

E-LEARNING FOUNDATION
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014

Charity Registration No. 1086306
Company Registration No 3978344

e-LEARNING FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2014

Trustees and Principal Advisors

Board of Trustees

Jerry Roest*, Chairman

Karen Bach**

David Stuart Burrows

Michael Butler

Charles Gould

Lord Knight

Professor Diana Laurillard***

William Niel McLean

Lynn Petersen ****

Ann Thunhurst (appointed 5.6.13)

Robert Marsh (resigned 7.5.13)

Lord Willis (resigned 9.7.13)

Ian Carrel (resigned 6.2.14)

* Chair of Nominations, Employment & Remuneration Committee

** Chair of Finance, Audit and Risk Committee

*** Chair of Grants Committee

**** Chair of Fundraising Committee

Officers

The day to day management of the work of the charity is delegated by the trustees to the officers of the Foundation who are:

Chief Executive

Valerie Thompson

Registered Office & Principal Address

Index House
St George's Lane
Ascot
Berkshire SL5 7ET

Auditor

Fuller Spurling
Chartered Accountants & Statutory Auditors
Mill House
58 Guildford Street
Chertsey KT16 9BE

Bankers

Lloyds TSB
49 High Street
Godalming
Surrey GU7 1AT

Lawyers

Mundays LLP
Cedar House
78, Portsmouth Road
Cobham
Surrey KT11 1AN

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

The trustees, who are also directors of the charity for the purposes of the Companies Act and the sole members currently, submit their report and the audited financial statements for the year ended 31 March 2014. In preparing their report and the financial statements of the charity the trustees have complied with the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" 2005.

Objectives, activities and achievements

The charity's objects are to further education for the public benefit through encouraging and enabling the adoption of information, learning and communications technologies (ILCT) in schools and in the home on a basis of equity of access for all with special regard to the education needs, including the provision of information, advice and support of those who have social or economic disadvantage or who have a disability. This will be achieved by pursuing three core objectives:

1. Supporting Schools

- Our main activity is to support schools and Academies who are running, or wish to start, e-learning programmes. These involve the cooperation of teachers, parents and other stakeholders to generate financially sustainable funding to support 1:1 provision of a suitable device and help with access to Broadband at home where required regardless of the means of the family. Typically we work with a school over a period of time; from the initial enquiry to the launch of the programme to the parents and then the implementation of the e-learning programme and the ongoing management of the programme in terms of assistance with donation collection and annual re-launches to new cohorts of pupils.
- Our Donation Management Service has proved very successful in reducing the administrative burden that schools face in making regular collections of donations from parents. The number of schools using this service is currently at 109. We collected 30% more donations than last year and the average donation dropped just a few pence from £14.03 to £13.93. Income from the national donation (based on Gift Aid) was up 20% on last years and exceeded the increased target we set in the Business Plan.
- Public benefit is evident in our free advisory service to schools that results in them being able to offer an e-learning programme to all their children, regardless of their parents' ability to make a donation towards it.

2. Campaigning for solutions to the Digital Divide

- Our second major area of activity is to build on our reputation as a major source of expertise and information on the digital divide as it affects schoolchildren, and use that reputation to influence Education Ministers to take a more positive position on the role of learning technology in education. Our objective is to collect compelling evidence for Ministers and others in influential positions.
- We launched a major campaign "Mind the Gap" to encourage schools to help families not on line at home get connected for their children's sake so that they can benefit from online learning resources that are increasingly taking the place of paper versions. This has won widespread support, including the Mayor for London, Boris Johnson.
- We were part of a small advisory group invited to meet the Secretary for State for Education on two occasions to identify the priorities for Government attention in the IT in Education area.
- We ran an international event at the House of Lords with over 10 countries represented to identify areas of common interest and collaboration opportunities.
- We network actively with a wide range of partner organisations who serve our target audience i.e. Headteachers, Governors, and parents. We attend conferences and exhibitions to increase our visibility, run workshops, and give keynote presentations.
- We ran two conferences during the year. The May event in London was entitled "Keep Taking the Tablets" (with reference to tablet computers) and the November event in Wolverhampton was entitled "We Need to Talk About Learning", both responding to topical issues affecting schools and linked to our charitable objectives.
- Our website is an important resource centre for teachers, parents, potential sponsors and the media. It is kept up to date with news, video materials and training resources. Conference delegates can register online, schools can apply to affiliate, and donors can make a donation online.
- Public benefit is evident in terms of the Foundation promoting knowledge and understanding of the plight of children from low income families through education media articles and conference presentations.

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

3. Developing sustainable funding for home access

- Our third major area of activity is our role in helping schools raise sustainable funding. We do this in a variety of ways, and the approach is tailored to each school's circumstances with the help of advice given by our School Liaison Managers.
- With Government grants no longer available, we applied a new focus on overcoming the digital divide through encouraging schools to use their Pupil Premium funds to ensure children from disadvantaged backgrounds were provided with the learning technology they need by their school.
- A small number of grants from our remaining grants fund were paid to schools for their research on the impact of technology on their pupils throughout the year.

Plans for the future

The Business Plan for 2014-2015 anticipates a challenging time in terms of our ability to fundraise, and the ability and willingness of schools to spend their funds on learning technologies. Despite this we plan to extend our help to more schools and families. Our main objectives for the year are therefore:

- To continue our advocacy role to influence political opinion on the cross-curriculum use of learning technologies
- To develop our Mind the Gap campaign to help schools support their poorest families to get online at home
- To support more schools to help pupils get access to learning technologies through a variety of models depending on local circumstances
- To raise the funds to achieve a breakeven budget by managing our costs, broadening the sources of income and winning major grants

Grant making policy

When making grants the Foundation invites applications through e-mailings, our Newsletter, publication of the grants round on the Foundation's website and press releases to the specialist education press. Affiliated schools are invited to submit their proposals in a specific format by a specified deadline. The applications are then summarised by the Chief Executive before being reviewed by the Grants Committee against the funds approved by the board for each grant round. The Grants Committee, under the delegated authority of the board, then approve the institutions who are to receive grants and the amount of those grants after taking into account any restrictions which might apply to the different funding streams making up that round. Each grant round is then reported and minuted at the next full board meeting.

Reserves Policy

As part of the management of risk, the Foundation recognises the need to retain free reserves to enable it to work to a long term strategy without the need to make short term adjustments forced on it by temporary deficits in funding. The Foundation has no regular guaranteed sources of income but does have fixed operating costs in terms of activities required to maintain its presence and further its charitable objectives. The trustees believe that a target of 6 months cover of the fixed operating costs, plus an estimated cost of closing the charity down in an orderly manner, is a reasonable target of reserves to carry forward.

In January 2013 falling unrestricted funds triggered a major review on the viability of the charity. As a result, costs were examined closely and a major programme implemented that resulted in one third of overheads being taken out, including a move to more affordable offices and the removal of one senior management post. This plan proved effective and the Foundation's free reserves, i.e. unrestricted funds, amounted to £291,141 at 31 March 2014, equivalent to 32 weeks of operating costs, well above the set threshold.

The target level of reserves is based on forward budgets and forecasts and takes into account anticipated future income flows adjusted to reflect the risk of non-receipt. We therefore start the new financial year with 7 months of reserves and a budget that will generate a small surplus. Owing to the risks inherent in the assumptions used in forward planning, the reserves policy and the adequacy of current reserve levels is reviewed regularly. The Foundation no longer receives Government funding and our fundraising strategy has been to replace this lost income with broader based and sustainable funding through the Donation Management Service, corporate sponsorship and school and supplier membership fees.

Financial Review

Incoming resources during the financial year amounted to £1,761,185. Unrestricted donations for the general support of the Foundation's activities were £415,717. £39,750 came from a range of companies in support of our Corporate Partner Scheme. In addition to this £217,404 was received from the DMS programme. Unrestricted income was also generated from Conference and Administration fees of £30,790, Affiliation fees of £36,197, grants from small trusts and foundations came to £6,050 and income from bank interest of £4,664.

Restricted funds of £1,324,881 were received during the year from parental donations made through the Donation Management Programme.

Outgoing expenditure amounted to £1,774,946. This included grants made of £1,324,881 to schools operating e-learning programmes. The balance was made up of expenditure for generating funds £14,070, charitable activities of £428,199 and governance £7,796. (See Note 5 for details).

Structure, Governance and Management

The charity is a charitable company limited by guarantee number 1086306, incorporated under the Companies Act 1985 registration number 3978344 on 17 April 2000, and formally launched at the House of Commons in February 2001 following application to the Charity Commission. It is governed by a memorandum and articles of association, last amended on 8 July 2003.

The Board of Trustees meets in full session on at least four occasions during the year plus one Business Plan planning meeting when it agrees the broad strategy and areas of activity for the Foundation. The board delegates a number of its governance functions to an established committee structure, which includes a finance, audit & risk committee; grants committee; fundraising committee; and a nominations, employment & remuneration committee. All supporting committees have their decisions ratified by the Board. At least once each year the board reviews both its risk and reserve policies.

The trustees as members are liable to contribute £1 per head in the event of insolvent winding up of the Foundation.

Trustee recruitment and induction

The trustees regularly review the skill set of the board and match this against the requirements of the business plan. On this basis they are able to review the make-up of the board and if necessary recruit new members to fill any apparent gaps or vacancies. New trustees are sought by open advertisement, through specialist recruitment agencies and through recommendation.

Prospective trustees are reviewed by the Chairman whose recommendations for trustee appointments are then put before the full Board for approval. Prospective trustees are invited to attend a Board Meeting as observers to meet the other trustees and confirm their continued interest to act as a trustee before the appointment is recorded at Companies House and with the Charities Commission. This is followed by an induction session with the Chief Executive to brief each new trustee on the detailed operations and operating policies of the Foundation.

Risk management

The trustees have examined the major strategic, business and operational risks that the charity faces and an action plan has been developed for the mitigation of the major risks identified. A programme has been established for the regular monitoring and management of risk on an ongoing basis.

Investment policy

Funds not immediately required for the running of the charity or for the furtherance of its objects are placed on deposit with the charity's bankers to generate interest as part of the Foundation's treasury management operations. No other investment instruments or facilities e.g. equities, bonds or unit trusts are approved by the board.

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

Employee involvement

The organisation has a flat structure with all staff reporting to the Chief Executive.

Employees are consulted on issues of concern and interest to them by means of bi-monthly team meetings and regular meetings of the School Liaison Manager team. They are also kept informed on specific matters directly by management through e-mail and ad hoc meetings. The charity carries out exit interviews for all staff leaving the organisation. A system of quarterly performance reviews is in place which provides further opportunities for staff to raise any concerns and the charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Child protection policy
- Health and safety policy
- Disciplinary and grievance procedure policy

These are set out in detail in a Staff Handbook.

Public benefit

The principles of public benefit, as defined by the Charity Commission, were last formally noted by the Board on 4th February 2014. The Trustees confirm that they have had regard to the Charity Commission's guidance and their belief that the e-Learning Foundation provides identifiable benefits to a section of the public.

Trustees' responsibilities in relation to the financial statements.

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

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

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

- The charity is operating efficiently and effectively
- Its assets are safeguarded against unauthorised use and disposition
- Proper records are maintained and financial information used within the charity or for publication is reliable
- The charity complies with relevant laws and regulations

e-LEARNING FOUNDATION

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

In so far as we are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware; and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The e-Learning Foundation's systems of internal control are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss, and include:

- A business plan and an annual budget approved by the trustees
- Regular consideration by the trustees of financial results, variance from budgets and non-financial performance indicators
- Delegation of authority and segregation of duties
- Identification and management of risks.
- Adequate systems in place to manage expenses which do not form part of remuneration.

Auditors

Accountants Fuller Spurling were appointed as the charity's auditors in 2013.

Small companies exemption

This report has been prepared in accordance with the small companies regime of the Companies Act 2006, approved by the board on 8th July 2014 and signed on its behalf by:

Jerry Roest
Chairman

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE E-LEARNING FOUNDATION

We have audited the financial statements of e-Learning Foundation for the year ended 31 March 2014 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Report

Susan Keane, Senior Statutory Auditor
For and on behalf of Fuller Spurling
Chartered Accountants and Statutory Auditors
Mill House, 58 Guildford Street
Chertsey KT16 9BE

Date

e-LEARNING FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (Incorporating income and expenditure account)

FOR THE YEAR ENDED 31 MARCH 2014

| | Notes | Unrestricted Funds £ | Restricted Funds £ | Total funds 2014 £ | Total funds 2013 £ |
|--|-------|----------------------------|--------------------------|--------------------------|--------------------------|
| INCOMING RESOURCES | | | | | |
| <i>Incoming resources from generated funds</i> | | | | | |
| Commissions conference & administration fees | | 106,215 | - | 106,215 | 100,102 |
| Membership | | 40,602 | - | 40,602 | 49,281 |
| Investment income and interest | | 4,664 | - | 4,664 | 7,107 |
| <i>Incoming resources from charitable activities</i> | | | | | |
| Donations and similar incoming resources | 2 | 264,236 | 1,345,468 | 1,609,704 | 1,349,395 |
| Total incoming resources | | <u>415,717</u> | <u>1,345,468</u> | <u>1,761,185</u> | <u>1,505,885</u> |
| RESOURCES EXPENDED | | | | | |
| Cost of generating funds | 3 | 14,070 | - | 14,070 | 36,027 |
| Charitable activities | 4 | 395,293 | 1,357,787 | 1,753,080 | 1,750,986 |
| Governance | 5 | 7,796 | - | 7,796 | 9,385 |
| Total resources expended | | <u>417,159</u> | <u>1,357,787</u> | <u>1,774,946</u> | <u>1,796,398</u> |
| Net incoming resources before transfers/ Net expenditure for the year | | (1,442) | (12,319) | (13,761) | (290,513) |
| Transfer between funds | 13 | - | - | - | - |
| Net incoming resources before investment gains | | <u>(1,442)</u> | <u>(12,319)</u> | <u>(13,761)</u> | <u>(290,513)</u> |
| Gains on investments assets | | - | - | - | - |
| Net movement in funds | | <u>(1,442)</u> | <u>(12,319)</u> | <u>(13,761)</u> | <u>(290,513)</u> |
| Total funds at 1 April 2013 | | 292,583 | 36,217 | 328,800 | 619,313 |
| Total funds at 31 March 2014 | | <u><u>291,141</u></u> | <u><u>23,898</u></u> | <u><u>315,039</u></u> | <u><u>328,800</u></u> |

All incoming resources and resources expended derive from continuing activities.

All recognised gains and losses are included in the above statement of financial activities.

BALANCE SHEET

AS AT 31 MARCH 2014

| | Notes | 2014 | | 2013 | |
|---|-------|----------------|----------------|----------------|----------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible assets | 8 | | - | | - |
| Investments | 9 | | 2 | | 2 |
| | | | <u>2</u> | | <u>2</u> |
| | | | 2 | | 1,239 |
| CURRENT ASSETS | | | | | |
| Debtors | 10 | 99,147 | | 101,084 | |
| Cash at bank and in hand | | 641,737 | | 535,032 | |
| | | <u>740,884</u> | | <u>636,116</u> | |
| CREDITORS: amounts falling due within one year | 11 | 425,847 | | 307,318 | |
| | | <u>425,847</u> | | <u>307,318</u> | |
| NET CURRENT ASSETS | | | 315,037 | | 328,798 |
| | | | <u>315,037</u> | | <u>328,798</u> |
| NET ASSETS | 12 | | 315,039 | | 328,800 |
| | | | <u>315,039</u> | | <u>328,800</u> |
| Unrestricted funds | | | | | |
| General funds | | | 291,141 | | 292,583 |
| Restricted Funds | | | | | |
| | | | 23,898 | | 36,217 |
| | | | <u>23,898</u> | | <u>36,217</u> |
| Total funds | 13 | | 315,039 | | 328,800 |
| | | | <u>315,039</u> | | <u>328,800</u> |

These financial statements are prepared in accordance with the small companies regime of the Companies Act 2006.

The financial statements were approved and authorised for issue by the Board of Trustees on 8th July 2014 and are signed on its behalf by

Jerry Roest
Chairman

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2014

1. PRINCIPAL ACCOUNTING POLICIES

- (a) The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006. The Statement of Recommended Practice "Accounting and Reporting by Charities" 2005 and the Charities Act 2011 has been applied in the preparation of these financial statements.
- (b) Grants and other donations receivable, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable when the conditions for receipt of the grant are met, and are shown as charitable activities.
- (c) Incoming resources generated from sponsorship and advertising are included when receivable. Income from equity investment is accounted for on an ex div date basis. Bank and other interest is accounted for on a receivable basis.
- (d) Resources expended are recognised in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.
- Cost of generating funds are costs incurred in organising and administrating membership conferences, projects, advice and information
 - Charitable activities include grants, fundraising marketing and communications, advice and campaigning
 - Governance costs include the governance of the charity primarily associated with constitutional and statutory requirements.
- (e) Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached under the control of the charity are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure. The directly attributable costs of processing grants and applications, including support to actual and potential applicants are included in "Charitable Activities". The activity of Grants Payable does not receive any allocation or estimated proportion of non-directly attributable costs or other overhead costs.
- (f) In addition to directly attributable costs, each of the other three activities (School Support, Campaigning and Fundraising) is allocated a proportion of the balance of non-directly attributable costs and other overhead costs on the basis of staff time. These allocations represent the cost of overall direction, delivery and administration of each activity. No allocation of time has been attributed to Governance.
- (g) Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 3 years. Items of equipment are capitalised where the purchase price exceeds £500. IT Projects are capitalised but written off in the year incurred as the trustees believe they have no intrinsic value other than to the Foundation.
- (h) Rentals paid under operating leases are charged as incurred.
- (j) Pension costs charged in the Statement of Financial Activities represent contributions to employee personal pension plans paid by the charity during the year.
- (j) Investments held as fixed assets are valued at the trustees' best estimate of market value.
- (k) Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.
- (l) Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs (when appropriate).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

**2 DONATIONS AND SIMILAR
INCOMING RESOURCES**

| | Unrestricted | Restricted | 2014 | 2013 |
|---|----------------|------------------|------------------|------------------|
| Campaign for Learning | | | | 15,600 |
| Carphone Warehouse | | | | 50,000 |
| Econocom | | | | 6,696 |
| EUN Partner | | 16,363 | 16,363 | 0 |
| European Electronique | | | | 7,500 |
| Fonthill Foundation | 7,500 | | 7,500 | 0 |
| Gazoob | | | | 10,000 |
| Grazia | | | | 1,920 |
| Iansyst | | | | 5,000 |
| Jigsaw 24 | 8,750 | | 8,750 | 25,000 |
| MCC Education | | | | 5,000 |
| Samsung Electronics UK Ltd | 10,000 | | 10,000 | 0 |
| Siracom (Meru) | 12,000 | | 12,000 | 10,000 |
| Tutors Direct | | | | 4,000 |
| William Allan Young Charitable Trust | 2,000 | | 2,000 | 2,000 |
| Xirrus | | | | 10,000 |
| Other donations of less than £2,000 including parental donations from DMS | 223,986 | 1,329,105 | 1,553,091 | 1,210,018 |
| Total | 264,236 | 1,345,468 | 1,609,704 | 1,362,734 |

All restricted DMS donations are included in the grants paid back to the schools (See Note 4).

3 COST OF GENERATING FUNDS

| | 2014 | 2013 |
|----------------------------------|--------|--------|
| | £ | £ |
| Conferences and exhibition costs | 14,070 | 36,027 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

4. CHARITABLE ACTIVITIES

| | School Support £ | Campaigning £ | Sustainable Fundraising £ | Support Costs £ | 2014 Total £ | 2013 Total £ |
|---|------------------------|------------------|---------------------------------|-----------------------|--------------------|--------------------|
| Communications | 928 | 3,711 | 3,795 | - | 8,433 | 31,708 |
| Staff costs | 104,240 | 34,747 | 107,399 | 69,493 | 315,878 | 524,209 |
| Recruitment | | | | | | |
| Costs | 45 | - | - | - | 45 | 2,920 |
| Travel | 12,683 | 1,171 | 2,732 | 2,927 | 19,512 | 25,544 |
| Premises and general office | 24,702 | 2,512 | 14,654 | - | 41,868 | 53,459 |
| IT & tele- communications | 11,257 | 1,145 | 6,678 | - | 19,080 | 25,089 |
| Depreciation | - | - | - | - | 0 | 1,237 |
| Bank charges and interest | - | - | 5,269 | - | 5,269 | 4,816 |
| Irrecoverable VAT | 1,639 | 499 | 1,319 | 107 | 3,564 | 29,150 |
| | <u>155,494</u> | <u>43,785</u> | <u>141,846</u> | <u>72,527</u> | <u>413,649</u> | <u>698,132</u> |
| Apportionment of support costs | 4,352 | 25,384 | 42,791 | (72,527) | - | - |
| | <u>159,846</u> | <u>69,169</u> | <u>184,637</u> | <u>-</u> | <u>413,649</u> | <u>698,132</u> |
| Grants payable | | | | | 1,339,431 | 1,052,854 |
| Total resources expended on charitable activities | | | | | <u>1,753,080</u> | <u>1,750,986</u> |

5. GOVERNANCE

| | 2014 £ | 2013 £ |
|--|--------------|--------------|
| Trustee indemnity insurance | 1,661 | 1,661 |
| Auditors' remuneration - statutory audit | 5,250 | 5,000 |
| Legal and professional fees | 0 | 1,361 |
| Secretarial fees and other | 55 | 208 |
| Trustee meetings | 830 | 771 |
| Irrecoverable VAT | 0 | 384 |
| | <u>7,796</u> | <u>9,385</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

| 6. EXPENDITURE | 2014 £ | 2013 £ |
|--|-------------------|-------------------|
| Total expenditure includes: | | |
| Depreciation | 0 | 1,237 |
| Operating leases – building rental | 27,995 | 51,024 |
| Trustees' liability insurance | 1,661 | 1,661 |
| | <u> </u> | <u> </u> |
| Total staff costs comprise: | | |
| Wages and salaries | 212,952 | 350,901 |
| Redundancy costs | 0 | 22,608 |
| Social security costs | 22,044 | 40,775 |
| Pension contributions | 76,214 | 98,661 |
| Other benefits | 4,668 | 11,264 |
| | <u> </u> | <u> </u> |
| | 315,878 | 524,209 |
| | <u> </u> | <u> </u> |
| | Number | Number |
| Average number employed stated as full-time equivalents: | | |
| Administration | 7 | 9 |
| | <u> </u> | <u> </u> |
| The number of employees whose emoluments, as defined for taxation purposes (total pay, vehicle and medical insurance, excluding pension) amounted to over £60,000 in the year were as follows: | | |
| | Number | Number |
| £80,000 - £90,000 | - | - |
| £70,000 - £80,000 | 1 | 1 |
| £60,000 - £70,000 | - | - |
| | <u> </u> | <u> </u> |
| | £ | £ |
| Contributions paid to a defined contribution scheme for the above higher paid employees excluding salary sacrifice | 10,637 | 9,042 |
| | <u> </u> | <u> </u> |
| | Number | Number |
| Number of employees who accrued benefits under the money purchase scheme | 1 | 1 |
| | <u> </u> | <u> </u> |

Trustees receive no remuneration from the Foundation.

Travel expenses reimbursed for trustees during the year were £339 (2013: £311).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

7. TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

8. TANGIBLE FIXED ASSETS
**IT and communications
equipment and software
£**
Cost

At 1 April 2013

32,261

Disposals

-

At 31 March 2014

32,261

Depreciation

At 1 April 2013

32,261

Charge for year

-

Eliminated on disposal

-

At 31 March 2014

32,261

Net Book Value

At 31 March 2014

-

At 31 March 2013

-

9. INVESTMENTS
**Unlisted
UK shares
£**
Value as at 1 April 2013 and 31 March 2014

2

Historical cost

2

Investments as at 31 March 2014 relate to the Charity's subsidiary company.

The Charity established e-Learning Enterprises Limited, a fully owned subsidiary, on 16 August 2002 (Company registration 4513357). This company has not traded during the financial year ended 31 March 2014 and is presently dormant.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

| 10. DEBTORS | 2014 | 2013 |
|--------------------------------|---------------|----------------|
| | £ | £ |
| Trade debtors | 9,954 | 21,775 |
| Other debtors | 77,838 | 69,429 |
| Prepayments and accrued income | 11,355 | 9,880 |
| | <u>99,147</u> | <u>101,084</u> |

Included in Other debtors is £74,648 relating to Gift Aid claims due at the year end.

| 11. CREDITORS: amounts falling due within one year | 2014 | 2013 |
|---|----------------|----------------|
| | £ | £ |
| Trade creditors | 11,817 | 4,704 |
| Other taxes and social security | 10,992 | 13,285 |
| Other creditors | 383,283 | 276,319 |
| Accruals and deferred income | 19,755 | 13,010 |
| | <u>425,847</u> | <u>307,318</u> |

Other creditors relates to DMS grants due to be paid out to schools at the year end.

| 12. ANALYSIS OF NET ASSETS BETWEEN FUNDS | General Funds | Restricted Funds | Total Funds |
|---|--------------------------|-----------------------------|------------------------|
| | £ | £ | £ |
| Fixed assets | - | - | - |
| Investments | 2 | - | 2 |
| Current assets | 716,986 | 23,898 | 740,884 |
| Current liabilities | (425,847) | - | (425,847) |
| | <u>291,141</u> | <u>23,898</u> | <u>315,039</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

| 13. RECONCILIATION OF FUNDS | 31 March 2013 £ | Incoming Resources £ | Outgoing Resources £ | Transfers £ | 31 March 2014 £ |
|--|-----------------------|----------------------------|----------------------------|-----------------|-----------------------|
| Restricted funds: | | | | | |
| EUN Partner | - | 16,363 | (14,524) | - | 1,839 |
| Becta (DCSF) | 16,271 | - | (14,550) | - | 1,721 |
| Other restricted funds including parental donations | 19,946 | 1,329,105 | (1,328,713) | - | 20,338 |
| Total restricted funds | <u>36,217</u> | <u>1,345,468</u> | <u>(1,357,787)</u> | <u>-</u> | <u>23,898</u> |
| Unrestricted funds: | | | | | |
| General funds | 292,583 | 415,717 | (417,159) | - | 291,141 |
| Total funds | <u><u>328,800</u></u> | <u><u>1,761,185</u></u> | <u><u>(1,774,946)</u></u> | <u><u>-</u></u> | <u><u>315,039</u></u> |

Purposes of restricted funds

All restricted funds have arisen from donations to support schools who wish to adopt or expand local e-learning projects which offer a sustainable, equitable home access programme for their students.

14. OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in the following payments falling due in the year to 31 March 2014.

| | Land and buildings | |
|--------------------------------|---------------------------|---------------|
| | 2014 | 2013 |
| | £ | £ |
| Expiring in less than one year | <u>20,304</u> | <u>14,955</u> |

e-LEARNING FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2014

15. GRANTS PAYABLE

| | £ |
|--|-------------|
| Copland Community College | 2,500 |
| Cramlington Learning Village | 2,500 |
| John Emerson Batty Primary School | 1,000 |
| Longfield Academy | 2,500 |
| Mounts Bay Academy | 1,500 |
| St Peter in Thanet CoE Junior School | 1,000 |
| Taunton Academy | 1,050 |
| Writhlington School | 2,500 |
| | <hr/> |
| | 14,550 |
| | |
| 109 schools participating in the DMS programme | 1,324,881 |
| | <hr/> |
| Total grants payable | 1,339,431 |
| | <hr/> <hr/> |