

Charity number: 1071745

The Industrial Trust

Registered number: 3406567

Trustees report and financial statements

For the year ended 31 March 2008

THE INDUSTRIAL TRUST

(Limited by Guarantee)

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THE INDUSTRIAL TRUST (Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2008

Vice Presidents

Eric Barnes OBE DL
Prof Harry Bhadeshia
John Bramah
Sir Anthony Cleaver
Sir George Cox
Prof Sir Christopher Evans OBE
Baroness Professor Susan Greenfield CBE
Emma Harrison
Richard Hunting
Lord Digby Jones
Sir Bryan Nicholson GBE
The Lord Paul
John Rivers CBE
Sir Nick Scheele
Prof Ian Shanks
Sir Richard Sykes
Sir Michael Tomlinson CBE
Miles Templeman

Directors

Sir Hugh Sykes DL (Chairman)
Sir Robert Malpas CBE (Deputy Chairman)
Dr Stephen Bold
Sir David Chapman Bt DL
Kenneth J Fergusson
Prof Julia King CBE
Dr Robert Hawley CBE
Rosco Paterson
Robert Savidge
Prof Bill Speirs
Prof John Wood CBE

Company registered number

3406567

Charity registered number

1071745

Registered office

The Coach House
Brookfield Manor
Hathersage
Hope Valley
S32 1BR

THE INDUSTRIAL TRUST (Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2008

Advisers (continued)

Company secretary

Richard Vick

Chief executive officer

John Gibbs-Newton

Auditors

Mazars LLP
Chartered accountants
Clifton Down House
Beaufort Buildings
Clifton Down
Clifton
Bristol
BS8 4AN

Bankers

Barclays Bank plc
9 - 10 Guildhall Square
Carmarthen
Carmarthenshire
SA31 1YH

Solicitors

Nabarro Nathanson
1 South Quay
Victoria Quays
Wharf Street
Sheffield
S2 5SY

THE INDUSTRIAL TRUST (Limited by Guarantee)

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

The Industrial Trust specialises in the provision of educational experiences that bring classroom learning to life and provide unique insights to career opportunities in the wealth creating sector. Taking place mainly in a business environment, our programmes enable students to see for themselves the relevance to their future careers of what they learn in school and college. Most events are short in-company visits for a small group of students designed to meet a specific learning need agreed with the teacher. We are increasingly using larger multi company, multi school events on a specific theme that broaden young people's understanding of a sector or subject.

A particular innovation this year was a 2 day event in East London called "Your City, Your Future" on the theme of sustainability. Over 300 young people were able to discover the science and technology being used to ensure a sustainable future. As it was held at the University of East London, the students involved who were from schools in the surrounding boroughs, were able to get a feel for University life and discover that they had superb higher education facilities just around the corner.

While we will always aim to take young people out of the school environment, occasionally that is not possible. This year we arranged sponsorship so that the Petchey Academy, some of its feeder schools and even its governors could experience two of the Science Museum's travelling shows. The young people were entertained to the ins and outs of the digestive tract and shown how temperature could make amazing changes to the properties of various materials. The Trust also arranged a Career Fair within one of the Harris Academies to which six formers from other schools were also invited.

A further variation in the work of the Trust has been the Drapers' competition for Technical Textiles which moved into its second year. We were very honoured to have HRH the Duke of York to present the prizes to some very talented students.

These examples show that, while the Industrial Trust has a very specific aim, it is becoming ever more flexible in how it delivers this and meets the needs of individual schools and sponsors of its work. The continued popularity of our programmes is further proof that what we do is worthwhile and in demand. Last year 30,179 students and teachers benefited from our work. This is a small increase on the previous year. However the year was one of consolidation in existing regions rather than featuring geographical expansion. Nevertheless this means that the Trust has delivered 148,000 experiences for young people and teachers since the first visit in July 1999.

While numbers through our programmes matter, the impact we make is even more important. The Trust continues to measure the post event satisfaction and learning of the participating students as well as seeking the opinions of the host companies and the teachers. The results of these continue to be excellent (mostly 90+% satisfaction). Towards the end of this year we also started to develop before and after questionnaires to measure movement in perceptions, learning gain and study intentions. It is too early to report on actual results but this is a major step in demonstrating the Trust's impact.

However it is the individual anecdotes that continue to delight us and show that we really do inspire young people. "Marvellous", "amazing", "wonderful" are not unusual amongst our quotes from teachers and students. And our host companies seem to enjoy the experiences too. Here are few quotes from our scrap book:

Mark Whelehan, Director Operations, Yeoman Asphalt wrote:

"It was wonderful to spend time with individuals so enthusiastic and positive about providing better opportunities through realistic interaction with industry; as well as providing opportunities for children of all levels of capability we have the opportunity of also challenging individuals through their own working environments, thus providing more rounded and better informed managers / workforce to boot!"

While Lorna Heffron of RWE npower said "...what a successful event it turned out to be! Well done on all your hard work, ...Well done to the rest of your team also, you all did a fantastic job!"

Dr Ben Broughton of Sharp Laboratories of Europe felt "It's also a fantastic opportunity to access very honest

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CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2008

feedback and fresh ideas from future consumers. As the presenter, it forces you to step back from your work, view it from the wider perspective, and get a nice reminder that what we do is pretty exciting.”

Over 900 companies provide visit opportunities, attend our larger events, and provide financial support and benefits in kind. What is particularly gratifying is that they seem to get a lot from the experience too, especially as they are such an essential ingredient of our work.

Also essential of course are our financial supporters. We are proud to be supported by some of the largest charitable foundations and as well as many smaller ones. They see the value that our particular form of work related learning can have in generating interest in a sector, in raising aspirations amongst disadvantaged and less motivated youth, and in preparing young people for the world of work. The fact that they continue to support us year after year is strong evidence that the team of the Trust deliver a useful service that really does deliver major benefits to the community.

The Strategy for ‘Building Strength and Continued Growth’ developed by our Executive team last year has been followed and the results this year show a further increase in our reserves as well as the expansion of our range of delivered products.

Finally, I want to thank the staff of the Trust for their hard work and dedication. The role of broker between schools with one agenda and timescale of operation and businesses who have another, whilst satisfying the demands of funding organisations is not an easy task. In addition, the changes being made in the Education Business field means that old partnerships that have provided useful funding streams from the public sector are being broken up. This adds uncertainty to what we do. Despite this the team have continued to deliver and find innovative ways of funding our operations. And there is always the huge satisfaction that comes from seeing the flash of understanding in a young person’s eyes.

I am proud to lead an organisation that has grown significantly, delivers a very professional service, and makes such a difference to education, business and the community.

Sir Hugh Sykes DL
Chairman
January 2009

THE INDUSTRIAL TRUST (Limited by Guarantee)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2008

The Trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the audited financial statements of The Industrial Trust (the Trust) for the year ended 31 March 2008. The Trustees confirm that the Annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Directors

The following directors have held office since 1 April 2007:

Sir Hugh Sykes DL
Eric Barnes OBE DL (Resigned 30 September 2007)
Dr Stephen Bold
Sir David Chapman Bt DL
Kenneth Fergusson
Dr Robert Hawley CBE
Prof Julia King CBE
Sir Robert Malpas CBE
Rosco Paterson (Appointed 1 February 2008)
Robert Savidge (Appointed 28 October 2008)
Prof Bill Speirs
Prof John Wood CBE
John Rivers CBE (Resigned 31 October 2007)
Sir Michael Tomlinson CBE (Resigned 2 July 2007)

Structure, governance and management

The Industrial Trust is a charitable company (company number - 3406567, registered charity number 1071745) and was set up on 22 July 1997. It is governed by Memorandum and Articles of Association which were last amended on 11 February 1999. It has no subsidiary companies.

The Trust is limited by guarantee, not having any share capital. The members' liability, in the event of the company being wound up, is limited to an amount not exceeding £1 each.

Arrangements for the appointment of Trustees are set out in the Articles of Association. In short, new Trustees are appointed following a vote of existing Trustees at General Meetings. Before appointment, prospective Trustees meet the Chairman and appropriate members of the Executive to discuss the objectives and operations of the Trust. They are then invited to attend a meeting of Trustees to give an opportunity to discuss their future role.

One third of the Directors retire by rotation at each Annual General Meeting.

The Industrial Trust's Board of Trustees meets quarterly. The Trustees are responsible for expending the funds of the Trust. They do this by setting the Trust's strategic direction and by approving, and reviewing performance against, operational and financial plans. They are also responsible for identifying the major risks to which the Trust is exposed and for establishing and reviewing systems for managing those risks.

The Trustees delegate responsibility for overseeing the day to day management of the company to an Executive Committee of senior managers led since January 2007 by John Gibbs-Newton MCMI. Of the Trustees that resigned during the year Eric Barnes OBE DL, John Rivers CBE, and Sir Michael Tomlinson CBE have been appointed as Vice Presidents to the Trust

THE INDUSTRIAL TRUST (Limited by Guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2008

Risk management

Measures are in place to ensure the quality of the services provided under the company's various programmes. Regular quality assurance reviews are undertaken to ensure programmes meet the requirements of participating educational establishments and to ensure the safety of the participants.

Financial risks and reserves are reviewed as part of the on-going assessment of activities.

Objectives and Activities

The Trust's objects are widely drawn but the Trustees have made decisions over a number of years since 2003 that the entire emphasis of the charity's efforts and resources should be on its educational role, in particular (but not exclusively) in relation to science, technology and manufacturing plus the enterprise skills needed by modern industry.

The Directors seek to fulfil the Trust's objects by providing young people, and their teachers, with interesting and exciting learning experiences that take place outside the normal school environment. We believe that giving young people direct experience of "work" can make a profound difference to individuals:

- enthusing them about particular careers and giving them a clear direction to aim for
- motivating them to do better at school by demonstrating the relevance of their studies
- showing them that certain study options will fit them for careers in the creative and productive sectors and provide great flexibility in their choice of careers
- informing and inspiring them about business and the world of work.

Each of our events is structured around the learning needs of the visiting group or to provide insights to a particular sector of industry. One of the strengths that we have is the wide range of experiences that we offer. To demonstrate this here are some quotes from:

- An enterprise visit led by Digby, Lord Jones where the teacher said:
"..... May I also take this opportunity to formally thank you for your contribution to making the trip to London such an enjoyable and enriching experience for all those taking part, myself included....and were very grateful for the professional and efficient way in which you organised the event. We will remember the event always.....I look forward to working with in the future."
- And a student added
"Thanks again for the London trip; it really was an amazing experience."
- A chemistry visit to Johnson Matthey where the teacher wrote:
"The students were curious to find out what went on in professional laboratories and they were delighted with their findings. They loved putting on the lab coats and getting stuck into some real experiments. They seem much more positive about the purpose of Chemistry in the real world as a result and it is anticipated that many of them will consider it a possible career choice."
- While students reported:
"It was a fun day of learning"
"I liked making the solar panels with raspberries"
"Thank you for the time you took to do this. It was very interesting."
"We got to touch expensive equipment and see how it worked."
"It was brilliant"
"I got to hold £50,000 of platinum"
"Very Good (Very, Very Good)"

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2008

"It was a great day thanks".

Achievements and performance

Over the period covered by this report 30,179 young people and their teachers benefited from the Trust's support and experiences like those illustrated above. This continues the growth of the Trust's activities seen each year since its inception. The landmark total of 150,000 young people and teachers involved in our programmes since our inception was passed shortly after the completion of this financial year.

The Trust is now the biggest provider of short, tailored educational visits to industry for young people in the UK. In 2007-8 we worked with nearly 900 companies and 560 schools across 76 Local Education Authority areas. Whilst the growth in numbers of young people engaged in our events is relatively small, these figures show a significant spreading of our operations in the regions in which we operate. Whilst we did open up an office in the North West during 2007 (the seventh of the nine standard regions of England to be covered), this year has been more about consolidating in areas where we already had a presence.

The bulk of the events managed by the Trust are short in duration, but rich in content in that they get students close to the application of what they are learning at school, provide the opportunity for them to meet role models following careers to which they might aspire, and enable them to understand career and qualification paths that will lead to jobs that are in demand. Teachers too often find the events highly informative, putting their subjects into context and providing the basis for future lessons.

The Trust has continued to move in a carefully planned way into new product areas. The development of events involving many schools and many companies around a selected theme at a central location (usually a university) has continued. In East London an event called "Your City, Your Future" on the theme of sustainability provided a wide ranging insight into the science and technology being used to manage environmental issues. This was so successful that plans were immediately put in place for this to become an annual event. The "Extreme Materials" events started the previous year continued to provide a view on the cutting edge and almost unrecognised technologies behind today's smart textiles.

Organising these large events is a relatively new discipline for the Trust but one to which we have been shown to be adept. This was demonstrated at the highlight of the year – The Industrial Trust and Drapers' Company Awards Ceremony - where we were honoured to have HRH the Duke of York to present the prizes for the technical textiles competition which the Trust manages on behalf of the Worshipful Company of Drapers.

Related to this, and with support from the Clothworkers Foundation, the Trust managed the production of teaching resources in the form of a DVD about Technical Textiles and their applications. Feedback on this has been excellent with one teacher writing

"This is the BEST, CLEAREST and MOST USEFUL DVD I have ever come across. My year 13 have found it very helpful to see the things they have researched actually working, and they have also found out lots of things that are hard to find out about through general research. We're using it right now as part of revision for A2 Unit 6!"

Whilst all of these are useful expansion into new ways of meeting the objectives of the Trust, the Trustees believe that the short, curriculum focused visit into a working environment should remain as the core of the activities of the Trust.

It is not always easy to measure the impact of the Trust's services but we continue to review our programmes to make sure that they meet the requirements of all our partners. Feedback from students, teachers and companies continues to be extremely impressive. The key measure of meeting agreed learning aims stands at 96% for this year. Other measures remain consistently high. Towards the end of this year, use began to be made of "Before and After" questionnaires to gauge movement of intentions or increase in knowledge as a result of our events.

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2008

Financial review

The Executive of the Trust, supported by the Trustees, have established a strategy of building financial strength whilst continuing growth. Steady but careful growth has been demonstrated above through outputs and product development. The key strength being built is the increase in financial reserves.

As in previous years, income, has been generated from 3 main sources:

- private sector companies who support our activities with cash and in-kind benefits
- charitable trusts who work in partnership with the Industrial Trust in pursuit of shared objectives
- public sector agencies that give grants to the Trust.

The Trust's reserves have been further reinforced by a surplus. At 31 March 2008 the free reserves of the Trust (i.e. those not tied up in fixed assets or restricted funds) of the company amounted to £142,583. The equivalent March 2007 figure was £123,091. We plan to make a further surplus in 2008-9 with a medium term view to maintaining a minimum reserve level that will cover three months' of operating costs.

The Trust classifies income as "restricted" or "unrestricted" in accordance with the terms upon which the funding is received. One restricted fund remains in deficit. The Trust intends to clear the Centre deficit through applications for "core" funding. The position with regard to restricted funds is monitored by the Trustees and funds will continue to be allocated from the General Fund to restricted funds when suitable opportunities arise.

However, whilst income continues to grow (up 5.9% over the previous year) central costs are little changed on the previous year. This reflects the priority assigned by the Trustees to maximising the funding made available for front line services.

Overall, the Trustees are confident that the Trust's financial position strengthened during the period covered by this report and believe that prudent measures have been put in place that will accommodate further expansion of the Trust's services.

Reserves policy

Regular financial reports are prepared for each of the company's activities to monitor reserves carried forward and to identify future funding requirements. It is the policy of the Trust to commence new activities only when sufficient funding is in place to support financial commitments. The Trustees have consistently determined that all reserves should be devoted to the educational purposes of the Trust. A Special Resolution confirming this policy was passed in October 2008 confirming this policy.

Plans for the future

In 2008-9 we expect to see continued growth in the Trust's activities helping more young people than ever before - as in each year since our inception. The coming year will also see the Trust's services being made available in new areas, including Eastern region, further London boroughs and the West Midlands.

Following the success of our work with the Drapers' Livery Company in promoting Technical Textiles to young people, we shall continue to demonstrate to young people the careers that are available to them in other sectors of the economy, in particular engineering and construction and those who seek young people who are strong in the "STEM" (Science, Technology, Engineering and Mathematics) subjects.

The Trust will continue to seek to help young people in disadvantaged areas and from disadvantaged

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TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2008

backgrounds. We are confident that our services can be especially effective in raising the aspirations of young people and in offering them successful role models from similar backgrounds. The Trust is determined that its services shall be available to young people whatever their abilities or circumstances.

To succeed in all of this, we will need to continue to establish new and stronger partnerships - not least with other bodies whose objectives are consistent with our own - to generate the funding that we will require and to provide the high quality, tailored services that our customers expect. We look forward to the challenge.

Acknowledgements

The Industrial Trust is very grateful to all of its supporters. We receive financial support from almost 80 organisations, including companies, charitable trusts and public sector bodies. The Trustees are especially grateful to our major funders in the year:

EDF Energy, Rolls-Royce, the Institute of Physics, Experian, Aim Higher, the Worshipful Company of Drapers, the Worshipful Company of Clothworkers, the Worshipful Company of Mercers, the Dulverton Trust and the Underwood Trust.

The Trustees would also like to thank the following organisations for their significant financial contributions during the year: Abbey Charitable Trust, Airbus UK, Business & Education - South Yorkshire, the Cadbury Schweppes Foundation, Calderdale LEA, Education Leeds, Equitable Charitable Trust, the Garfield Weston Foundation, the H & R Sykes Charitable Trust, the Institute of Directors, Laing's Charitable Trust, MOB EBLO, the Lloyds TSB Foundation for England and Wales, Nottinghamshire Education Business Alliance, the Ove Arup Foundation, the Royal Commission for the Exhibition of 1851, the Royal Society of Chemistry, SEEDA, the Sir James Knott Trust, Sharp Laboratories of Europe, Smiths Aerospace, the Sutton Trust and the Worshipful Company of Goldsmiths..

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

Company and charity law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the Trust and of the surplus or deficit of the Trust for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Trust 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 Trust and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

**THE INDUSTRIAL TRUST
(Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
*FOR THE YEAR ENDED 31 MARCH 2008***

- so far as that Trustee is aware, there is no relevant audit information of which the Trust's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the Trust's auditors in connection with preparing their report and to establish that the Trust's auditors are aware of that information.

This report was approved by the Trustees on _____ and signed on their behalf, by:

THE INDUSTRIAL TRUST

(Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INDUSTRIAL TRUST

We have audited the financial statements of The Industrial Trust for the year ended 31 March 2008 set out on pages 13 to 21. These financial statements have been prepared in accordance with the accounting policies set out therein.

Respective responsibilities of Trustees and auditors

The responsibilities of the Trustees (who also act as company directors of The Industrial Trust for the purposes of company law) 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) are set out in the Statement of Trustees' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and 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 1985. We also report to you whether the information given in the Trustees' annual report is consistent with the financial statements.

In addition we report to you if, in our opinion, the Trust 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 Trust is not disclosed.

We read other information contained in the Trustees' annual report and consider whether it is consistent with the audited financial statements. The other information comprises only the Trustees' annual report and the Chairman's statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

THE INDUSTRIAL TRUST (Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE INDUSTRIAL TRUST

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable Trust's affairs as at 31 March 2008 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' annual report is consistent with the financial statements.

Mazars LLP

Chartered accountants
Registered auditors

Clifton Down House
Beaufort Buildings
Clifton Down
Clifton
Bristol
BS8 4AN

Date:

THE INDUSTRIAL TRUST
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2008

	Note	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income	2	279,936	270,349	550,285	469,606
Investment income	3	-	1,739	1,739	314
Incoming resources from charitable activities					
	4	428,147	-	428,147	432,504
Other incoming resources	5	11,228	-	11,228	33,372
Total incoming resources		719,311	272,088	991,399	935,796
Resources expended					
Charitable activities	6,7	714,525	239,987	954,512	888,283
Governance costs	8	-	10,000	10,000	10,046
Total resources expended		714,525	249,987	964,512	898,329
Movement in total funds for the year -					
Net income for the year		4,786	22,101	26,887	37,467
Total funds at 1 April 2007					
		14,440	123,362	137,802	100,335
Total funds at 31 March 2008		19,226	145,463	164,689	137,802

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 15 to 21 form part of these financial statements.

THE INDUSTRIAL TRUST
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BALANCE SHEET
AS AT 31 MARCH 2008

	Note	£	2008 £	£	2007 £
Fixed assets					
Tangible fixed assets	12		5,176		4,018
Current assets					
Debtors	13	185,460		216,877	
Cash at bank and in hand		95,279		107,662	
		<u>280,739</u>		<u>324,539</u>	
Creditors: amounts falling due within one year	14	(121,226)		(190,755)	
Net current assets			<u>159,513</u>		<u>133,784</u>
Total assets less current liabilities			<u>164,689</u>		<u>137,802</u>
Charity Funds					
Restricted funds	15		19,226		14,440
Unrestricted funds	15		145,463		123,362
			<u>164,689</u>		<u>137,802</u>

The financial statements were approved by the Trustees on

and signed on their behalf, by:

The notes on pages 15 to 21 form part of these financial statements.

THE INDUSTRIAL TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 1985.

1.2 Company status

The Trust is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the Trust being wound up, the liability in respect of the guarantee is limited to £1 per member of the Trust.

1.3 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Trust and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Trust for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grant and school visit income is recognised on an accruals basis whilst all other income is recognised on a received basis.

During the year The Industrial Trust has received support in terms of donated services. These have been recognised in the accounts purely on the basis that if they had not been donated they would need to have been purchased by the Industrial Trust.

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Trust.

Governance costs are those incurred in connection with administration of the Trust and compliance with constitutional and statutory requirements.

THE INDUSTRIAL TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

1. Accounting policies (continued)

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings - 25% reducing balance

2. Voluntary income

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Donations	59,200	212,900	272,100	139,840
Membership	-	51,000	51,000	106,003
Sponsorship	42,443	-	42,443	52,460
Donated services	178,293	6,449	184,742	171,303
	<u>279,936</u>	<u>270,349</u>	<u>550,285</u>	<u>469,606</u>

3. Investment income

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Bank interest	-	1,739	1,739	314
	<u>-</u>	<u>1,739</u>	<u>1,739</u>	<u>314</u>

4. Incoming resources from charitable activities

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Grant income	297,714	-	297,714	293,024
School fee income	130,433	-	130,433	139,480
	<u>428,147</u>	<u>-</u>	<u>428,147</u>	<u>432,504</u>

THE INDUSTRIAL TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

5. Other incoming resources

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Other incoming resources	11,228	-	11,228	33,372

6. Direct costs

	Educational visits £	Total 2008 £	Total 2007 £
Premises costs	70,140	70,140	65,776
Coach hire and entry fees	122,754	122,754	122,002
Subcontract Labour	-	-	7,410
Wages and salaries	646,497	646,497	586,129
	<u>839,391</u>	<u>839,391</u>	<u>781,317</u>

7. Support costs

	Educational visits £	Total 2008 £	Total 2007 £
Consultancy	940	940	9,400
Legal and professional fees	2,134	2,134	333
Accountancy costs	16,311	16,311	13,567
Bank charges	633	633	716
Printing, postage, stationery and advertising	34,767	34,767	15,170
Telephone	6,403	6,403	6,712
Secretarial services	-	-	4,700
Travel	41,622	41,622	44,834
Sundry expenses	8,863	8,863	6,652
Subscriptions	1,127	1,127	3,233
Depreciation	2,321	2,321	1,649
	<u>115,121</u>	<u>115,121</u>	<u>106,966</u>

THE INDUSTRIAL TRUST

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

8. Governance costs

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Auditors' remuneration	-	6,500	6,500	7,546
Auditors' non audit costs	-	3,500	3,500	2,500
	-	10,000	10,000	10,046

9. Net income

This is stated after charging:

	2008 £	2007 £
Depreciation of tangible fixed assets: - owned by the charity	2,321	1,649
Auditors' remuneration	6,500	7,546
Auditors' non audit costs	3,500	2,500

10. Staff costs

Staff costs were as follows:

	2008 £	2007 £
Wages and salaries	608,544	546,021
Social security costs	37,953	40,108
	646,497	586,129

The average monthly number of employees during the year was as follows:

	2008 No.	2007 No.
Industrial Trust	26	19

No employee received remuneration amounting to more than £60,000 in either year.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

11. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

12. Tangible fixed assets

	Furniture, fittings and equipment £
Cost	
At 1 April 2007	10,722
Additions	3,479
	<hr/>
At 31 March 2008	14,201
	<hr/>
Depreciation	
At 1 April 2007	6,704
Charge for the year	2,321
	<hr/>
At 31 March 2008	9,025
	<hr/>
Net book value	
At 31 March 2008	5,176
	<hr/> <hr/>
At 31 March 2007	4,018
	<hr/> <hr/>

13. Debtors

	2008 £	2007 £
Trade debtors	181,437	215,313
Other debtors	48	48
Prepayments and accrued income	3,975	1,516
	<hr/>	<hr/>
	185,460	216,877
	<hr/> <hr/>	<hr/> <hr/>

THE INDUSTRIAL TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

14. Creditors: Amounts falling due within one year

	2008 £	2007 £
Trade creditors	35,729	46,159
Social security and other taxes	15,279	12,008
Accruals and deferred income	70,218	132,588
	121,226	190,755
	121,226	190,755

15. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Carried Forward £
Unrestricted funds				
General Fund	123,362	272,088	(249,987)	145,463
	123,362	272,088	(249,987)	145,463
Restricted funds				
Centre	(3,957)	2,270	(18,743)	(20,430)
Operations	18,397	717,041	(695,782)	39,656
	14,440	719,311	(714,525)	19,226
Total of Funds	137,802	991,399	(964,512)	164,689

The Trust's accounts have previously shown detailed analyses of Restricted Funds by operating region. The Directors judge that this is no longer appropriate. There are a number of reasons for this: (a) some regions have been merged or their boundaries changed, (b) the Trust now manages its operations through Divisional Directors rather than semi-autonomous regions, (c) a much higher proportion of funding is raised centrally and allocated to regions according to their capacity to deliver rather than being raised locally and therefore Restricted to one region.

The Trust intends to clear the Centre deficit through applications for "core" funding.

THE INDUSTRIAL TRUST

(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2008

16. Analysis of net assets between funds

	Restricted Funds 2008 £	Unrestricted Funds 2008 £	Total Funds 2008 £	Total Funds 2007 £
Tangible fixed assets	3,296	1,880	5,176	4,017
Current assets	15,930	264,808	280,738	324,540
Creditors due within one year	-	(121,225)	(121,225)	(190,755)
	<u>19,226</u>	<u>145,463</u>	<u>164,689</u>	<u>137,802</u>

17. Transactions with Trustees

During the year no trustees received any remuneration (2007 - £Nil) nor was any trustee reimbursed expenses (2007: £Nil) in respect of travelling and subsistence. A premium of £1,519 (2007: £1,600) was paid for Trustees' Indemnity Insurance cover for the period.