

Company Registration Number: 1917107

Charity Number: 1055120

**Education Otherwise Association Limited
Company Limited By Guarantee**

**Trustees Annual Report and Financial Statements
For the Year Ended 30 June 2011**

**Education Otherwise Association Limited
Company Limited By Guarantee**

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**Education Otherwise Association Limited
Company Limited By Guarantee**

**Education Otherwise Association Limited
Company Limited By Guarantee**

**Trustees Annual Report
Year Ended 30 June 2011**

The trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 30 June 2011.

Reference and Administrative Details

Registered Charity Name	Education Otherwise Association Limited
Company Registration Number	1917107
Charity Registration Number	1055120

Registered Office	91 Lyndhurst Drive Preston PR2 1TB
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Trustees

The trustees who served the charity during the period were as follows:

* L Ashe (appointed 06/10/2009; elected 13/11/2010)	* C McDonagh (appointed 21/07/2007)
L Barson (resigned 30/12/2010)	* H Newton (appointed 28/03/2011)
J Berry (resigned 13/11/2010)	F Nicholson (resigned 08/12/2010)
P Butterworth (resigned 13/11/2010)	* A Putman (appointed 31/12/2010)
* B Cameron-Young (elected 13/11/2010)	* A Rix (elected 13/11/2010)
H De Wet (elected 13/11/2010; death notified 08/06/2011)	A Roarke (resigned 22/12/2010)
* S Deuchars (elected 13/11/2010)	J Skillen (appointed 23/12/2010; resigned 28/03/2011)
* T Foyster (appointed 31/03/2011)	V Skinner (resigned 22/12/2010)
S Hadavi-Sirizi (resigned 01/08/2010)	* R Stace (appointed 05/04/2011)
A Haley (elected 13/11/2010; resigned 28/03/2011)	A Taberner (resigned 08/12/2010)
N Haxell (resigned 11/11/2010)	* A Theunissen (elected 13/11/2010)
K La Fleur (appointed 02/01/2011; resigned 28/03/2011)	* E Theunissen (elected 13/11/2010)
* N Mayow (appointed 23/10/2009; elected 13/11/2010)	* J Wilkinson (appointed 28/03/2011)
	* S Willans (appointed 23/12/2010)
	C Wilson (resigned 13/11/2010)
	J Wilson (resigned 22/12/2010)

* Trustee continues in post after 30 June 2011

Secretary	Janet Wilkinson
Address of Principal	Education Otherwise, PO Box 3761, Swindon, SN2 9GT

**Education Otherwise Association Limited
Company Limited By Guarantee**

**Trustees Annual Report *(continued)*
Year Ended 30 June 2011**

Bankers Unity Trust Bank
Nine Brindleyplace
Birmingham
B1 2HB

Triodos Bank
Brunel House
11 The Promenade
Bristol
BS8 3NN

Solicitors Everyman Legal
1G Network Point
Range Road
Windrush Park
Witney
Oxfordshire
OX29 OYN

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated on 28 May 1985 and registered as a charity on 2 May 1996. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and Appointment of Trustees

Trustees are recruited from signed-up members who have been involved at a local or national level. Potential trustees are proposed to the AGM for membership of Council. Trustees are appointed for a term of three years. Trustees can be co-opted between AGMs if numbers on the management committee or council fall below the required level but must either stand down or stand for election at the next AGM. A third of elected trustees are required to stand down by rotation at each AGM.

Trustee Induction and Training

New trustees are provided with an information pack about their role and responsibilities as Trustees and Company Directors.

Risk Management

The trustees conduct an ongoing review of the major tasks in which the charity is involved and reviews the systems in place to mitigate any risks involved. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and external risks by secure investment.

Education Otherwise Association Limited
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Trustees Annual Report *(continued)*
Year Ended 30 June 2011

Organisational Structure

The organisation consists of a management committee of between 14 and 19 trustees and a team of volunteers. Education Otherwise employed up to two full-time staff to deal with database administration, secretarial backup and book keeping. In May 2010, Education Otherwise opened an office in Sheffield staffed by two people for 56 hours per week. In February 2011, Education Otherwise closed the office in Sheffield and made the staff redundant in order to prevent further reduction of the vastly reduced reserves.

Education Otherwise started the year with a membership base of approximately 2460 families and ended the year with 2779 families. On average, 85 new member families joined every month.

At the start of the year, the number of voting members (known as signed-up members, or SUMs) was 57 – this was significantly reduced from the previous year because of the SUM administration fee introduced in August 2009. At the AGM in March 2011, it was decided to reinstate the requirement for signed-up members to be part of a paid-up member family and to drop the administration fee. This restored the number of voting members to 178.

Objectives and Activities

Education Otherwise is a membership organisation for the public benefit, which provides support and information for families whose children are being educated outside school, and for those who wish to uphold the freedom of families to take proper responsibility for the education of their children. Our principal aims are:

- To encourage learning outside the school system.
- To re-affirm that parents have the primary responsibility for their children's education and that they have the right to exercise this responsibility by educating them out of school.
- To establish the primary right of children to have full consideration given to their wishes and feelings about their education.
- To promote knowledge, understanding and acceptance of education otherwise than at school in the world at large.

These aims are met via our extensive network of volunteers and our informative public website. Support and information is provided to members, home educators, the media, local and national government and other interested parties including voluntary agencies. We also signpost to other services. In addition, members receive an information pack on joining and a quarterly newsletter and have access to the helpline, specialist contacts, the members' only forum, internet support lists, get-togethers and workshops.

Achievements and Performance

The year from July 2010 to June 2011 was extremely busy time for the trustees. A new set of trustees was voted in at the AGM in November 2010 and many of the previous trustees resigned in December 2010. The incoming trustees discovered that Education Otherwise would be bankrupt by April 2011 at the current rate of expenditure and took the extremely

Education Otherwise Association Limited
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Trustees Annual Report *(continued)*
Year Ended 30 June 2011

difficult decision to close the Sheffield office, making the two staff members redundant. Trustees worked hard to clear the office by the end of February in order not to incur additional rental charges.

It was also discovered that proper financial records were not available from July 2009 until May 2010 and the treasurer had to reconstruct records as best she could in order to file the accounts on time in March 2011. However, this was achieved – the first time in at least five years. This ensured that Education Otherwise did not incur further fines from Companies House in financial year to 30 June 2011.

There had been a slump in membership due to administrative and governance issues in the previous year. Trustees started to turn this around without further financial investment by utilising volunteers and developing new procedures, including a new website that could sign members up for membership and access to a members' only area.

Difficulties

Trustees' ability to improve services to members was severely impacted by the sudden and unexpected death in May 2011 of Heidi de Wet. She joined the trustee body in November 2010 and was instrumental in changes made in the early part of 2011. She became membership secretary and put in many hours preparing for the AGM in March 2011 and in regularising the membership database. The trustees were shocked and saddened by her death. They have experienced additional burdens in picking up the tasks that Heidi had been carrying out and some of the functions and services of Education Otherwise have not run as smoothly as trustees would wish. Trustees are continuing to work to resolve these issues.

Financial Review

The charity incurred a deficit of £18,583 (£44,365 in 2010) for the year ended 30 June 2011 which, with the opening reserves gives a total to carry forward of £28,182 (£46,765 in 2010).

Investment and Reserve Policy

The charity's reserves are currently held in a high-interest charity reserve account. The reserves are kept to enable the trustees to continue the activities of the charity in the event of a significant drop in funding. Trustees are still working to re-establish a secure financial footing for the charity.

Future plans

The charity is continuing its activities as outlined above under aims and activities.

Small Claim

Ms Fiona Nicholson (former trustee) took out a claim in the Small Claims Court against Education Otherwise for £1071.94 expenses she claimed had not been paid. The lack of proper record-keeping over an extended period made it very difficult for the trustees to work out what had and had not been paid. Given that Ms Nicholson had been responsible

Education Otherwise Association Limited
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Trustees Annual Report *(continued)*
Year Ended 30 June 2011

for the Education Otherwise Finance Group and had been a signatory on the bank account until her resignation in December 2010, trustees decided to defend the claim. With the assistance of a court-appointed mediator, Education Otherwise and Ms Nicholson agreed on an out-of-court settlement on 23 September 2011. Trustees agreed to settle for £300, which was less than the claim and much less than it would have cost to defend the action in court.

A claim in court against Education Otherwise falls within the definition of serious incidents which have to be reported to the Charity Commission. The trustees have therefore submitted a serious incident report.

Responsibilities of the Trustees

The trustees (who are also the directors of Education Otherwise Association Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Independent Examiner

The trustees appointed Barry Darlington of Darlington & Co as independent examiner.

Registered office:
91 Lyndhurst Drive
Preston
PR2 1TB

Signed by order of the trustees



Shena Deuchars
Chair

24 March 2012

1917107

EDUCATION OTHERWISE ASSOCIATION LIMITED

Company Limited by Guarantee

INDEPENDENT EXAMINER'S REPORT

I report on the accounts of the charity for the year ended 30 June 2011 set out on pages 2 to 8.

Respective Responsibilities of Trustees and Independent Examiner

The charity's trustees (who are also the directors of Education Otherwise Association Limited for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under section 43(2) of the Charities Act 1993 (the 1993 Act), as amended by section 28 of the Charities Act 2006) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts (under section 43(3)(a) of the 1993 Act, as amended)
- to follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, as amended) and
- to state whether particular matters have come to my attention

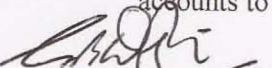
Basis of Independent Examiner's Statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on whether the accounts present a "true and fair view".

Independent Examiner's Statement

In connection with my examination, no matters have come to my attention,

- (1) which gives me reasonable cause to believe that in any material respect the requirements to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act have not been met, or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


G. B. Darlington AFA

27/3/12.

Independent Examiner
Darlington & Co
73 Pope Lane
Penwortham
Preston
PR1 9BY



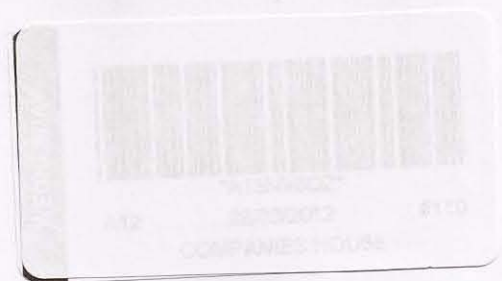
EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

	Notes	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES			
Activities for generating funds	2	53660	56309
Investment Income	3	26	123
TOTAL INCOMING RESOURCES		<u>53686</u>	<u>56432</u>
RESOURCES EXPENDED			
Charitable Activities	4	-70219	-98758
Governance Costs	6	-2050	-2039
TOTAL RESOURCES EXPENDED		<u>-72269</u>	<u>-100797</u>
NET OUTGOING RESOURCES FOR THE YEAR/ NET EXPENDITURE FOR THE YEAR	7	-18583	-44365
RECONCILIATION OF FUNDS			
Total funds brought forward (initial)		46765	91130
Prior Year Adjustment		0	0
Total Funds Brought Forward		<u>46765</u>	<u>91130</u>
TOTAL FUNDS CARRIED FORWARD		<u>28182</u>	<u>46765</u>

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

All of the above amounts relate to continuing activities.



The notes on pages 4 to 8 form part of these financial statements

EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

BALANCE SHEET

	Notes	Total Funds		Total Funds	
		£ 2011	£	£ 2010	£
FIXED ASSETS					
Tangible Assets	10		1618		2460
CURRENT ASSETS					
Stocks	11	0		2039	
Debtors	12	1039		6899	
Cash at bank		26912		41189	
		<u>27951</u>		<u>50127</u>	
Creditors (falling due within one year)	13	<u>-1387</u>		<u>-5822</u>	
NET CURRENT ASSETS			<u>26564</u>		<u>44305</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>28182</u>		<u>46765</u>
NET ASSETS			<u>28182</u>		<u>46765</u>
FUNDS					
Unrestricted Income	14		<u>28182</u>		<u>46765</u>
TOTAL FUNDS			<u>28182</u>		<u>46765</u>

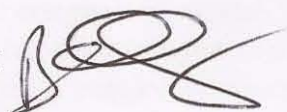
The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 2006 (the Act) relating to the audit of the financial statements for the year by virtue of section 477(2), and that no member or members have requested an audit pursuant to section 476(1) of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

The trustees acknowledge their responsibilities for

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

These financial statements were approved by the trustees and signed by the member of the committee on

Beverley Cameron-Young
Trustee



Date 27/3/2012

Company Registration Number 1917107

The notes on pages 4 to 8 form part of these financial statements

EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Accounting

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

Cash Flow Statement

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

Fixed Assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:-

Office Equipment	20% of cost
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Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund Accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectivity of the charity.

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming Resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:-

- grants and contract funding payments are recognised when receivable.
- investment income is included when receivable.

EDUCATION OTHERWISE ASSOCIATION LIMITED

Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS (continued)

Resources Expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes VAT and is reported as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with both the costs of attracting the income and those of providing the facilities to generate the income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance cost include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

2. INCOMING RESOURCES FROM ACTIVITIES TO FURTHER THE CHARITY'S OBJECTS

	Unrestricted Funds	Total Funds	Total Funds
	2011	2011	2010
	£	£	£
Donations	0	0	46
Subscriptions	37271	37271	54737
Sale of Publications	184	184	124
Telephone	163	163	556
Advertising	2305	2305	200
Gift Aid	6246	6246	0
SUMs	18	18	0
Misc Income	7473	7473	646
	<u>53660</u>	<u>53660</u>	<u>56309</u>

3. INVESTMENT INCOME

	Unrestricted Funds	Total Funds	Total Funds
	2011	2011	2010
	£	£	£
Bank Interest	26	26	123

4. COST OF CHARITABLE ACTIVITIES BY ACTIVITY TYPE

	Activities undertaken directly	Support Costs	Total Funds	Total Funds
	2011	2011	2011	2010
	£	£	£	£
Support and Promotion of Education	54900	15319	70219	98758

EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. DETAIL OF COSTS OF CHARITABLE ACTIVITIES

	Activities		Total Funds 2011 £	Total Funds 2010 £
	Undertaken	Support		
	Directly	Costs		
	£	£		
Administration Fees and Wages	38999	0	38999	36776
Newsletter, Newsfeed and Press Pack Costs	1983	0	1983	15056
Membership Costs	2792	0	2792	3444
Office Costs	208	0	208	5199
Advertising and Promotion	6	0	6	0
Insurance	1173	0	1173	1402
Communications	92	0	92	630
Own Publications and goods for Resale	7608	0	7608	0
Trustees' and Volunteers' Expenses	0	8610	8610	4712
Reference Books and Conference Expenses	0	0	0	190
Educational Resource Subscription	0	0	0	1958
Legal and Professional Fees	0	3595	3595	1076
Depreciation	0	842	842	1316
GPG/Campaign Expenses	0	0	0	12976
Training	0	948	948	0
Bank Charges	0	208	208	1617
Sundry Expenses	0	1116	1116	12406
Stock Written Off	2039	0	2039	0
	54900	15319	70219	98758

6. GOVERNANCE COSTS

	Unrestricted	Total Funds	Total Funds
	Funds	2011	2010
	£	£	£
Independent Examination Fees	600	600	1557
Legal and Professional Fees	1450	1450	482
	2050	2050	2039

7. NET OUTGOING RESOURCES FOR THE YEAR

	2011	2010
	£	£
This is stated after charging		
Depreciation	842	1316
Independent Examiners Fees	600	1558

EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS (continued)

8. STAFF COSTS AND EMOLUMENTS	2011	2010
	£	£
Wages and Salaries	24328	34435
Social Security Costs	756	2341
	25084	36776

Particulars of Employees:

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

	2011	2010
Number of Administrative Staff	2	2

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

9. Trustees' Expenses

The aggregate amount of expenses incurred by Trustees for services provided during the year amounted to £9568 (2010 - £5436). These expenses relate to travel, accommodation, telephone and child protection training. There were 8 (2010 - 8) Trustees involved.

At 30 June 2011 £Nil (2010 - £Nil), in total, was advanced to Trustees in respect of expenses.

10. TANGIBLE FIXED ASSETS

	Office
	Equipment
COST	£
At 1 July 2010	5400
Additions	0
Disposals	0
	5400
DEPRECIATION	
At 1 July 2010	2940
Charge for the year	842
On disposals	0
	3782
NET BOOK VALUE	
At 30 June 2011	1618
At 30 June 2010	2460

11. STOCKS	2011	2010
	£	£
Stock	0	2039

EDUCATION OTHERWISE ASSOCIATION LIMITED
Company Limited by Guarantee

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. DEBTORS		2011	2010
		£	£
Trade Debtors		0	1514
Other Debtors		1039	5385
Prepayments		0	0
		1039	6899

13. CREDITORS: Amounts fall due within one year		2011	2010
		£	£
Taxation and Social Security		0	1964
Wages		0	0
Other Creditors		787	2310
Accruals		600	1548
		1387	5822

14. UNRESTRICTED INCOME FUNDS		Balance at	Incoming	Balance at
		1 July 2010	Resources	30 June 2011
		£	£	£
General Funds		46765	-18583	28182

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS		Tangible	Net Current	Total
		Fixed Assets	Assets/ (Liabilities)	Total
		£	£	£
Unrestricted Income Funds		1618	26564	28182
TOTAL FUNDS		1618	26564	28182

16. COMPANY LIMITED BY GUARANTEE

Every member of the Association undertakes to contribute to the assets of the Association, in the event of the same being wound up while he is a member, or within one year after he ceases to be member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributions among themselves, such amount as may be required not exceeding £10.