not kept sufficient accounting records; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Nothing can be done to ensure that the financial statements are correct.

- As explained more fully in the Trustees' Responsibilities Statement set out on page 16, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
- In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's web-site at <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor-s-responsibilities-for>. This description forms part of our auditor's report.

Beever and Struthers

Beever and Struthers

Beever and Struthers is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

St George's House
215/219 Chester Road
Manchester M15 4JE

25 May 2018

Co-operative College Statement of Financial Activities for the Year Ended 31 July 2017

Notes	12 Months Ended 31 July 17				15 Months Ended 31 July 16			
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31 July 17	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31 July 2016
	£	£	£	£	£	£	£	£
Income and endowments from:								
Donations and legacies	2	4,880	-	-	4,880	9,925	-	9,925
Charitable activities	3	918,684	-	-	918,684	1,123,648	-	1,123,648
Investments	4	65,824	14,259	-	80,083	115,941	20,181	136,122
Net transfer from previous charity		-	-	-	-	366,147	644,201	4,222,728
Total		989,388	14,259	0	1,003,647	1,615,661	664,382	5,492,423
Expenditure on:								
Raising funds	8	54,832	-	-	54,832	15,231	-	15,231
Charitable activities	7	1,509,387	2,356	-	1,511,743	1,693,448	7,236	1,700,684
Restructuring Costs	9	81,004	-	-	81,004	-	-	-
Total		1,645,223	2,356	0	1,647,579	1,708,679	7,236	1,715,915
Realised gains/(losses) on investments	14	32	1,290	4,854	6,176	(319)	(1297)	(7,345)
Unrealised gains/(losses) on investments	14	1,293	52,376	197,088	250,757	10,431	42,389	240,081
Net Income / (Expenditure)		(654,510)	65,569	201,942	(386,999)	(82,906)	698,238	4,009,244
Strategic Investment		62,036	-	(62,036)	-	45,295	-	-
Transfers between funds	21	621,843	-	(621,843)	-	248,161	-	-
Net Movement in Funds	21	29,369	65,569	(481,937)	(386,999)	210,550	698,238	4,009,244
Reconciliation of Funds								
Total funds brought forward		210,550	698,238	3,100,456	4,009,244	-	-	-
Total Funds Carried Forward		239,919	763,807	2,618,519	3,622,245	210,550	698,238	4,009,244

Co-operative College Balance Sheet as at 31 July 2017

	Notes	Total Funds 31 July 2017 £	Total Funds 31 July 2016 £
Fixed Assets			
Intangible assets	12	18,000	23,361
Tangible assets	13	15,420	25,480
Investments	14	3,399,855	3,721,922
Total Fixed Assets		3,433,275	3,770,763
Current Assets			
Debtors and prepayments	15	325,531	299,308
Stock	16	9,850	12,048
Cash at bank and in hand		23,315	123,573
Total Current Assets		358,696	434,929
Liabilities			
Creditors: amounts falling due within one year	17	169,726	196,448
Net current assets		188,970	238,481
Net Assets		3,622,245	4,009,244
The Funds of the Charity			
Endowment funds	21	2,618,519	3,100,456
Restricted funds	21	763,807	698,238
Unrestricted funds	21	239,919	210,550
Total Charitable Funds		3,622,245	4,009,244

The financial statements on pages 19 to 31 were approved and authorised for issue by the Board on 30 April 2018 and signed on its behalf by:

Nigel Todd

Nigel Todd
Chairman of the Board of Trustees

Cashflow Statement for the Year Ended 31 July 2017

	Notes	12 Months ended 31 July 2017 £	15 Months ended 31 July 2016 £
Cash flows from operating activities:			
Net cash used in operating activities	22	(725,171)	(282,664)
Cash flows from investing activities:			
Dividends and interest from investments		80,083	136,122
Purchasing of plant and equipment		(9,600)	(5,150)
Purchasing of intangible fixed assets		(24,570)	(24,735)
Proceeds from sale of investment		579,000	300,000
Net cash provided by investing activities		624,913	406,237
Change in cash and cash equivalents in the reporting period		(100,258)	123,573
Cash and cash equivalents at the beginning of the reporting period		123,573	-
Cash and cash equivalents at the end of the reporting period		23,315	123,573

Notes To The Accounts

1. Accounting Policies

a. Basis of preparation and assessment of going concern

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Charities SORP FRS 102 and the Charities Act 2011.

Having considered the projections of income and expenditure over the next 3 years, the total funds available and cashflows, the Trustees consider that there are no material uncertainties about the College's ability to continue as a going concern.

b. Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

i. Income recognition

All income is recognised when there is an entitlement to the funds, the receipt is probable and the amount can be measured reliably. Grants are recognised when received or in accordance with the conditions set by the funding provider. Project income is recognised on actual work completed to the end of the period. Donations are recognised when the

College receives the funds.

The measurement of actual work completed on a project takes into account a number of factors. Where outputs directly related to income can be identified as complete the income is recognised in full. Otherwise timesheets of staff and invoices of associates are used to determine the progress of each identifiable strand of work. Where a particular strand of work within the project is deemed to progress evenly between two points of time, income is allocated evenly over that period of time. All allocations of income to the accounting period are confirmed to available project reporting and agreed with project management.

ii. Expenditure

Expenditure is recognised on an accruals basis and is spent in line with the appropriate income, or in the case of core costs (staffing, rent etc.) in line with invoices and contracts of employment. Charitable expenditure enables the Co-operative College to meet its charitable objective.

Project expenditure is similarly recognised on an accruals basis. Where invoices are not available to directly attribute expenditure to the accounting period, expenditure is accrued upon the same basis as income recognition, as follows: Where outputs directly related to specific expenditure can be identified as complete the expenditure is recognised in full. Otherwise timesheets of staff and associate invoices determine the progress of work and recognition of expense. Finally, where a particular strand of work is deemed to progress evenly between two points in time, expenditure is allocated evenly over that period of time.

iii. Tangible fixed assets

Tangible fixed assets are stated at cost less the accumulated depreciation. Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets are assessed and reviewed for

each asset and depreciated accordingly, on a straight line basis, taking into account the following minimum rates:

Plant, fixtures and fittings:
10% - 33% per annum.

Information technology equipment:
25% per annum.

iv. Intangible fixed assets

Intangible fixed assets are stated at cost less the accumulated amortisation. Amortisation is calculated in equal monthly amounts based on cost. Amortisation takes place over the estimated useful life of the asset, taking into account the following minimum rates:

Technology investment: 25% per annum

c. Stock

Stocks are stated at the lower of cost and net realisable value being the estimated selling price. Cost is based on cost of purchase on a first in, first out basis. Review at the end of each reporting period determines the likely resale value of each stock item and any write down needed should this be lower than the cost of the item.

d. Debtors and Creditors

Trade debtors and creditors are recorded at transaction price. Review of trade debtors takes place at the reporting date to determine any provision required for doubtful debts. Project debtors and creditors reflect the difference between funds received and the value of work performed by the end of the reporting period.

e. Restructuring Costs

Restructuring costs contain two elements:

i. Redundancy Pay

With the proviso that no redundant employee is to receive less than 2 weeks' pay, and no less than 4 weeks' pay for 2 years services, the amount of entitlement will be the number of weeks' pay determined by the prescribed scale, as detailed in the Employment Rights Act 1996, increased by 75% and rounded up to the nearest half-week. The prescribed scale is calculated in the following manner:

1. For each year of employment from age 15 and over but under 22 – half a week's pay.

2. For each year of employment from age 22 and over but under 41 – one week's pay.

3. For each year of employment from age 41 and over – one and a half weeks' pay.

ii. Payment in Lieu of Notice

Should the redundant employee not be required to work their notice period, they shall be entitled to payment in lieu of notice based on the following notice periods:

1. Less than 4 years' service, notice period of 4 weeks

2. More than 4 years' service, notice period of 13 weeks

f. Financial Instruments

Trade debtors and accrued income

Trade debtors and accrued income are recognised at original value. Provision is made for impairment where there is objective evidence that the College will not be able to collect all amounts.

Cash at bank and in hand

Cash at bank and in hand represents those balances held for working capital purposes and available upon demand. These are recognised at carrying value.

Trade creditors and accruals

Trade creditors and accruals are recognised at original value and subsequently measured at amortised cost unless the maturity date is less than twelve months.

Fixed asset investments

Investments are recognised at fair value at each reporting date. This is taken to be the publically listed market value of the fund.

g. Investments

Investment income is recognised on an accruals basis. Fixed Asset investments are managed by Royal London Asset Management and are invested in a Sustainable Diversified Fund.

h. Grants

In 2016/17 the College received the following grants and funding:

	Revenue	Capital	Total 2017	Total 2016
	£	£	£	£
From the Scottish Government International Development Fund:				
Co-operative Pathways Project	86,069		86,069	138,655

i. Allocation of support and governance costs

Support costs are those functions that assist the work of the College but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the College's programmes and activities.

These costs have been allocated to expenditure on charitable activities apportioned as set out in note 6.

j. Strategic Investment

On 31 March 2016 the trustees approved the College's three year strategic plan and

accompanying investment request. This strategic investment allows the College to draw upon endowment funds for capacity building, development of systems, resources and services and in expertise to develop marketing, communications and fundraising functions. Within 2016/17 £62,036 was invested from The Co-operative College Fund and is reflected as strategic investment transfers between funds.

k. Net transfer from previous charitable entity

In 2014 the Co-operative College undertook a review of its legal structure and governance arrangements. As a result of this review with effect from 1 May 2015 all assets and liabilities of the Co-operative College (registered charity no. 1060008) were transferred to the new charitable incorporated organisation, the Co-operative College (registered charity no. 1159105).

2. Income from Donations and Legacies

	2017	2016
	£	£
Donations	4,880	9,925
	4,880	9,925

3. Charitable Income

	Learning & Development	Schools Programmes	Membership	Events	Research	Projects	Heritage*	Central	Total 2017
	£	£	£	£	£	£	£	£	£
Course and programme fees	101,139	1,714	-	-	613	-	-	-	103,466
Projects	-	14,200	-	-	46,739	229,917	-	-	290,856
Consultancy	-	35,626	-	-	-	-	-	-	35,626
Service level agreement	-	-	-	-	-	-	243,297	40,000	283,297
Core funding	-	-	-	-	-	-	-	108,662	108,662
Miscellaneous	2,239	2,530	222	14,940	200	2,301	31	2,515	24,978
Other charitable income (note 5)	2,500	200	4,391	44,208	2,500	-	-	18,000	71,799
	105,878	54,270	4,613	59,148	50,052	232,218	243,328	169,177	918,684

	Learning & Development	Schools Programmes	Membership	Events	Research	Projects	Heritage*	Central	Total 2016
	£	£	£	£	£	£	£	£	£
Course and programme fees	68,020	7,308	-	-	7,412	-	-	360	83,100
Projects	137	12,765	-	-	20,000	348,488	18,667	-	400,057
Consultancy	-	59,815	-	-	-	-	-	-	59,815
Service level agreement	-	-	-	-	-	-	251,200	49,999	301,199
Core funding	-	-	-	-	-	-	-	214,999	214,999
Miscellaneous	499	2,958	-	-	-	2,530	356	2,870	9,213
Other charitable income (note 5)	20,071	280	1,258	33,656	-	-	-	-	55,265
	88,727	83,126	1,258	33,656	27,412	351,018	270,223	268,228	1,123,648

* All activities related to Heritage are charged back to the Co-operative Heritage Trust under a management agreement. Reporting on these activities can be found in the annual report and accounts of the Co-operative Heritage Trust.

4. Investment Income

	2017	2016
	£	£
Interest on short term deposits	220	1,356
Dividends and Interest on Fixed Asset Investments	79,863	134,766
	80,083	136,122

5. Other Charitable Income

	2017	2016
	£	£
Conferences	15,149	14,281
Study Visits	34,258	40,822
Membership Income	4,391	162
Grant for Website Development	18,000	-
	71,798	55,265

6. Allocation of Governance and Support Costs

	2017			2016			
	Total Allocated	Governance	Other Support Costs	Total Allocated	Governance	Other Support Costs	Basis of Apportionment
	£	£	£	£	£	£	£
Cost Type							
Cost of Goods Sold	4,621	-	4,621	-	-	-	*
Administration	58,365	8,594	49,771	44,089	2,221	41,868	*
Central Staffing	356,866	2,451	354,415	415,116	29,968	385,148	*
Infrastructure	87,259	788	86,471	95,549	2,383	93,166	*
Professional fees	6,013	13	6,000	28,938	-	28,938	*
Travel	23,121	749	22,372	20,760	1,170	19,590	*
Governance costs (next page)	22,952	22,952	-	26,863	26,863	-	*
	559,197	35,547	523,650	631,315	62,605	568,710	

*Apportionment proportional to charitable expenditure

	2017	2016
	£	£
Governance Costs:		
Trustee expenses	5,223	6,809
Internal auditor	-	4,019
External auditor	10,639	11,605
Legal fees	7,090	4,430
	22,952	26,863

7. Charitable Expenditure

	Learning & Development	Schools Programmes	Events	Research	Projects	Heritage	Total 2017
	£	£	£	£	£	£	£
Direct staffing costs	75,281	91,018	26,611	89,576	68,273	192,869	543,628
Direct costs of delivery	33,122	40,228	37,766	22,664	126,960	7,844	268,584
Administration	6,229	8,442	358	795	2,495	5,592	23,911
Infrastructure and premises	10,231	7,799	2,094	11,491	5,476	34,621	71,712
Professional fees	4,273	8,650	2,565	5,798	6,236	-	27,522
Travel	1,681	8,971	177	1,651	1,648	1,830	15,958
Miscellaneous	-	898	-	-	12	321	1,231
Other support costs (see note 6)	71,915	91,259	38,246	72,552	116,049	133,629	523,650
Governance costs (see note 6)	4,882	6,195	2,596	4,925	7,878	9,071	35,547
	207,614	263,460	110,413	209,452	335,027	385,777	1,511,743

	Learning & Development	Schools Programmes	Events	Research	Projects	Heritage	Total 2016
	£	£	£	£	£	£	£
Direct staffing costs	297,130	70,676	-	-	74,643	229,593	672,042
Direct costs of delivery	24,913	42,924	5,202	5,300	197,917	-	276,256
Administration	5,777	3,403	10,124	227	3,895	4,560	27,986
Infrastructure and premises	24,948	4,016	-	-	2,457	31,518	62,939
Professional fees	-	3,659	600	-	-	90	4,349
Travel	10,097	6,135	2,338	136	1,841	4,201	24,748
Miscellaneous	811	212	-	-	25	1	1,049
Other support costs (see note 6)	193,409	69,682	9,713	3,011	149,323	143,572	568,710
Governance costs (see note 6)	21,291	7,671	1,069	331	16,438	15,805	62,605
	578,376	208,378	29,046	9,005	446,539	429,340	1,700,684

8. Raising funds

	2017	2016
	£	£
Fundraising Staff Costs	15,131	-
Membership Staff Costs	23,903	-
Administration	12,438	13,727
Infrastructure	2,883	-
Travel	477	1,504
	54,832	15,231

9. Employee Costs

The College considers its key management personnel to comprise the trustees, Chief Executive & Principal and Vice Principal - Co-operative Education & Research, Vice Principal - Finance & Resources. The latter role ceased during the financial year.

The College seeks to ensure that all colleagues are fairly rewarded for the work that they undertake. All colleagues are appointed to a role cluster and level that is appropriate to the content of their role. Each role cluster and level has specific salary bands.

The average number of colleagues employed by the College was:

	2017	2016
Full time	16.1	14.3
Part time	9.3	9.9
	25.4	24.2
Full time equivalents	22.0	20.4

The costs incurred in respect of these employees were:

	2017	2016
	£	£
Salaries & wages	754,463	870,048
Social security	73,098	82,398
Pension	70,765	92,792
Other	41,200	27,130
	939,526	1,072,368

Restructuring Costs

In May 2017 a review of the staffing structure resulted in three redundancies, incurring the following costs:

	2017
	£
Redundancy Payments	52,330
Ex Gratia Payment	3,500
Payment in Lieu of Notice	25,174
	81,004

10. Key Management Personnel

The total remuneration for the key management personnel was as follows:

	2017	2016
	£	£
Salaries	220,565*	241,610
Pension contributions	18,878	22,368
	239,443*	263,978

*2017 figures include redundancy costs.

The remuneration of the Chief Executive & Principal, who is the highest paid employee and included in the above figures is as follows:

	2017	2016
	£	£
Salaries	77,500	96,875
Pension contributions	6,200	7,750
	83,700	104,625

The number of members of the key management personnel (including the Chief Executive & Principal) whose remuneration, excluding pension contributions, falls into the following bandings:

	2017*	2016
	£	£
£90,001 - £100,000	-	1
£80,001 - £90,000	1	-
£70,001 - £80,000	1	1
£60,001 - £70,000	-	1
£50,001 - £60,000	1	-
	3	3

*2017 figures include redundancy costs.

11. Trustee Remuneration

The trustees received no remuneration in the performance of their duties.

12. Intangible Fixed Assets

	Website £	Total £
Cost		
01 August 2016	24,735	24,735
Additions	24,570	24,570
Disposals	(31,305)	(31,305)
31 July 2017	18,000	18,000
Amortisation		
01 August 2016	1,374	1,374
Charge for year	8,470	8,470
Disposals	(9,844)	(9,844)
31 July 2017	0	0
Net book value at 01 August 2016	23,361	23,361
Net book value at 31 July 2017	18,000	18,000

The website was built from May to July 2017 with an £18,000 grant from the Transform Foundation covering all development fees.

13. Tangible Fixed Assets

	IT Equipment £	Plant, fixtures and fittings £	Total £
Cost			
01 August 2016	53,866	71,999	125,865
Additions	3,728	5,872	9,600
31 July 2017	57,594	77,871	135,465
Depreciation			
01 August 2016	39,212	61,173	100,385
Charge for year	14,617	5,043	19,660
31 July 2017	53,829	66,216	120,045
Net book value at 01 August 2016	14,654	10,826	25,480
Net book value at 31 July 2017	3,765	11,655	15,420

14. Fixed Asset Investments

	£
1 August 2016	3,721,922
Divestments	(579,000)
Realised gain	6,176
Unrealised gain	250,757
31 July 2017	3,399,855

The investments represent funds placed in a Sustainable Diversified Fund with Royal London Asset Management. Funds were divested during the year for cashflow purposes.

15. Debtors

	2017 £	2016 £
Trade debtors	103,756	72,470
Project debtors	44,372	29,346
Accrued income	139,540	152,566
VAT	1,857	8,921
Taxation and social security	-	363
Prepayments	34,298	32,548
Other debtors	1,708	3,094
	325,531	299,308

16. Stock

	2017 £	2016 £
Goods for resale	9,850	12,048
	9,850	12,048

17. Creditors

	2017 £	2016 £
Trade creditors	35,214	48,887
Project creditors	72,454	78,629
Accruals	28,443	64,902
Taxation and social security	17,267	-
Other deferred income (note 18)	7,671	4,030
Other creditors	7,837	-
Bad debt provision	840	-
	169,726	196,448

18. Deferred Income

	2017	2016
	£	£
Study Visits	1,500	538
Conferences	-	2,000
Research workshops	158	-
Trust School consultancy	2,800	-
Co-operative Identity Mark	150	-
Membership subscriptions	3,063	1,492
	7,671	4,030
Reconciliation of Deferred Income	£	
Balance at 1 Aug 2016		4,030
Amount released from previous years		(4,030)
Amount deferred in current year		7,671
Balance at 31 July 2017		7,671

19. Operating Lease Commitments

	2017	2016
	£	£
Land & Buildings		
Not later than one year	13,511	32,427
Later than one year and not later than five years	-	13,511
Later than five years	-	-
	13,511	45,938

21. Charitable Funds

	Balance at 1 August 2016	Income	Expenditure	Transfers Between Funds	Balance at 31 July 2017
	£	£	£	£	£
Expendable Endowment Funds:					
Co-operative College Fund	3,100,456	201,942	-	(683,879)	2,618,519
	3,100,456	201,942	-	(683,879)	2,618,519
Restricted Funds:					
Les Stannard	33,797	3,299	-	-	37,096
Co-operative Pioneers Memorial Fund	664,318	64,615	(2,356)	-	726,577
Joyce & Vic Butler	123	11	-	-	134
	698,238	67,925	(2,356)	-	763,807
Unrestricted Funds:					
Revenue Reserves	210,550	990,713	(1,645,223)	683,879	239,919
Total Charitable Funds	4,009,244	1,260,580	(1,647,579)	-	3,622,245

Plant & Machinery

Not later than one year	7,736	7,736
Later than one year and not later than five years	21,431	29,167
Later than five years	-	-
	29,167	36,903
Total lease commitments	42,678	82,841

Payments under operating leases within the year amounted to:

	£
Land & Buildings	32,427
Plant and Machinery	7,736

20. Other Commitments

	2017	2016
	£	£
PACE pension commitments		
Not later than one year	13,875	13,875
Later than one year and not later than five years	26,594	40,469
Later than five years	-	-
	40,469	54,344

Endowment and Restricted Funds are held for the following purposes:

- a. **Co-operative College Fund:** Resulting from the sale of property originally purchased with funds gifted by the co-operative movement. The funds are invested in order that the interest arising can be used to support the College in the furtherance of co-operative education. The trustees reserve the right to release funds from the endowment for strategic purposes. During the financial year funds were released to support College operations in line with the agreed 3 year strategic plan.
- b. **Les Stannard Co-operative Citizenship Fund:** Given by the South East Region

of The Co-operative Group the purpose of the fund is to support young people (aged 25 and under) who wish to participate in educational opportunities provided by the College. Such educational opportunities should be within a wider citizenship theme.

- c. **Co-operative Pioneers Memorial Fund:** Established in early 2010 when a number of small funds were brought together the fund aims to enable learners facing financial difficulties to participate in programmes arranged by the Co-operative College.

Sufficient resources are held in an appropriate form to enable the funds to be applied in accordance with any restrictions imposed.

Analysis of net assets between funds:

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Tangible assets	15,420	-	-	15,420
Intangible assets	18,000	-	-	18,000
Fixed asset investments	17,529	763,807	2,618,519	3,399,855
Current assets	358,696	-	-	358,696
Current liabilities	(169,726)	-	-	(169,726)
	239,919	763,807	2,618,519	3,622,245

22. Reconciliation of Net Incoming Resources to Net Cash Outflow from Operating Activities

	2017	2016
	£	£
Net income for the reporting period (as per the statement of financial activities)	(386,999)	4,009,244
Adjustments for:		
Transfer in from previous Charity	-	(3,827,635)
Depreciation charges	19,660	18,119
Amortisation charges	8,470	1,374
Gains on investments	(256,933)	(232,736)
Dividends and interest from investments	(80,083)	(136,122)
Decrease/(Increase) in stock	2,198	(12,048)
(Increase) in debtors	(26,223)	(299,308)
(Decrease)/Increase in creditors	(26,722)	196,448
Loss on disposal of intangible assets	21,461	-
Net cash used in operating activities	(725,171)	(282,665)

23. Analysis of Cash and Cash Equivalents

	At 1 August 2016	Cash flows	At 31 July 2017
Cash at bank and in hand	123,573	(100,258)	23,315
Total cash and cash equivalents	123,573	(100,258)	23,315

24. Financial Instruments

	2017 £	2016 £
Measured at fair value through profit or loss		
Investments stated at market value	3,399,855	3,721,922
Debt instruments measured at amortised cost		
Cash at bank and in hand	23,315	123,573
Trade debtors	103,756	72,470
Accrued income	183,912	181,912
Other debtors	1,708	3,094
Financial liabilities measured at amortised cost		
Trade creditors	35,214	48,887
Accruals	100,897	143,531
Other creditors	7,837	-

25. Contingent Liabilities and Capital Commitments

The College has no contingent liabilities or capital commitments as at the balance sheet date.

26. Related Party Transactions

The following are related party transactions, as defined by Financial Reporting Standard 102, section 33, together with details of notable transactions.

The Co-operative Heritage Trust

The Co-operative College is one of the founding members of the Co-operative Heritage Trust. The College runs the day to day management of the Co-operative Heritage Trust under a management agreement.

Amounts of £259,725 and £341 were receivable from and payable to the Co-operative Heritage Trust for the 12 month period. At 31 July 2017 the balance owed to the College was £71,514 and the balance payable to the Co-operative Heritage Trust was £216.

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