

STRAIGHT TALKING PEER EDUCATION

TRUSTEES' REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 JULY 2010

**BRITT & KEEHAN
CHARTERED ACCOUNTANTS
REGISTERED AUDITOR
33 GRIMWADE AVENUE
CROYDON
CR0 5DJ**

**STRAIGHT TALKING PEER EDUCATION
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STRAIGHT TALKING PEER EDUCATION

1.

LEGAL AND ADMINISTRATIVE INFORMATION

Charity Number	1101726
Company Number	04978681
Registered Office and operational address	35 Elm Road New Malden Surrey KT3 3HB
Trustees	
Chairperson	Keith Simons Sophie Kilmister (resigned 24/11/10)
Treasurer	Stephen Pugsley
Members	John Botterill Heather Brown (resigned 26/10/10) John Thesiger (resigned 30/9/09) Heather Owens Jo Sheldon (appointed 30/9/09) Peter Glynne (appointed 26/10/10) George Casley (appointed 24/11/10)
Company Secretary	Hilary Pannack
Principle Staff	Hilary Pannack Chief Executive
Auditors	Britt & Keehan 33 Grimwade Avenue Croydon CRO 5DJ
Bankers	Lloyds TSB Bank plc 402/404 Ewell Road Tolworth Surrey KT6 7HG

REPORT OF THE TRUSTEES

For the year ended 31 July 2010

The trustees present their report and financial statements for the year ended 31 July 2010.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Straight Talking Peer Education is a company limited by guarantee.

The board of trustees are responsible for the financial and strategic management of the charity, board meetings being held every two months. The day to day running of the charity is managed by a full time Chief Executive, a full time Finance Manager and Operations Manager, two part time Regional Coordinator, three part time Local Scheme Coordinators, and an Office Assistant. The charity's programme in schools in London, Birmingham, Somerset and Surrey is delivered by young parents who are employed as sessional workers.

A new trustee may only be appointed on the nomination of an existing trustee, seconded by another and voted upon. No other organisation or body has the right to appoint trustees of the charity.

The trustees have a policy of reviewing the organisational risks on a six monthly basis.

OBJECTIVES AND ACTIVITIES

The objects of the charity are to preserve the health and advance the education of young people, in particular by the provision of courses on the impact of pregnancy, parenting and sex education for such young persons, their parents, guardians and other professionals in this field.

ACHIEVEMENTS AND PERFORMANCE

- Straight Talking delivered 229 courses (an increase of 43% on last year) in 40 schools (an increase of 29% on last year) reaching approximately 6,870 pupils in 7 Boroughs including Kingston, Barking & Dagenham, Hounslow, Somerset, Birmingham, Richmond and in Surrey.
- The charity employed 81 teenage parents of these 15 have left Straight Talking and moved on into education, employment or training in this year and 31 whilst staying with Straight Talking, had also found further employment or were attending education or training.
- Straight Talking promoted a further three 7 peer educators; two Local Scheme Coordinators in Kingston and Hounslow and promoted one Local Scheme Coordinator to Regional Coordinator.
- The charity organised a second residential on the Isle of Wight for 15 peer educators, including 2 young fathers to raise awareness of the issues of domestic violence, recognise communication boundaries and increase self-esteem.
- Straight Talking opened three new Local Schemes in partnership with the local authorities in Hounslow, Somerset, and Birmingham.
- Straight Talking led the publication of a policy document for government with input from 4 other charities
- The charity wrote the new Business Plan

TRUSTEES' REPORT (continued)

- An Operations Manager was recruited
- This year also saw further increased media interest from newspapers, television and internet sources.
- The Investors in People award was retained
- The Open College Network accreditation for peer education was written and approved

FINANCIAL REVIEW

The accounts show an overall reduction in income from £265,708 in 2008/9 to 213,374 in 2009/10. There was an increase in restricted income for the year from £106,258 to £134,229. Although we were successful in retaining and increasing unrestricted donations from a number of donors, the economic climate has had a noticeable impact on our unrestricted income for the year. One of the key aims of our business plan and fundraising strategy, is to focus on unrestricted income to strengthen the long term financial sustainability of the charity, enable expansion into new areas and to carry out research and develop new initiatives.

Restricted and unrestricted expenditure was managed in line with expectations and commitments throughout the year within the overall levels of income and reserves. There was a deficit of £70,147 on net incoming resources for the year, against £137,370 of funds brought forward from 2008/9. Total funds carried forward at the year end were £67,223

RESERVES

Our financial year is aligned to run in parallel with the academic year in terms of the provision of courses. The movement in both restricted and unrestricted reserves reflects the receipt of funding in relation to the number of courses run during the current academic year.

The restricted reserves of the charity are £39,182. Within this figure, reserves for the provision of courses are £9,182, and £30,000 received from the Tudor Trust is for strategic development. The unrestricted reserves of £28,041 is consistent with the current reserves policy of three months core expenditure and course provision.

INVESTMENT POLICY

The reserves of the charity are held in a high interest deposit account with Lloyds TSB. However due to the prevailing lower level of interest rates for 2009/10 our bank interest earned in the financial year was £14.

RISK MANAGEMENT

Straight Talking has a formal risk management process involving Trustees and Senior Management to identify business risks and implement risk management strategies. These have been prioritised in terms of potential impact and likelihood of occurrence and identifying means of mitigating the risks. The trustees have a policy of reviewing the organisational risks on a six monthly basis.

In particular, Straight Talking is mindful of the risks associated with working with Children and Young People and regularly reviews its Child Protection Policy.

FUTURE PLANS

- The opening of a Sexual Health Drop in Centre staffed by teenage parents, supported by health professionals
- The development of one further Local Scheme
- To implement the Open College Network accreditation for all new peer educators
- To campaign for the policy document to be adopted as a strategy for government
- To commission a Social Return on Investment study

TRUSTEES' RESPONSIBILITIES

Company law requires that the trustees prepare accounts for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the income and expenditure of the company for that period. In preparing those accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts.

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

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

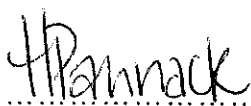
The Trustees of the charitable company confirm that:

As far as they are aware, there is no relevant audit information (information needed by the charitable company's auditors in connection with preparing their report) of which the charitable company's auditors are unaware, and they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Straight Talking Peer Education Limited is a registered Company, limited by guarantee. Members of the Company have guaranteed the liabilities of the Company up to £1 each.

This report is prepared in accordance with the exemptions available to companies subject to the small companies regime within Part 15 of the Companies Act 2006

Signed on behalf of the Trustees


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H PANNACK – Company Secretary

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF STRAIGHT TALKING PEER EDUCATION**For the year ended 31st July 2010**

We have audited the financial statements on pages 6 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

This report is made solely to the charitable company's members, as a body, in accordance with section 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 4, the charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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 Companies Act 2006 and United Kingdom Generally Accepted Accounting Practice. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit or if information specified by law regarding Trustees' remuneration and transactions with the company is not disclosed. We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies within it. Our responsibilities do not extend to any other information.

BASIS OF OPINION


We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an 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 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, reliable and relevant evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements:

- the financial statements give a true and fair view of the state of the charity's affairs at 31 July 2010 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been properly prepared in accordance with the provisions of the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.


Mrs Jill Keehan
Senior Statutory Auditor
For and on behalf of
BRITT & KEEHAN
STATUTORY AUDITORS

33 Grimwade Avenue
Croydon
CR0 5DJ

Date11. March 2011

STRAIGHT TALKING PEER EDUCATION

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 July 2010

	<u>Notes</u>	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	<u>2010</u> Total <u>Funds</u> £	<u>2009</u> Total <u>Funds</u> £
INCOMING RESOURCES					
Incoming resources from generated funds:					
<i>Voluntary Income:</i>					
Grants and Donations	2	76,574	66,427	143,001	203,187
<i>Activities for generating funds:</i>					
Interest received		41	-	41	1,024
Incoming resources from charitable activities	2	<u>2,530</u>	<u>67,802</u>	<u>70,332</u>	<u>61,497</u>
Total Incoming Resources		<u>79,145</u>	<u>134,229</u>	<u>213,374</u>	<u>265,708</u>
Resources Expended	3				
Cost of generating voluntary income		41,225	-	41,225	31,722
Charitable activities		84,919	142,721	227,640	200,984
Governance of the charity		<u>14,656</u>	-	<u>14,656</u>	<u>16,498</u>
Total Resources Expended		<u>140,800</u>	<u>142,721</u>	<u>283,521</u>	<u>249,204</u>
Net Incoming Resources before transfers		(61,655)	(8,492)	(70,147)	16,504
Transfers between funds		-	-	-	-
Net Incoming Resources for the year		(61,655)	(8,492)	(70,147)	16,504
Reconciliation of funds					
Total Funds brought forward		89,696	47,674	137,370	120,866
TOTAL FUNDS CARRIED FORWARD AT 31.7.2010		<u>£28,041</u>	<u>£39,182</u>	<u>£67,223</u>	<u>£137,370</u>

The charitable company has no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the surplus shown above and their historical cost equivalents.

**STRAIGHT TALKING PEER EDUCATION
COMPANY NUMBER: 04978681**

**BALANCE SHEET
As at 31 July 2010**

	<u>Note</u>	<u>2010</u> £	<u>2009</u> £
TANGIBLE FIXED ASSETS	6	784	1,829
CURRENT ASSETS			
Debtors	7	25,832	18,549
Cash at bank and in hand		<u>46,130</u>	<u>140,154</u>
		71,962	158,703
CREDITORS			
Amounts falling due within one year	8	<u>5,523</u>	<u>23,162</u>
NET CURRENT ASSETS		66,439	135,541
NET ASSETS		<u>£67,223</u>	<u>£137,370</u>
FUNDS	9		
Restricted Funds		39,182	47,674
Unrestricted Funds		<u>28,041</u>	<u>89,696</u>
		<u>£67,223</u>	<u>£137,370</u>

The notes on pages 8 to 12 form a part of these financial statements.

The financial statements are prepared in accordance with the special provisions within Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Trustees on 6/13/2011 and signed on its behalf by


.....
S PUGSLEY – Treasurer

STRAIGHT TALKING PEER EDUCATION**NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 July 2010****1. ACCOUNTING POLICIES**

a) Accounting Convention

The accounts are prepared in accordance with applicable accounting standards and the Statement of Recommended Practice (revised 2005) for Accounting by Charities, and are prepared under the historical cost convention.

b) Fund Accounting

The nature and purpose of each fund is explained in Note 9.

c) Income and Expenditure

All income is accounted for on a receivable basis. Donations in kind are recognized at the value to the Charity and are included in both income and expenditure. Expenditure is included on an accruals basis. Direct charitable expenditure comprises all expenditure relating to the objects of the Charity, including costs incurred in supporting charitable activities. Other expenditure comprises fund raising and expenditure on the governance of the Charity. Where expenditure cannot be directly attributed to a single activity, it is allocated between activities on a basis consistent with the use of resources.

d) Reserves

The management committee have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be between 3 and 6 months of the resources expended. At this level, the management committee feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed.

e) Depreciation of Tangible Fixed Assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value of each asset systematically over its expected useful life:

Fittings, fixtures & equipment - 33 $\frac{1}{3}$ rd straight line basis

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 July 2010

2. GRANTS AND DONATIONS	<u>Unrestricted</u>	<u>Restricted</u>	<u>2010</u> £	<u>2009</u> £
Tudor Trust	-	30,000	30,000	-
Stiching Benevolenta	25,000	-	25,000	25,000
Wates Foundation	18,281	-	18,281	18,866
The Peacock Charitable Trust	10,000	-	10,000	3,000
The Wessex Youth Trust	-	9,703	9,703	6,398
The Taylor Family Foundation	-	6,300	6,300	-
The 29 th May 1961 Charitable Trust	6,000	-	6,000	6,000
The Henry Smith Charity	-	5,000	5,000	-
The Peter Harrison Foundation	-	5,000	5,000	-
Ajahma Charitable Trust	-	4,500	4,500	-
The Charlotte Bonham-Carter Charitable Trust	4,000	-	4,000	-
Help a London Child	-	2,924	2,924	2,924
Vodafone World of Difference	-	2,500	2,500	-
The Maurice & Hilda Laing Charitable Trust	2,500	-	2,500	-
The Fulmer Charitable Trust	2,000	-	2,000	-
William Allen Young Charitable Trust	2,000	-	2,000	1,000
Individual grants £1,500 and under	6,793	500	7,293	6,169
The John Ellerman Foundation	-	-	-	35,000
GSK Impact Award	-	-	-	25,000
The Worshipful Company of Weavers	-	-	-	15,000
Future Builders	-	-	-	15,000
Lloyds TSB Foundation for England and Wales	-	-	-	14,830
Personal Development Trust UK	-	-	-	10,000
The Guardian	-	-	-	6,000
The Trusthouse Charitable Foundation	-	-	-	4,000
Essex Youth Trust	-	-	-	3,000
Simon Gibson	-	-	-	3,000
Fox Memorial Trust	-	-	-	3,000
	<u>£76,574</u>	<u>£66,427</u>	<u>£143,001</u>	<u>£203,187</u>
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES	<u>Unrestricted</u>	<u>Restricted</u>	<u>2010</u> £	<u>2009</u> £
Birmingham CC	-	18,802	18,802	16,024
LB Hounslow	-	15,000	15,000	15,000
LB Barking & Dagenham	-	15,000	15,000	10,720
Somerset CC	-	10,000	10,000	8,000
The Royal Borough of Kingston upon Thames	-	9,000	9,000	5,500
Other	2,530	-	2,530	3,391
Association of London Government	-	-	-	2,862
	<u>£2,530</u>	<u>£67,802</u>	<u>£70,332</u>	<u>£61,497</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2010

3. TOTAL RESOURCES EXPENDED

	Direct Charitable Expenditure	Cost of Generating Funds	Governance	2010 TOTAL £	Restricted Funds	Unrestricted Funds	2009 TOTAL £
Staff costs	148,935	5,311	5,777	160,023	121,471	38,552	136,445
Direct charitable expenses	36,018	-	-	36,018	16,250	19,768	54,926
Fundraising & consultancy costs	22,317	34,909	-	57,226	5,000	52,226	27,424
Office expenses	19,423	958	1,043	21,424	-	21,424	21,620
Governance costs	-	-	7,785	7,785	-	7,785	6,500
Depreciation	947	47	51	1,045	-	1,045	2,289
	<u>£227,640</u>	<u>£41,225</u>	<u>£14,656</u>	<u>£283,521</u>	<u>£142,721</u>	<u>£140,800</u>	<u>£249,204</u>

Net incoming resources are stated after charging:

Depreciation	£	£
Audit fee	1,045	2,289
Accountancy services provided by the Auditors	1,375	1,345
	788	630
	<u> </u>	<u> </u>

4. TRUSTEES EXPENSES

The Trustees drew no fees or expenses.

5. STAFF COSTS

	2010 £	2009 £
Salaries	148,274	126,715
Social Security costs	8,654	9,730
Mileage & other expenses	3,095	-
	<u>£160,023</u>	<u>£136,445</u>

No employee earned £60,000 pa or more.

The average number of full-time equivalent employees during the period was 5 (2009 - 5).

In addition, 81 (2009 - 58) teenage parents were employed, on an occasional basis, to assist in delivering the courses.

6. TANGIBLE FIXED ASSETS

	Fixtures, fittings & Equipment
Cost:	
Brought forward	15,132
Additions	-
At 31 July 2010	<u>15,132</u>
Depreciation:	
Brought forward	13,303
Charge for the year	1,045
At 31 July 2010	<u>14,348</u>
Net Book Value at 31 July 2010	£784
	<u> </u>
Net Book Value at 31 July 2009	£1,829
	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

For the year ended 31 July 2010

	<u>2010</u>	<u>2009</u>
7. DEBTORS		
Grants receivable	25,000	17,685
Prepayments	696	713
Other	<u>136</u>	<u>151</u>
	<u>£25,832</u>	<u>£18,549</u>
	=====	=====
8. CREDITORS		
Trade creditors	2,122	4,035
Accruals	1,350	16,540
Taxation	<u>2,051</u>	<u>2,587</u>
	<u>£5,523</u>	<u>£23,162</u>
	=====	=====

9. FUNDS

Restricted funds are those that have been raised for specific projects falling within the charitable objectives. Unrestricted funds are those that the Trustees are free to use in accordance with the charitable objectives.

Restricted funds

	B/fwd	Movement in Resources		C/fwd
	<u>1.8.09</u>	<u>Income</u>	<u>Expenditure</u>	<u>31.7.10</u>
Tudor Trust – Strategic development	-	30,000	-	30,000
Courses – London	15,000	56,424	67,865	3,559
Vodafone – World of Difference	-	2,500	2,500	-
Teenage parents suffering domestic violence	-	6,300	6,300	-
Course accreditation	3,650	-	3,650	-
Employee costs – Wessex Trust	-	9,703	9,703	-
Courses - Birmingham	16,024	19,302	29,703	5,623
- Somerset	8,000	10,000	18,000	-
Development – Future Builders	5,000	-	5,000	-
	-----	-----	-----	-----
	<u>£47,674</u>	<u>£134,229</u>	<u>£142,721</u>	<u>£39,182</u>
	=====	=====	=====	=====

Analysis of Net Assets between Funds

	<u>Tangible Fixed Assets</u>	<u>Net Current Assets</u>	<u>TOTAL</u>
Restricted	-	39,182	39,182
Unrestricted	784	27,257	28,041
	-----	-----	-----
	<u>£784</u>	<u>£66,439</u>	<u>£67,223</u>
	=====	=====	=====

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 July 2010

10. RESOURCES EXPENDED

	Direct Charitable <u>Expenditure</u> £	Cost of Generating <u>Funds</u> £	<u>Governance</u> £	2010 <u>TOTAL</u> £	<u>2009</u> £
Staff costs	148,935	5,311	5,777	160,023	136,445
Direct charitable expenses:					
Recruitment	2,287	-	-	2,287	565
Accreditation fees - Peer educator courses	2,727	-	-	2,727	2,300
Investors in people	3,384	-	-	3,384	-
Driving lessons	491	-	-	491	824
Printed stationery & equipment for courses	4,372	-	-	4,372	8,992
Travel and mileage	7,725	-	-	7,725	10,656
Training, conferences & residential visits	9,467	-	-	9,467	9,318
Website and database	-	-	-	-	374
Publications & subscriptions	712	-	-	712	1,122
Evaluation	1,804	-	-	1,804	19,891
Other	3,049	-	-	3,049	884
Fund raising and consultancy costs:					
Marketing & PR	15,708	10,750	-	26,458	6,862
Consultants	6,609	24,159	-	30,768	19,602
Fundraising expenses	-	-	-	-	960
Office expenses:					
Rent & Rates	6,228	307	334	6,869	6,877
Insurance	496	24	27	547	579
Equipment & repairs	884	44	47	975	1,539
Computer consumables	2,591	128	139	2,858	3,433
Telephone	4,481	221	241	4,943	6,144
Office stationery & postage	4,743	234	255	5,232	3,048
Administration expenses:					
Audit	-	-	1,375	1,375	1,345
Accounts assistance – by auditors	-	-	788	788	630
Legal fees	-	-	-	-	360
AGM & Annual report	-	-	4,767	4,767	1,940
Trustees Organisational Development	-	-	351	351	-
Bank charges	-	-	370	370	385
Trustees meeting expenses	-	-	134	134	273
Miscellaneous	-	-	-	-	1,567
Depreciation	947	47	51	1,045	2,289
	<u>£227,640</u>	<u>£41,225</u>	<u>£14,656</u>	<u>£283,521</u>	<u>£249,204</u>

THIS PAGE DOES NOT FORM A PART OF THE STATUTORY ACCOUNTS.