



the
co-operative
college

Co-operative College Trust Annual
Report and Accounts 2005



Reference and the Administrative Information

The Co-operative College was founded in 1919 and is registered with the Charity Commission under charity number 1060008.

Legal and Administrative Details

Registered charity number: 1060008

Registered Offices:

Co-operative College
Holyoake House
Hanover Street
Manchester
M60 0AS

Corporate Trustee

Co-operatives^{UK}
Holyoake House
Hanover Street
Manchester
M60 0AS

The Trustees, Governors, Officers and Advisors

Co-operatives^{UK} is the Corporate Trustee of the Co-operative College Trust. It is the appointing body for the Co-operative College Board of Governors, members of which during 2005 were:

David Gibson CBE (Chair)
John Anderson
Gillian Bober
Nicola Boyle
Elaine Dean
Stephen Galjaard
Dame Pauline Green
Hilary Justin
Jonathan Michie (from April 2005)
Andy Piercy
David Rodgers
Nicholas Rowe (from April 2005)
Richard Scott
Rev Dr Gary Wilton
Mervyn Wilson

All members of the Board are appointed by the Corporate Trustee. In the case of the student and staff member, the appointment follows a nomination process from within the relevant constituency.

The day to day responsibility for operations is delegated to the College Leadership Team, comprising:

Mervyn WilsonChief Executive and Principal
Chris CooperDirector of Learning and Development (Vice Principal)
Emma WillderHead of Management and Corporate Services
Linda ShawHead of Research and Project Development
Gillian LonerganLearning Resources Manager and Archivist

Officers and Staff and other Committees are detailed on pX

Principal Advisors

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

Solicitors: Croftons
Television House
Mount Street
Manchester
M2 5FA

Auditor: KPMG LLP
Chartered Accountants
Registered Auditor
St James' Square
Manchester
M2 6DS

Report

The Co-operative College Trustees and Governors present their Annual Report for the year ended 31 December 2005 under the Charities Act 1993, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charity Statement of Recommended Practice 2005.

Chair's Introduction

2005 was a more challenging year for the Co-operative College, with the economic climate adversely impacting on training volume in the second half of the year. Despite that, the College continued to develop its range of learning programmes, with new partnerships and new areas of work.

Projects have enabled the College to extend its research and development work, with widely distributed publications providing an important educational tool and reinforcing the College's reputation in co-operative learning.

During the year the Trustee and Board worked with the Charity Commission to resolve issues relating to the relationship between the College and Co-operatives^{UK}. Arising from this, the Trustee and Board have established a review group to look afresh at the governance arrangements to ensure that they are appropriate for the governance of the charity in the future.

The College ended 2005 aware that it was operating in a challenging period, with the financial climate affecting major clients and consequently impacting on training and development programme income. At the same time the College was expanding its work with the wider co-operative and mutual sector in the UK and with the international co-operative movement.

The College continued to progress towards the achievement of its aims and objectives, and the Board and Trustee record their thanks for the work of all members of the College staff and the College's Associates, without whose efforts the progress we report would not have been possible.

David Gibson
Chair, Board of Governors

Structure Governance and Management

Governing Document

The charity is governed by a Trust Deed dating from 31 December 1943 and last amended 23 June 2004.

Governing Bodies

The structure of the charity comprises a Corporate Trustee (Co-operatives^{UK}) and a Board of Governors operating under powers delegated by the Trustee.

Recruitment and Training of Governors

The charity's Board of Governors are appointed by the Corporate Trustee on the basis of nominations received from the College Search Committee concerning eligibility, competence, specialist skills and availability to represent the different stakeholder groups identified in the Instrument and Articles. New governors are inducted into the workings of the charity and its policy and procedures. Joint training sessions for the Corporate Trustee and Governors are held periodically. The Board of Governors participate in a Board Skills Audit to identify future training and development needs, and in the strategic planning of the College.

Organisational Management

Co-operatives^{UK} as the Trustee of the charity is legally responsible for the overall management and control of the Co-operative College. The Co-operative College Board of Governors operate under delegated authority from the Corporate Trustee to undertake the governance responsibilities, and meet at least 6 times a year. The Board of Governors is chaired by David Gibson. The Audit Committee, chaired by David Rodgers, meets not less than 3 times a year to consider financial and risk management issues, the annual audited accounts and Annual Report, Half-Yearly Review, the College budget and to make recommendations to the Board on these subjects. The Board of Learning is chaired by the College Principal and meets not less than three times a year. It reports to the Board on academic, programme and other matters. The other principal committee of the College is the Archive Committee chaired by Professor Stephen Yeo, which reports to the Governors via the Board of Learning and through an annual report direct to the Governors.

Internal Control

The Trustee is ultimately responsible for the Trust'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 Trust works within the framework of the Co-operatives^{UK} Corporate Governance Code of Best Practice. The Board have implemented those parts of the Code directly applicable, having noted those recommendations not applicable to its operation.

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

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

During the year, the Trust's internal auditor reviewed and reported on key areas of operation.

Risk Management

The Trust's management has a clear responsibility for:

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

The Trust's management held a risk assessment workshop to develop its risk register and developed plans to control identified risk areas. The Audit Committee and Board have regularly reviewed the register and actions to control risks. The process is now part of the Trust's annual planning cycle.

Objects, Aims Objectives and Activities

Charitable Objectives

The object of the Charity 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.

Aims

The College aims are reflected in its vision, mission and strategic objectives:

Vision

To be the world leader in co-operative learning.

Mission

To provide challenging and diverse learning opportunities that enable learners and their organisations to put Co-operative Values and Principles into everyday practice.

Strategic objectives and achievements during 2005

- *To promote and encourage the understanding of co-operative values and principles and co-operative learning within and beyond the co operative mutual and social enterprise sector.*

The development of innovative curriculum projects with Specialist Business and Enterprise Colleges sponsored by the Co-operative Group.

Delivering in-country co-operative values and governance training with Kuapa Kokoo in Ghana.

The continued publication of a range of high quality training materials and College papers.

- *To meet the learning needs of diverse co-operative, mutual and social enterprises regionally, nationally and internationally.*

1,046 learners participating in events under the revised Director and Member framework.

403 learners participating in Management and Leadership development programmes.

The updating of governance related programmes in the light of the adoption of the revised governance Code of Best Practice.

Establishing Memoranda of Understanding with Co-operative Colleges and other partners in Africa and wider.

The development of work with new mutuals, particularly in the health sector.

The development and piloting of new training programme for social enterprise in partnership with Third Sector Enterprises (3SE) in Greater Manchester.

- *To continuously improve learning and quality standards across the whole of the College curriculum.*

The successful reassessment for Investors in People.

Regular reviews of the College quality management systems, maintaining ISO 9001:2000 accreditation.

The monitoring of learner satisfaction on all learner programmes, and the achievement of an overall learner satisfaction level of 88%.

- *To develop e-learning and information and learning technology (ILT) provision.*

The development of additional e-learning modules for Director and Member learning in partnership with the Co-operative Group.

The revision of the *A different kind of business* e-learning modules.

The development of a fully streamed web based version of the modules.

The development of blended learning programmes, combining e-learning and workshop based delivery.

- *To transform the Rochdale Pioneers Museum and the National Co operative Archive into accessible lifelong learning resources.*

The securing of a project planning grant (PPG) from the Heritage Lottery Fund and the appointment of a PPG project officer.

The successful completion of a Museum, Libraries and Archives Council Learning Links project to develop primary school curriculum material based on the Archive collections.

The development of curriculum materials for key stages 3 and 4 in partnership with history teachers from the Co-operative Group sponsored Business and Enterprise Colleges.

Work towards the achievement of designated archive status.

In view of the wider range of work arising from the College partnerships, the Board and Trustee agreed to add the following to the College objectives:

- *To promote and encourage a values led approach to business within the co-operative, mutual and social enterprise sector, and beyond that sector where such activity enhances public and/or business understanding and respect for the contribution of co operation to corporate ethics.*

The development of a new training programme in partnership with the Ethical Trading Initiative.

The conducting of supply chain and social audits internationally.

Objectives for the Year

The College has developed a robust strategic planning process involving the Trustee, Board of Governors staff and College Associates. The resulting rolling three year plan identifies measures for each of the strategic objectives that will enable the charity to progress towards the achievement of its vision.

Strategies to achieve the year's objectives

The steps to achieve the objectives for the year are detailed in the strategic plan approved by the Board of Governors and Trustee. A summary of the plan is published on the College website www.co-op.ac.uk.

Principal Activities for the year

The principal activities for the year are detailed in the report on pages 7 to 10.

Volunteers

The College has encouraged and supported volunteers in appropriate areas of its activities. The Rochdale Pioneers Museum has an established group of 'friends' who support the Museum in a variety of ways and assist the Wardens in their duties. Work placements from schools and universities together with volunteers have worked on cataloguing and associated tasks within the College archive collection. The College is working to extend voluntary support in these areas.

Review of Achievement and Performance in the Year

Operational Performance

Learning Programmes

In 2005 the College worked with the following co-operative businesses in the UK:

- Anglia Regional Co-operative Society
- Chelmsford Star Co-operative Society
- Colchester and East Essex Co-operative Society (now East of England Co operative Society)
- The Co-operative Group
 - Membership
 - Head Office
 - Funeralcare
- Leeds Co-operative Society
- Lincolnshire Co-operative
- Lincolnshire Co-operative Development Agency
- Midlands Co-operative Society
- Oldham Community Leisure
- Penrith Co-operative Society
- The Phone Co-op
- Plymouth and South West Co-operative Society
- Radstock Co-operative Society
- Robert Owen Society
- Salford Community Leisure
- Scottish Midland Co-operative Society
- Sheffield Co-operative Society
- Southern Co-operatives
- United Co-operatives
- West Midlands Co-operative Society (now Midcounties Co-operative)

During 2005 the College worked with learners in the following areas:

Qualification Programmes

Member and Director Learning

- 122 learner registrations at level 2
- 4 learner registrations at level 3

Management and Leadership Development

- 58 learner registrations at level 2
- 51 learner registrations at level 3
- 13 learner registrations at level 4
- 5 learner registrations at level 5

Funeral Vocational Qualifications

- 13 learner registrations at level 2
- 39 learner registrations at level 3
- 42 learner registrations at level 4

In-house, tailored Programmes

Co-operative Identity

- 38 learners on 2 events

Member and Director Training

- 1,146 learners on 140 events

Management and Leadership Development

- 403 learners on 68 events

Specialist Funeral

- 119 learners on 15 events

Information Technology Programmes

- 262 learners on 62 events

Staff Programmes

- 45 learners on 9 events

During 2005 the College delivered a comprehensive programme of in-house and open programmes for **national, regional and local co-operatives** for directors, members, managers and staff.

The Member and Director learning framework was updated with the qualifications being renamed to reflect the growing nature of the College's market. The framework now comprises:

- Intermediate Award in Co-operation and Mutuality
- Intermediate Certificate in Co-operation and Mutuality
- Advanced Diploma in Co-operative and Mutual Directorship
- Professional Diploma in Co-operative and Mutual Directorship

Additional units were added to the framework based on the needs of co-operatives and units on governance, legislation and roles and responsibilities updated.

Locally based, tailored programmes continued to grow and have become the main way that societies provide learning and development for members and directors. The College revised its Board Skills Audit to reflect the changes to the governance Code of Best Practice and commenced work on a directors' induction pack and director appraisal processes.

In **Management and Staff Development** the College offered an increasing range of tailored and qualification based programmes that were delivered locally for clients. These partnership programmes were successful in enabling over 100 managers to gain qualifications in 2005.

A limited schedule of **Membership Open Programmes** was provided in 2005 due to the increasing popularity of in-house programmes. **Open Programmes for Managers** continued to attract participants at Introductory, Certificate, Diploma and Postgraduate levels.

Funeral Vocational Qualification and specialist funeral training was provided to societies in the United Kingdom covering the training of funeral operatives and arrangers, funeral directors and assessors and verifiers.

In 2005 the College updated its **E-learning and Distance Learning programmes** offering online learning for members of the Co-operative Group and CD Rom and

distance learning for members of other co-operatives. The e-learning modules *A different kind of business* were updated to include the piloting of the new branding. Work was undertaken to enable full internet delivery of the modules in 2006.

The College continued to provide **Information Technology** applications programmes at its Manchester base for the Co-operative Group and other co-operatives in the North West. The European Computer Driving licence programme continued in the West Midlands.

New visa controls created difficulties in recruitment for **International Programmes** with one programme running successfully.

The College worked in partnership with the **Ethical Trading Initiative** (ETI) to design, develop and pilot five modules around ethical training with a national and international audience. The programme will be rolled out in 2006.

Wider Co-operative, Mutual and Social Enterprise Sector

This year has been one of expansion with the College engaging with a growing range of co-operative, mutual and social enterprises.

The revised Board Skills Audit service has been delivered to **Foundation Hospital Trusts** to assist in identifying skill levels and training needs. An extensive nationwide programme of Charing Skills training has been delivered in partnership with the **NHS Appointments Commission and Strategic Area Health Authorities**.

Updated Co-operative Identity, Culture Change, Management Development and Board Skills Audit programmes were delivered in **Leisure Trusts** and a specialist training programme for **Social Enterprises** in the North West was developed in partnership with 3SE and Greater Manchester Enterprises.

The College continued its involvement with **Social Enterprise East Midlands** and provided a series of workshops at the **Social & Community Enterprise Conference** for secondary schools in Manchester.

Co-operative Identity workshops were delivered for the **Financial Services Authority**. A range of programmes covering IT, Board Skills and Staff Development was delivered for the **Phone Co-op and worker co-operatives**.

The College continued to build relationships with the wider co-operative, social enterprise and mutual sector through **football supporters' trusts, community food enterprises and food co-operatives, the Co-operative Party, Lincolnshire Co-operative Development Association (CDA) and housing co-operatives.**

Working with the Worldwide Co-operative Movement

Work with the international co-operative movement has continued to grow with deepening partnerships with a range of co-operative institutions.

The Strategic Grant Agreement with the Department for International Development (DFID) led to briefing note **How to Leverage the Co-operative Movement for Poverty Reduction**, prepared in partnership with DFID staff and launched by the Parliamentary Under Secretary of State in December. **Making A Difference - Co-operative Solutions to Global Poverty**, based on this research was published and widely distributed, and extensively quoted in the Report of the United Nations Secretary-General on Co-operatives in Social Development - July 2005.

500,000 copies of Can Co-ops save the world, a special edition of Developments magazine prepared by the College in partnership with DFID, were distributed to members and customers with the support of Societies.

The College hosted a **visit by the principals of five African Co-operative Colleges** to explore collaboration. Links with international co-operative development agencies have strengthened, with the College collaborating with the Canadian Co-operative Association to produce a calendar featuring co-operatives in the developing world. A photo resource of international co-operatives was established and a new website on co-operatives and poverty developed.

The College worked with **partners in Lithuania, Italy and the Czech and Slovak Republics** on the development of member education under the EU funded COCADE (Co-operative Curriculum for Adult Education in Europe) project.

The European Commission funded research programme **Co-operatives and Fair Trade in Europe** which was completed in December explored Fair trade in the UK, Italy, Sweden and Belgium The College became a partner in an EU Leonardo project Co-operative University for Europe (UCE), working with twenty other co-operative education institutions on curriculum collaboration.

College Associates continued to work on a range of social responsibility issues including auditing labour conditions in supply chains.

Working With Schools and Young People

The College has worked with the **network of Co-operative Business and Enterprise Colleges sponsored by the Co-operative Group** on curriculum development. Co-operative learning resources development was undertaken in a wide range of subject areas including maths, information and communication technology (ICT), business studies, geography, history, art and design and citizenship. Resources resulting from the work will be published in the coming year. The College continued to encourage other societies to consider sponsoring schools and extending the network, which comprised **eight designated Business and Enterprise Colleges** and a further school seeking designation at the year end.

The College worked in partnership with the Co-operative Group to develop the resource pack **Make Your Schools Fairtrade Friendly - A Co-operative Guide for Primary Schools** launched in Autumn 2005. A resource pack on Fairtrade for secondary schools is currently under development in partnership with the schools in the Business and Enterprise College network.

The **Not Just for Profit pack** remained popular, being used at workshops to introduce social enterprise. The College established links with the Co-operative Education Trust, Scotland (CETS) project in Scotland, exploring ways in which to share and adapt resources developed through work with schools.

Work with young co-operators included support for the **Building Co-operatives Futures** Forum, held in Alberta, Canada and the UK Young Co-operators Forum. The College is now working on the 2006 **Building Co-operatives Futures** Forum which it will host in Rochdale and Manchester from 24 to 27 May 2006.

The College worked with the Woodcraft Folk to provide opportunities for leaders and District Fellowship members to learn more about the co-operative movement through e-learning. Strong links have been established with the **Woodcraft Folk's Global Village** project to help develop the co-operative education aspects of the programme.

Archive and Museum

A busy year for the Museum and Archive began with the publication in the College Papers series of the talks given by Ian MacPherson and Stephen Yeo at the 160th anniversary celebration of the Rochdale Pioneers.

The Heritage Lottery Fund awarded a **Project Planning Grant** to the College. The funding will enable the College to engage expert consultants to look at the development of the Museum and Archive to work towards the College's strategic objective to transform the Rochdale Pioneers Museum and the National Co-operative Archive into accessible lifelong learning resources. At the end of the year consultants were appointed to work on Audience Development, a Conservation Management Plan and the use of technology.

The BBC made a film at the Museum for the **CBBC GCSE Business Studies Bitesize Revision programme** on the co-operative movement. Footage was also provided from the Co-operative Film Archive collections.

The College worked on the **development of curriculum resources** with the Business and Enterprise Colleges Network. **Resources development for primary schools** was undertaken under a Museum, Libraries and Archives Council funded scheme. A new reading room in Holyoake House has been developed and has improved the facilities for researchers using the Archive. The College is now working to achieve Designated Archive status for the National Co-operative Archive collection.

Both the Museum and Archive have benefited from the work of volunteers during the year and publicity to universities involved in professional courses for archivists, librarians and museum curators has led to **fieldwork placements in the Archive**.

Future Plans

Future Activities

The College Strategic Plan for 2006-2008 approved by the Board and Trustee aims at addressing the issues that affected financial performance in 2005, and maintaining progress towards the achievement of the College vision. The College will continue to expand its range of education and development services to the co-operative and mutual sector in the UK and internationally. In 2006 the College will:

- Expand the international work of the College, building its knowledge base through new partnerships and collaborative projects and the delivery of in-country programmes.
- Continue the development of information and learning technology based resources, blended learning and e-learning modes of delivery.
- Progress its work towards the development of the Rochdale Pioneers Museum and the National Co-operative Archive as lifelong learning resources.
- Extend and develop new programme areas through funded projects and partnerships.
- Continuously update its learning programmes to ensure they address emerging issues such as rising expectations in corporate governance.
- Work to achieve continuous improvements in quality in all areas of the College's operations and delivery and maintain ISO9000:2001 accreditation.
- Maintain Investors in People accreditation.

Investment Performance against objectives

The return on investments for restricted funds in 2005 was £207,394, which was an increase of 1.1% on the budgeted figures.

Financial Review and Results for the Year

The overall financial performance of the College was affected by a number of factors that impacted during the year.

Course fee income was adversely affected as a number of key clients reduced or deferred programmes as the economic climate deteriorated. Mergers within the consumer movement also had an adverse affect on College income. Whilst the College's international programme attracted strong demand, Government policy resulted in over sixty visa application refusals, seriously affecting the financial performance in this area of work.

In addition the work of the College to safeguard key aspects of the heritage of the movement through the Archive and Museum has resulted in a significant funding gap. The Board and Trustee have agreed to work to safeguard the Rochdale Pioneers Museum and the National Co-operative Archive collections by establishing a new co-operative heritage trust and fund in 2006.

The underlying performance is a deficit of £36,248. This is after adjusting for non-recurring income and expenditure including the release of LSC funds relating to previous years, reorganisation and redundancy costs in 2005 along with the new FRS 17 accounting requirement to show the pension scheme charge on the face of the Statement of Financial Activities. Cash and investment balances were £4,972,151.

During the year the College has adopted Financial Reporting Standard 17 'Retirement Benefits' in these financial statements. The comparative figures have been restated accordingly.

General

Grant Making Policy

The Co-operative College does not make grants but has a number of scholarship funds to assist learners to attend College learning programmes and events. In 2005 11 learners benefited from such scholarships.

Reserves Policy

The Board and Trustee have agreed that the Revenue Reserves are maintained at a level that equates to approximately 6 months operating costs. In view of the rate of

growth of the College over the life of the current strategic plan the Board and Trustee have further agreed that a revenue reserve of approximately £700,000 is appropriate.

The current level of reserves is £682,392 (excluding the Pension Reserve) and is in line with the above policy of holding approximately £700,000 in reserves.

Investment Policy and objectives

The Board and Trustee have agreed that funds be invested in order that the interest arising can be used in the furtherance of the object of the charity. The College currently holds £4 million of investments on fixed term deposit with the Nationwide.

Heritage Assets

Under FRS 15 Heritage Assets should be valued at cost or valuation. However such assets can be exempt from capitalisation if the cost of obtaining a valuation significantly outweighs the benefit or there is no reliable cost information available. The Archive and Museum assets of the College fall into this category and are held by the College or in trust with the College on behalf of the movement. The assets consist of a substantial archive collection together with museum artefacts. The College will keep these items under review.

Accounting and Reporting Responsibilities

Statement of Trustees Responsibilities in respect of the Trustees' Report and the Financial Statements

Under the Trust deed of the Charity and Charity law the trustee is responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and regulations.

Charity law requires the Trustee to prepare financial statements for each financial year.

The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the excess of expenditure over income for that period. In preparing these financial statements, generally accepted accounting practice entails that the Trustee:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustee is required to act in accordance with the trust deed of the charity, within the framework of trust law. It is 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 42(1), the Charities Act 1993, those statements of accounts comply with the requirements of regulations under that provision. It has 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.

The Trustee is responsible for the maintenance and integrity of the financial and other information included on the charity's website. Legislation in the UK covering the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Information System

The Trust has a management agreement with Co-operatives^{UK} who provide a comprehensive accounting system that forms the core of its financial reporting. All transactions are recorded through this system. Monthly actual results are produced from this system for reporting to the Trust's Management and the Board against budget, highlighting any significant adverse or favourable variances. This also allows any remedial action to be taken as and when required.

The accounting system is complemented by the Trust's learner database that is used to record all student enrolments and details of the Trust's educational courses.

Control Procedures and Monitoring

In addition to the controls previously mentioned, there are clearly defined policies for capital expenditure. These include appropriate authorisation levels with larger projects requiring Board approval. The Audit Committee performs a key role in the review of

the effectiveness of internal financial and other controls. The Committee met on six occasions and has been able to refer to work undertaken by internal audit. By the end of the year the Trust was compliant with the Co-operatives^{UK} Corporate Governance Code of Best Practice 2005 D3.1 in as far as it is applicable to the Trust.

Auditors

KPMG LLP successfully tendered for and were appointed auditors by the Trustee at its AGM on 22 May 2005.

Going Concern

After making all enquiries and taking into consideration the detailed College strategic plan and budgets, the Trustee has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the Trust's accounts.

Independent Auditor's Report to the Trustee of the Co-operative College Trust

We have audited the financial statements of the Co-operative College Trust for the year ended 31 December 2005, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's Trustee, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's Trustee those matters we are required to state to it 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 its Trustee as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustee and auditors

As described in the Statement of Trustees Responsibilities on page 11 the charity's Trustee, is responsible for the preparation of the financial statements in accordance with applicable law and UK Accounting Standards (UK 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 and Ireland).

We have been appointed as auditors under section 43 of the Charities Act and report in accordance with regulations made under section 44 of that Act.

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

We review whether the statement on pages 4, 11 and 12 reflects the Trust's compliance with paragraphs D1.1 and D3.1 of the code, and we report if it does not. We are not required to form an opinion on the effectiveness of the Trust's corporate governance procedures or its internal financial controls.

We read the other information contained in the financial statements, including the Trustee's report and the statement on paragraphs D1.1 and D3.1 of the code, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

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 Trustee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with UK Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 December 2005 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended; and
- have been properly prepared in accordance with the Charities Act 1993.

KPMG LLP
Chartered Accountants
Registered Auditor
St James' Square
Manchester
M2 6DS

20 April 2006

Statement of Financial Activities for the year ended 31 December 2005

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds £	Restated Prior Year Funds £
Incoming Resources						
<i>Incoming resources from generated funds</i>						
Voluntary income		44,500	37,635	-	82,135	85,264
Investment Income		207,394	26,978	-	234,372	224,415
<i>Incoming resources from charitable activities</i>						
Management Services		175,000	-	-	175,000	175,000
Courses		363,763	-	-	363,763	515,405
Projects	2a	422,584	-	-	422,584	420,105
Archive and Museum		15,772	-	-	15,772	9,967
Other		38,806	-	-	38,806	71,796
<i>Other Incoming resources</i>	2b	42,331	-	-	42,331	42,463
<i>Pension Finance Income</i>	17	12,000	-	-	12,000	20,000
Total incoming resources		1,322,150	64,613	-	1,386,763	1,564,415
Resources Expended						
<i>Charitable activities</i>						
Courses	3	470,679	10,150	-	480,829	507,733
Projects		308,926	23,087	-	332,013	256,534
Archive and Museum		90,736	-	-	90,736	70,350
Other	3, 17	498,958	15,203	-	514,161	646,594
<i>Governance Costs</i>	3	36,273	-	-	36,273	66,918
Total Resources Expended		1,405,572	48,440	-	1,454,012	1,548,128
Net incoming/(outgoing) resources before transfers		(83,422)	16,173	-	(67,249)	16,287
Transfers Gross transfers between funds	12	(3,269,059)	3,269,059	-	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		(3,352,481)	3,285,232	-	(67,249)	16,287
Other recognised gains/losses						
Actuarial gains/(losses) on defined pension schemes	17	21,000	-	-	21,000	(126,000)
Net movement in funds		(3,331,481)	3,285,232	-	(46,248)	(109,713)
Reconciliation of funds						
Total funds brought forward (as previously stated)		4,149,873	533,792	380,702	5,064,367	4,853,080
Prior year adjustment re: FRS17 Retirement benefits	19	-	-	-	-	321,000
Total funds carried forward (as restated)		818,392	3,819,024	380,702	5,018,118	5,064,367

Balance Sheet & Cashflow Statement for the year ended 31 December 2005

	Notes	2005 £	2004 (as restated) £
Fixed Assets			
Intangible assets			
Tangible assets	7	47,590	56,367
Investments	8	4,056,369	4,055,049
Total Fixed assets		4,103,959	4,111,416
Current assets			
Debtors	9	171,831	261,884
Investments	10	674,831	768,657
Cash at bank and in hand		240,951	222,670
Total current assets		1,087,613	1,253,211
Liabilities			
Amounts falling due within one year:	11		
Creditors		309,455	462,260
Net current assets		778,159	790,951
Total assets less current liabilities		4,882,118	4,902,367
Creditors: Amounts falling due after more than one year:		-	-
Provisions for liabilities and charges		-	-
Net asset excluding pension asset		4,882,118	4,902,367
Defined benefit pension scheme asset	17	136,000	162,000
Net asset including pension asset		5,018,118	5,064,367
The funds of the charity			
Endowment funds	12	380,702	380,702
Restricted income funds	12	3,819,024	533,792
Unrestricted income funds		682,392	3,987,873
Unrestricted income funds excluding pension asset		682,392	3,987,873
Pension reserve		136,000	162,000
Total unrestricted income funds	13	818,392	4,149,873
Total charitable funds		5,018,118	5,064,367

	Notes	2005 £	2004 (as restated) £
Net cash (outflow) from operating activities	14	(288,119)	(130,494)
Return on investments & servicing of finance	14	234,371	224,415
Capital expenditure	14	(21,796)	(22,567)
Increase/(Decrease) in cash		(75,544)	71,354
Reconciliation of net cash flow to movement on net funds:			
Net funds at 1 January	15	991,327	919,973
Increase/(Decrease) in cash	15	(75,545)	71,354
Net funds at 31 December 2005		915,782	991,327

Notes to the accounts

1. Statement of Accounting Policies

a. Basis of accounting

The accounts have been prepared on the historical cost accounting basis for the year ended 31 December 2005, together with comparative figures for the year to 31 December 2004 and in accordance with applicable accounting standards and the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005. The presentation of the accounts comply with the Charities Act requirements under the charities SORP. There is no change in the balance sheet value as a result of this. The charity has adopted Financial Reporting Standard 17 'Retirement Benefits' in these financial statements. The comparative figures have been restated accordingly.

b. Income

All income is recorded exclusive of VAT.

Management Services

Income for management services is recognised on an accruals basis in accordance with the Service Level Agreement with Co-operativesUK.

Course Fee

Course Fees are recognised in line with the delivery of course.

Grants and LSC Funding

Grants are recognised when received, however, where the conditions for the receipt have not been complied with, the funds are deferred for future periods.

Project Income

Project income is recognised on actual work completed to the end of December 2005.

Investment Income

Investment income is recognised on an accruals basis.

c. Expenditure

Expenditure is recognised on an accruals basis. All expenditure is charitable expenditure. We would like to acknowledge that a number of College publications have been distributed by co-operative societies.

d. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation is calculated in equal monthly amounts based on cost.

The following minimum rates apply:

Land and buildings	Freehold	2.5% per annum
	Improvements	10% per annum
Plant, fixtures and fittings		10% - 33% per annum
Motor vehicle		33% per annum
Information technology equipment		50% per annum

Assets are depreciated at the above minimum rates over their expected useful lives. Annual impairment reviews are performed by the College Trust management.

e. Funds

Unrestricted funds are available for use in the day to day operations of the Trust.

Restricted funds represent those amounts donated to the Trust and available for the specific purpose set out in note 12.

Endowment funds represent donated monies where only the interest is available for the purpose specified by the donor.

The Trust is in consultation with the Charities Commission to consolidate restricted and endowment funds into a Co-operative education fund to ensure that they can be used effectively in the future.

The introduction of FRS17 Retirement Benefits has resulted in the requirement for the College to reflect the pension asset of the Co-operatives^{UK} Staff Pension Scheme. No designation of funds to meet future pension commitments at the balance sheet date is in place as the College anticipates meeting such commitments through existing cash flows, a situation that is subject to review in conjunction with actuarial valuations and related professional advice.

f. Pension

In accordance with FRS17 Retirement Benefits, the SOFA includes: the cost of benefits accruing during the year in respect of current and past service (charged against outgoing resources); the expected return on the scheme's assets and the increase in the present value of the scheme's liabilities arising from the passage of time (shown as pension finance charge); the actuarial gains/(losses) recognised (shown within the net movement of funds).

In accordance with FRS17, the balance sheet includes the surplus in the scheme taking assets at their year-end market values and liabilities at their actuarially calculated values discounted at year-end AA corporate bond interest rates. Further details regarding the scheme are disclosed in Note 17.

g. Operating Leases

Rentals payable under operating leases are charged to income and expenditure accounts as they arise.

h. Heritage Assets

Under FRS 15 Heritage Assets should be valued at cost or valuation. However such assets can be exempt from capitalisation if the cost of obtaining a valuation significantly outweighs the benefit or there is no reliable cost information available. The Archive and Museum assets of the College fall into this category and are held by the College or in trust with the College on behalf of the movement. The assets consist of a substantial archive collection together with museum artefacts. The College will keep these items under review.

2. Grants

a. Projects

Included in Projects is a contribution received from the Department for International Development in relation to the Strategic Grant Agreement. For the financial year to 31 December 2005 this was £102,820 (2004: £111,750).

During the year a grant from Co-operative Action was received in relation to the Co-operative Curriculum for Co-op Sponsored Schools project. This was spent in accordance with Co-operative Action regulations.

b. Grants

	2005 £	2004 £
LSC Grants	42,331	42,463
	42,331	42,463

The College receive no Access Fund grant from the LSC.

3. Charitable Expenditure

Analysis of total resources expended

	Staff Costs £	Support Costs £	Other Direct Costs £	Restricted Funds £	Total 2005 £	Total 2004 £
Charitable Activities						
Courses	230,152	35,905	204,621	10,150	480,829	507,733
Projects	50,456	3,202	255,269	23,087	332,013	256,534
Archive and Museum	75,902	14,835	-	-	90,736	70,350
Other	167,471	272,487	59,000	15,203	514,161	646,954
Governance	9,238	22,173	4,862	-	36,273	66,918
	533,218	348,602	523,752	48,440	1,454,012	1,548,128

Analysis of support costs

	Courses £	Projects £	Archive and Museum £	Other £	Governance £	Total 2005 £	Total 2004 £
Travel	11,137	1,271	720	2,883	167	16,178	12,367
Establishment Costs	-	-	4,388	59,044	-	63,432	68,553
Depreciation	9,082	-	3,519	11,279	-	23,880	27,948
VAT	-	-	-	30,147	-	30,147	51,887
Postage and Telephone	1,774	327	794	19,265	100	22,260	24,758
Printing, stationery and publications	-	-	714	37,000	25	37,739	67,899
Audit Fees - audit work	-	-	-	-	14,958	14,958	7,775
Audit Fees - other work	-	-	-	-	-	-	2,350
Internal Audit Fees	-	-	-	-	6,400	6,400	7,000
Professional Fees	-	-	-	57,507	-	57,507	89,142
Miscellaneous	13,912	1,605	4,700	55,362	523	76,101	53,194
	35,905	3,202	14,835	272,487	22,173	348,602	412,873

Total resources here relate to unrestricted funds. Expenses in relation to restricted funds are included in 'Other' on the Statement of Financial Activities.

No expenses were reimbursed to the trustee during the year. All expenses for trustee meetings are borne by Co-operatives^{UK}.

The College Trust purchased indemnity insurance for 2005 at a cost to the Charity of £2,467 (2004 - £2,047).

4. Employee Costs

The average number employed by the Trust was:

	2005	2004
Full time	14	12
Part time	7	6
	21	18
Full Time Equivalents	18	15

The costs incurred in respect of these employees (Including Senior Management Team) were:

	2005 £	Restated 2004 £
Salaries & Wages	482,450	460,398
Social security	46,889	45,938
Pension (see note 17)	98,000	84,000
Other	11,483	11,411
	638,822	601,747

5. Board of Governors Remuneration

The Board of Governors received no remuneration in the performance on their duties (2004, £nil).

The Chair of the Board of Governors was paid £6,000 by Co-operatives^{UK} for his services to co-operative education (2004, £6,000)

6. Senior Management Remuneration

The total remuneration for Senior Management was as follows:

	2005 £	2004 £
Salaries	212,308	161,613
Taxable benefits	7,938	6,837
	220,246	168,450
Pension contributions	21,267	13,784
	241,513	182,234

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

Salaries	69,725	68,264
Taxable benefits	4,539	4,103
	74,264	72,367
Pension contributions	6,959	6,144
	81,223	78,511

The number of members of the senior management team (including Chief Executive & Principal) whose remuneration, excluding pension contributions, fell in the following £5,000 brackets:

	2005	2004
Up to £ 15,000 *	-	1
£30,001 - £35,000	2	1
£35,001 - £40,000	1	-
£40,001 - £45,000	-	-
£50,001 - £55,000	1	1
£60,001 - £65,000	-	-
£70,001 - £75,000	1	1
	5	4

* denotes part year only

7. Tangible Fixed Assets

	Motor Vehicles £	Plant, fixtures & fittings £	IT and Office Equipment £	Total £
Cost				
1 January 2005	33,981	26,356	79,056	139,393
Additions	-	1,869	18,607	20,476
31 December 2005	33,981	28,225	97,663	159,869
Depreciation				
1 January 2005	19,600	2,856	60,570	83,026
Charge for year	7,163	3,009	19,081	29,253
31 December 2005	26,763	5,865	79,651	112,279
Net Book value 1 January 2005	14,381	23,500	18,486	56,367
Net Book value 31 December 2005	7,218	22,360	18,012	47,590

8. Fixed Asset Investments

	£
1 January 2005	4,055,049
Interest	1,320
31 December 2005	4,056,369

The investments represent funds placed with the Nationwide Building Society, Co-operative Bank plc and the Co-operative Group. All investments are held at market value.

9. Debtors

	2005	2004
	£	£
Trade debtors	147,982	102,034
Other Debtors	-	1,617
Accrued Income	17,913	156,886
Prepayments	5,936	1,347
	171,831	261,884

10. Current Asset Investments

	2005	2004
	£	£
Co-operative Bank	374,331	193,157
Co-operative Group (short term deposits)	300,500	575,500
	674,831	768,657

The investments represent funds placed with Co-operative Bank Plc and the Co-operative Group. All investments are held at market value.

11. Creditors

	2005	2004
	£	£
Trade creditors	46,661	79,819
Accruals	116,730	132,140
Deferred Income	126,422	233,017
VAT	6,089	6,502
Taxation & social security	13,552	10,782
	309,454	462,260

12. Charitable Funds

	Balance 1 Jan 2005 (as restated) £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Actuarial Gains/(Losses) £	Balance 31 Dec 2005 £
Endowments:						
Lady Hayward Bequest	1,000	-	-	-	-	1,000
Capital Restoration	225,000	-	-	-	-	225,000
Endowment Fund	24,537	-	-	-	-	24,537
College Endowments (50th Anniversary)	130,165	-	-	-	-	130,165
	380,702	-	-	-	-	380,702
Restricted Funds:						
Neal Bequest	6,451	-	-	-	-	6,451
Scholarship & Lectureships	292,984	11,719	-	-	-	304,703
LSC IT Restricted Fund	17,562	-	(7,743)	-	-	9,819
Educational Development	54,746	37,635	(34,198)	-	-	58,183
Educational Support	58,965	-	(5,650)	-	-	53,315
Bert Youngjohns Memorial	11,382	-	-	-	-	11,382
Hughes & Neal	55,049	1,320	-	-	-	56,369
Emmanuel Booth	1,268	51	-	-	-	1,319
Endowment Fund Interest	1,885	1,057	-	-	-	2,942
College Endowments (50th Anniversary) Interest	9,999	5,607	-	-	-	15,606
Co-operative College Fund	-	-	-	3,269,059	-	3,269,059
Les Stannard	23,501	2,115	(849)	-	-	24,767
Co-operative College IT Fund	-	5,109	-	-	-	5,109
	533,792	64,613	(48,440)	3,269,059	-	3,819,024
Unrestricted Funds:						
College Gifts	1,640	62	-	-	-	1,702
Revenue Reserves	3,986,233	1,310,088	(1,346,572)	(3,269,059)	-	680,690
Pension Reserve	162,000	12,000	(59,000)	-	21,000	136,000
	4,149,873	1,322,151	(1,405,572)	(3,269,059)	21,000	818,392
Total charitable funds (as restated)	5,064,367	1,386,763	(1,454,012)	-	21,000	5,018,118

The Trust intends to consolidate those funds currently inactive and classed as educational funds into one fund after consultation and agreement with the Charity Commission. The fund will remain restricted.

The transfer between funds is a result of the proceeds from the sale of Stanford Hall being transferred to a restricted fund. This was implemented following the appropriate advice from the trusts advisors.

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

Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total £
Tangible Assets	47,590	-	-	47,590
Fixed Asset Investments	-	3,675,667	380,702	4,056,369
Current Assets	944,256	143,357	-	1,087,613
Current Liabilities	(309,454)	-	-	(309,454)
Pension Asset (Note 17)	136,000	-	-	136,000
Net Assets at 31 December 2005	818,392	3,819,024	380,702	5,018,118
Net Assets at 31 December 2005 (as restated)	4,149,873	533,792	380,702	5,064,367

13. Unrestricted Funds

	2005 £	2004 £
Balance at 1 January (as restated)	4,149,873	4,271,384
Deficit for year excluding actuarial gains/losses	(83,420)	4,489
Actuarial gains/losses	21,000	(126,000)
Movement to Restricted Funds	(3,269,059)	-
Balance at 31 December	818,392	4,149,873

14. Reconciliation of Net (Outgoing)/Incoming Resources to Net Cash (Outflow)/Inflow from Operating Activities

	2005 £	Restated 2004 £
Incoming resources before exceptional items	(67,249)	16,287
Depreciation charge	29,253	39,037
(Profit) on sale of fixed assets	-	(2,762)
Decrease in stock	-	2,460
Decrease/(Increase) in debtors	90,053	(127,940)
(Decrease)/Increase in creditors	(152,805)	133,839
Increase/(Decrease) in employers pension liability	47,000	33,000
Interest allocated on funds	(234,371)	(224,415)
Net cash (outflow) from operating activities	(288,120)	(130,494)
Return on investments and servicing of finance		
Interest receivable	234,372	224,415
Capital & Investments		
Payments to acquire tangible fixed assets	(20,476)	(25,391)
Proceeds from sale of fixed assets	0	5,249
Purchase of investments	(1,320)	(2,425)
	(21,796)	(22,567)
Net Cash Inflow/(Outflow) from Operating Activities	(75,544)	71,354

15. Analysis of Net Funds

	At 1 January 2005 £	Cash flows £	At 31 December 2005 £
Cash at bank and in hand	222,670	18,281	240,951
Current asset investments	768,657	(93,826)	674,831
	991,327	(75,545)	915,782

16. Contingent Liabilities and Capital Commitments

The Trust has no contingent liabilities or capital commitments as at the balance sheet date (2004 - £nil).

17. Pension Scheme

a) The Co-operative College (the Employer) along with other employers participates in a defined benefit pension scheme in the UK (The Co-operatives^{UK} Limited Staff Pension Scheme). A full actuarial valuation was carried out at 30 September 2004 and updated to 31 December 2005 by a qualified independent actuary. The service cost has been calculated using the Projected Unit method.

The major assumptions used by the actuary were :

	At year ended 31/12/04	At year ended 31/12/03	At year ended 31/12/02
Rate of increase in salaries	4.80%	4.70%	4.80%
Rate of increase of pensions in payment	2.70%	2.70%	2.80%
Rate of increase of pensions in deferment	2.80%	2.70%	2.80%
Discount rate	4.70%	5.20%	5.30%
Inflation assumption	2.80%	2.70%	2.80%

The Employer contributed to the Scheme at the rate of 9.0% of pensionable salaries up to 31 March 2005 and at the rate of 10.3% of pensionable salaries for the remainder of the period.

The assets in the Scheme and the expected rates of return (*) were:

	At year-end 31/12/2005	Value £000's	At year-end 31/12/2004	Value £000's	At year-end 31/12/2003	Value £000's
Equities	6.60%	330	7.10%	2,444	7.30%	2,008
Bonds	4.10%	401	4.60%	3,037	4.80%	3,584
Property	6.60%	141	7.10%	1,107	7.30%	560
Total market value of assets		872		6,588		6,152
Actuarial value of liability		736		6,426		5,831
Total surplus/(deficit) in the scheme		136		162		321
Effect of surplus cap		-		-		-
Recoverable surplus/(deficit) in the scheme		136		162		321
Related deferred tax asset/(liability)		-		-		-
Net pension asset/(liability)		136		162		321

* The rates quoted above are the expected net rates of return after allowance for expenses.

NOTE: The market value of the assets and the actuarial value of the liabilities for the year ended 31 December 2005 do not make any allowance for the liabilities in respect of members entitled to deferred pensions and members in receipt of pension as these liabilities have been secured with CIS Limited and the corresponding assets offset one another. This approach differs from previous years but it should be noted that this change does not affect the balance sheet surplus or any of the profit and loss and the Statement of Financial Activities.

b) Analysis of the amount included within charitable expenditure

	Year to 31/12/2005 £000s	Year to 31/12/2004 £000s
Current service cost	98	84
Past service cost	-	-
Total operating charge	98	84

c) Analysis of amount credited to other financial income

	Year to 31/12/2005 £000s	Year to 31/12/2004 £000s
Expected return on Scheme assets	46	52
Interest on pension liabilities	(34)	(32)
Net return	12	20
Refund of unrecognised surplus	-	-
Other finance income/(costs)	12	20

d) Analysis of amount of actuarial gain recognised in the Statement of Financial Activities (SOFA)

	Year to 31/12/2005 £000s	Year to 31/12/2004 £000s
Actual return less expected return on assets	63	(91)
Experience gain on liabilities	46	202
Changes in assumptions	(88)	(237)
Actuarial gain/(loss) recognised in SOFA	21	(126)
Adjustment due to surplus cap	-	-
Net gain/(loss) recognised	21	(126)

e) Movement in surplus during the year

	Year to 31/12/2005 £000s	Year to 31/12/2004 £000s
Surplus in Scheme at beginning of year	162	321
Movement in year:		
(Current service cost)	(98)	(84)
Contributions	39	31
(Past service costs)	-	-
Net return on assets/(interest cost)	12	20
Actuarial gain/(loss)	21	(126)
Surplus in Scheme at end of year	136	162

f) History of experience gains and losses

	year ended 31/12/05	year ended 31/12/04	year ended 31/12/03	year ended 31/12/02
<i>Difference between expected and actual return on Scheme assets:</i>				
amount (£000s)	63	(91)	(46)	47
percentage of Scheme assets	7.2%	1.4%	0.8%	0.9%
<i>Experience gain/(loss) on Scheme liabilities:</i>				
amount (£000s)	46	202	420	175
percentage of Scheme liabilities	6.3%	3.1%	7.2%	3.4%
<i>Total amount recognised in statement of total recognised gains and losses:</i>				
amount (£000s)	21	(126)	(82)	83
percentage of Scheme liabilities	2.8%	2.0%	1.4%	1.6%

18. Related Party Transactions

The following are related party transactions, as defined by FRS 8, together with details of notable transactions;

a) Members of the Board of Governors

Individual members of the Board incurred costs on Trust business amounting to £4,862 (2004, £9,428)

b) Co-operatives^{UK} Limited

The Trust paid and received during the year a total of £105,422 and £235,813 respectively (2004 - £121,458 and £239,059) for services supplied on normal commercial terms. The balances owed by and to the Trust at the year end was £10,463 and £23,036 respectively (2004 - £24,303 and £19,436). The Trust received a grant from the Co-operatives^{UK} Limited of £23,500 (2004 - £23,500) for the running of Rochdale Pioneers Museum, Toad Lane.

For work undertaken with other co-operative societies please see page 8

19. Prior Year Adjustments

The Charity has adopted Financial Reporting Standard 17 'Retirement Benefits' in these financial statements. The effect of this change in accounting policy, which has seen a prior year adjustment, has been to include a pension asset of £136,000 (2004 - £162,000). In the current period the effect has been to decrease the net movement in funds by £26,000 (2004 - £159,000).

The comparative figures in the financial statements and notes have been restated to reflect the adoption of this policy.

College Staff

Mervyn Wilson	Chief Executive & Principal mervyn@co-op.ac.uk	Steve Kingman	Training Co-ordinator (Membership-Based Organisations) steve@co-op.ac.uk
Chris Cooper	Director of Learning & Development chris@co-op.ac.uk	Cornelia Kruse	Project Assistant – Leonardo mobility programme work placement from Arbeit und Leben conny@co-op.ac.uk
Emma Willder	Head of Management & Corporate Services emma@co-op.ac.uk	Rosey Massey	Business Support Assistant rosey@co-op.ac.uk
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Gillian Lonergan	Learning Resources Manager & Archivist gillian@co-op.ac.uk	Kieron Mongan	Business Support Administrator kieron@co-op.ac.uk
Monica Birch	Clerk to the Board monica@co-op.ac.uk	Jayne Ormrod	Business Support Team Leader jayne@co-op.ac.uk
Nickie Boyle	Learning & Development Manager (Leadership & Management) nickie@co-op.ac.uk	Malcolm Price	Museum Warden malcolm@co-op.ac.uk
Hannah Butler	Business Support Administrator hannah@co-op.ac.uk	Amanda Sharp	Projects Co-ordinator amanda@co-op.ac.uk
Dorothy Greaves	Museum Warden museum@co-op.ac.uk	Dickon Siddall	IT Trainer & Website Co-ordinator dickon@co-op.ac.uk
Andy Hansford	Learning and Development Manager (Membership-Based Organisations) andy@co-op.ac.uk	Rachel Vorberg-Rugh	Project Officer – Archive and Museum rachael@co-op.ac.uk

Audit Committee 2005

David Rodgers (Chair) . . . Board member

Stephen Galjaard Board member

Dave Thomson Independent

Board of Learning 2005

Mervyn Wilson (Chair)

Gillian Bober

Angela Colebrook

Chris Cooper

Alison Hodgens

Nick Rowe

Linda Shaw

Gary Wilton

Archive Committee 2005

Stephen Yeo (Chair)

Nick Mansfield (Curatorial Advisor)

Joan Allen

Ian Andrews

Paul Arnold

Alan Burton

Frank Dent

John Feather

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