

**Company number: 2394165**

**Charity number: 801819**

# **Pecan**

**(A Charity Company Limited by Guarantee, company number 2394165)**

## **Audited Financial Statements**

**and**

## **Trustees' Report**

**for the year ended 31 March 2010**

---

# **Pecan**

**(A Charity Company Limited by Guarantee, company number 2394165)**

## **Index to the Financial Statements for the year ended 31 March 2010**

---

	<b>Page</b>
<b>Index to the Financial Statements</b>	<b>2</b>
<b>Charity Information</b>	<b>3</b>
<b>Trustees' Report</b>	<b>4 - 9</b>
<b>Statement of Trustees' Responsibilities</b>	<b>10</b>
<b>Independent Auditors' Report</b>	<b>11</b>
<b>Statement of Financial Activities</b>	<b>12</b>
<b>Balance Sheet</b>	<b>13</b>
<b>Accounting Policies</b>	<b>14 - 15</b>
<b>Notes to the Accounts</b>	<b>16 - 20</b>

---

# **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

## **Charity Information for the year ended 31 March 2010**

---

Pecan is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. The directors of the charity are its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

**Charity name:** Pecan

**Company registration number:** 2394165  
England & Wales

**Charity registration number:** 801819

**Registered office:** 121A Peckham High Street  
Peckham  
London  
SE15 5SE

**Trustees who held office during the year:**

Wole Adeloye	- Resigned 10 November 2010
Phillip Osai-Hwere	- Resigned 10 November 2010
Peter Stunell	- Resigned 15 January 2010
Anne Wilde	
John Willis	
Lynne Angela Moses	
Adermi Okeshola	
Olufemi Adesanya	
Eelco Weirma	- Appointed 10 November 2010

**Chair:** Wole Adeloye

**Vice chair:** Peter Stunell

**Secretary:** Mark Trigg

**Independent Auditors** **Armstrong & Co**  
*Chartered Accountants & Statutory Auditors*  
4a Printing House Yard  
Hackney Road  
London E2 7PR

**Solicitors:** **Grant Saw**  
110-114 Norman Road  
Greenwich  
London SE10 9EH

**Bankers:** **Barclays Bank plc**  
United Kingdom House  
180 Oxford Street  
London BX3 2BB

**Triodos Bank NV**  
Brunel House  
11 The Promenade  
Bristol BS8 3NN

---

# **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

## **Trustees' Report, incorporating the Directors' Report for the year ended 31 March 2010**

---

The Trustees of Pecan present their report together with the financial statements for the year ended 31 March 2010.

### ***Principal activity***

The principal activity of the charity in the year under review was that of the provision of training and assistance to unemployed persons and people from disadvantaged communities.

### ***Trustees***

The trustees of the charity who held office during the year are disclosed on page 3.

### ***Structure, Governance and Management***

#### ***Governing Document***

Pecan is a charitable company limited by guarantee, incorporated on 12 June 1989 and registered as a charity on 21 July 1989. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

#### ***Recruitment and Appointment of Members and Trustees***

##### **1. Members**

The membership of the company is drawn from supporter churches. Members agree to the Churches Together basis of faith, and pay an annual subscription.

Member churches are the members of the company and act as guarantors to the liability of £1 each.

A majority of members present at an Annual General Meeting (AGM) and voting in favour of a nomination will enable the person nominated to become a member immediately after the voting procedure has been completed. The participating churches may be altered by a unanimous vote of all members of the Company present at the AGM.

##### **2. The Board of Directors**

The Directors of Pecan are also Charity Trustees.

The board meet quarterly and in a number of sub-committees and set policy and direction for the charity, and oversight for the work of the senior management team.

All the directors are Christians and church members of good standing, they help Pecan to maintain its Christian ethos and are not remunerated.

The Board of Directors ('The Board') are made up of members who have experience and expertise in areas of work relating to Pecan's work as a training body for the marginalised and unemployed. The Board may appoint any member of the Company or any other suitable person, either as a replacement or as an addition to the board. Appointment of the Secretary is also the Board's function.

New trustees are recruited by advertising through newsletters to our member and supporter network. The skills and mix of current trustees are regularly analysed and we try to recruit trustees with complimentary skills and backgrounds.

The Board may delegate their powers to sub-committees consisting of members of the Board of Directors who have expertise in that particular area of management. All proceedings and decisions of the sub-committee are reported back to the Boards next meeting.

New trustees participate in a full induction programme upon appointment.

##### **3. Senior Management Team**

The day to day management of the charity is the responsibility of the senior management team. The team comprises members of staff appointed by the board of directors.

---

# **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

## **Trustees' Report, incorporating the Directors' Report for the year ended 31 March 2010**

---

### ***Operational Structure***

The principal activity of the charity in the year under review was that of the provision of training and assistance to unemployed persons and people from disadvantaged communities.

#### **ii) Pecan and other charities/organisations:**

In order to achieve Pecan's objects, the charity works in partnership with many local, national and international organisations and government agencies whilst retaining a prime focus on the London region.

### ***Risk Assessment***

The charity maintains and actively monitors its risk register. The register is presented to the board at each meeting by the Chief Executive, significant risks are identified and actions agreed and monitored at subsequent meetings.

A Health and Safety update is also presented to the Board at each meeting, along with any updates to related procedures and policies.

### ***Objectives and Activities***

#### **Pecan's Charitable Objects**

Pecan is governed by its Memorandum and Articles of Association. These state Pecan's objectives are:

- (a) To advance the Christian religion.
- (b) The relief of unemployment for the benefit of the public in such ways as may be thought fit, including providing training and other assistance to help people find employment.
- (c) The relief of poverty in particular among unemployed people.
- (d) To preserve and protect the physical environment for the benefit of the public by the promotion of waste reduction, re-use, reclamation and recycling and the use of recycled products.

#### ***Policies to further our Objects***

Pecan is a Christian organisation with the vision to see the lives of those we work with transformed, many of whom face seemingly insurmountable barriers to realise their dreams. Working with vulnerable groups such as ex-offenders, their families, refugees and asylum seekers, young people and the long term unemployed, we seek to enable each individual to achieve their full potential and through that to see the community around us transformed.

All our projects seek to address the multiple needs of our participants and work towards their social inclusion, through the development of holistic projects. We work in partnership with the local church supporting initiatives to meet the needs of the community, as well as seeking to be an advocate for those we work with by challenging inequality & injustice on a local and national level.

Over the last 21 years, we have shown ourselves to be successful in reaching many hard to reach groups within the communities we seek to serve, delivering skills training and services to those in need. In addition, as a Christian organisation we are committed to outworking our core values through our relationships with all those with whom we interact. Our organisational values are:

#### ***Excellence***

We are committed to pursuing excellence in all we do, by providing the highest quality of service to best support our participants, staff and the community.

#### ***Empowering***

We are committed to seeing the individuals and communities we work with empowered to make their own choices and affect their own situation.

#### ***Equality & Diversity***

We are committed to celebrating diversity and ensuring equal access to our services for all participants regardless of race, colour, nationality, ethnic origin, religion, gender, sexual orientation, age or disability.

#### ***Prayer***

We are committed to prayer as a key foundation on which all our work is established and as an integral part of our life together.

---

# **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

## **Trustees' Report, Incorporating the Directors' Report for the year ended 31 March 2010**

---

### ***Pioneering***

We are committed to pioneering projects that find new ways to address the needs of our participants and work towards their social inclusion.

### ***Accountability***

We are committed to transparency, participation and learning across all areas of our work both internally and externally.

### ***Advocacy***

We are committed to using our voice and standing alongside our participants and the local community to influence issues impacting them.

### ***Collaboration***

We are committed to achieving our vision through partnership with the local community, churches and other groups and organisations.

### ***Sustainability***

We are committed to protecting the environment, health promotion and encouraging ethical lifestyles through initiatives such as Fairtrade.

### ***Commitment***

We are committed to outworking our vision and values over the long-term.

### ***Objects for the year***

Our strategic objectives are:

- 1) To address the multiple needs of our participants and work towards their social inclusion, through the development of holistic projects.
- 2) To work with and support the local church in meeting the practical needs of the community.
- 3) To challenge inequality & injustice on a local and national level, with and for our community.

In the year under review Pecan was delivering 15 different projects working to provide advice, training and support into employment for our clients. The projects focused around working with our target groups – ex-offenders & their families, refugees & asylum seekers, those with mental health issues, young people (Not in Education, Employment or Training), and the long-term unemployed.

Our object remains to serve as many people as we can by delivering high quality programs and seeing lives transformed. A further object for the year was to develop our current contracts to enable them to perform well during their lifetimes and to identify ways to enable Pecan to secure further funding to carry our work going forward.

### ***Strategies for achieving our objects***

Pecan seeks to work in partnership with local authorities, national government agencies (such as the Job Centre Plus, London Development Agency, London Councils and the Skills Funding Agency), local colleges, and other like minded voluntary sector providers to deliver skills and training to those needing services at the place they are needed.

Support is sought from corporate sponsors, charitable trusts and other supporter groups to enhance this provision.

In seeking to meet local communities where they are we develop partnerships with local churches and other organisations to be able to provide services as locally as possible to the clients we are serving.

### ***Who uses our services***

Pecan currently works alongside: NEET Young people, refugees, asylum seekers, the long term unemployed, those with mental health issues, ex-offenders and their families. All services and support is offered to our clients free of charge. Eligibility criteria for clients to come onto our programmes is dictated by our funders and varies between contracts, as most services are targeted to meet the needs of specific disadvantaged groups. The majority of our programmes currently have a focus on supporting people within the London boroughs of Southwark, Lambeth, Greenwich, Wandsworth & Lewisham, although some projects can take people from across London. As one of the main focuses of our work is supporting people into employment, the majority of our programmes are targeting people who are currently unemployed.

Pecan was formed as an expression of the work of the local church. Therefore we consider it vital that we treat every client, employee, volunteer and stakeholder in a way which reflects the value they have in God's sight. Pecan recognises that disadvantage and discrimination exist in society and is committed to striving to eliminate these inequalities. Pecan aims to be fair, reasonable and just in all its responsibilities.

Pecan is committed to ensure that no person or group of persons being recruited for or attending a Pecan course will be treated less favourably than any other person or group of persons because of their race, colour, ethnic or national origins, or because of their religion or belief, gender, sexual orientation, gender re-assignment, disability, appearance, age or marital status.

---

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Trustees' Report, incorporating the Directors' Report for the year ended 31 March 2010

---

We consider that unemployed people are excluded from full participation in society. Pecan is committed to action that counteracts this exclusion. In particular, Pecan encourages and trains clients to gain control over their own lives. We aim to treat all clients, users of our services, students, employees, volunteers, job applicants, suppliers and other stakeholders fairly and we will not unlawfully discriminate on the grounds of their race, colour, nationality, ethnic or national origin, religion or belief, gender, gender re-assignment, sexual orientation, marital status, age or disability. We intend to ensure requirements or conditions do not unfairly or unjustifiably limit access to services, jobs, or volunteering opportunities. Pecan will actively challenge unlawful discrimination in all forms.

### *Details of main programmes*

Our different programmes are focused in the following areas:

#### ***Working with Young people***

At the end of 2007 189,500 (9.4 percent) 16- to 18-year-olds were classed as 'NEET' (not in education employment or training). Pecan is committed to giving them a second chance where other people have written many of them off. Each young person gets dedicated one-to-one support to help them figure out what they are struggling with and support in making and achieving personal goals. We offer a range of courses and qualifications which they can work towards which for many will be their first, having left school without any.

#### ***Working with Refugees & Asylum Seekers***

Refugees make up to 5% of London's population. Most have good skills, qualifications and work experience. Yet they are twice as likely to be unemployed than any other minority ethnic group, due to their under-developed English language skills. To help address this issue Pecan runs general English courses, alongside providing support in integration and gaining meaningful employment. Projects work across Southwark, Lambeth, Bromley and Bexley boroughs.

#### ***Working with Ex-offenders and their families***

Re-offending costs the government £11 billion per year. Securing gainful employment can reduce the chances of re-offending by 50%. We work with offenders, those at risk of offending and their families; providing holistic information, advice and guidance support in the areas of employment, accommodation, court hearings, counselling, debt and drug and alcohol related issues.

#### ***Working with long term unemployed***

Around 51,000 people are classed as economically inactive and more than 13,000 residents are claiming Incapacity Benefit in Southwark. Our 8 week course offers people the chance to learn skills to help them find work, boost their self confidence and make new friends. Clients spend 2 weeks on a volunteering placement of their choice in the local community. Pecan is also involved in a unique, borough-wide service supporting some of the most disadvantaged people, by identifying, and solving problems which face job seekers and local employers. Our remit is to advise people who have health issues, often signposting them on to other agencies that can help them.

#### ***Vocational training Centre***

For the more practically minded we run a carpentry course, the Construction Skills Certification Scheme qualification, alongside Literacy and Numeracy qualifications. Assistance is also given in creating a CV, interview techniques, and finding employment, work placements, or further training.

### **Volunteering**

Volunteers continue to be an essential component of our work as a charity and our clients are able to benefit directly from the additional support and wider expertise they can offer. Volunteers are involved in a wide range of our work, both in terms of frontline contact with clients, acting as mentors for our ex-offenders and refugees and as classroom assistants supporting clients in their learning they also support us in helping with backroom office tasks. Several key volunteers have also taken on the role of covering our reception and have therefore been the first point of contact for anyone contacting Pecan.

There were 38 volunteers working with the charity during the year in the following main categories:

Ex-offenders	12
Create	7
Personal Best	2
Foodbank	11
ESOL	1
Central	5

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Trustees' Report, Incorporating the Directors' Report for the year ended 31 March 2010

### *Achievement and performance*

The numbers of clients benefiting from our programmes can be seen below, in comparison to the previous financial year.

Focus Area	Number of Clients Supported	
	2008-9	2009-10
Young People – Not in Education, Employment & Training (SO3, SO4, SO5)	163	280
Ex-offenders (Move On)	151	73
Refugees & Asylum Seekers (ESOL) (Engage & Get On)	92	135
Long-term Unemployed (Personal Best)	141	196
Information Advice & Guidance (Southwark Works, Connect)	276	320
Foodbank	N/A	309
Vocational Training (Create)	121	N/A
Morph	776	N/A
Total Number of Clients Supported:	1720	1313

### *Fundraising performance*

Due to the recent change of government and current economic crisis the funding opportunities available to us through the traditional channels has been limited over the last 12 months. We continued to receive support from the Sainsbury's Monument Trust however and also managed to develop a couple of new sub-contracts delivering Information, Advice & Guidance and support for NEET young people, to fit alongside our on-going programmes.

In addition, considerable work has also gone into developing partnership arrangements with a number of different organisations to enable us to compete effectively for the new funding rounds coming up towards the end of 2010. Work has also gone into developing our external communication tools and refreshing our website, to enable us to tell our story better and demonstrate our impact more effectively.

### *Investment performance*

Pecan invests reserve bank balances on deposit with a charity investment specialist. Interest earned is shown in the accounts.

### *Financial Review*

#### *Results for the year*

The results for the period and financial position of the charity are shown in the annexed financial statements.

The Statement of Financial Activities shows net outgoing resources for the year of £161,510 and reserves of £1,341,992.

#### *Tangible fixed assets for use by the charity.*

Fixed assets are set out in Note 14 to the accounts.

#### *Reserves Policy*

The trustees consider that a policy of holding a minimum of 3 months income as a general reserve is appropriate for the charity. At the end of the financial year we had 4.5 months reserves.

#### *Principal funding sources and how expenditure supports the charity's key objectives*

Principal funding sources have been outlined above. With the exception of a small amount of general donations all income is attributed directly to the projects to which it relates, and costs are similarly designated.

We seek to operate a full cost recovery calculation to enable general overheads to be met from the projects we operate.



---

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Trustees' Report, Incorporating the Directors' Report for the year ended 31 March 2010

---

### Plans for future periods

Under the wider attention of our strategic objectives we have identified three specific focuses that we intend to underpin our planning and activity over the coming year:

- § **EMPOWERMENT**
- § **EXCELLENCE**
- § **ENGAGEMENT**

#### To Empower the Church

The broadening of our vision to become more holistic requires and confirms that we cannot achieve this on our own. The vision is only possible with the partnership of the local church.

#### To Encourage Excellence

A highly competitive sector increasingly requires organisations to demonstrate the value they add to any contract. Delivering what we say we will do and within a high quality framework will not only help ensure continued funding but will also highlight the good work of the church in the community.

#### To Engage the Community, our Clients & Employers

Going to where our clients are by taking the first step towards them is central to our approach, as is getting alongside them individually and offering IAG support with a desire to journey with our clients for a period of 2 years. The 3<sup>rd</sup> aspect of engaging employers maintains our belief that employment remains a central component to supporting people to get out of poverty and that often those furthest from the labour market will require additional support to make the connections with suitable employers.

Alongside these three focuses we will also be working hard to reduce costs and create a sustainable structure for the future of the organisation. The work continued this year to reduce costs demonstrates the considerable progress made in this area thus far.

We have the additional plans to:

- Consolidate the organisations resources into a smaller, solid organisation working with people further from employment.
- Get to a monthly balanced budget by the end of the year.
- Consolidate our ESOL work with refugees & asylum seekers, involving local faith based groups in their support.
- Consolidate our support work with Young people Not in Employment Education and Training.
- To encourage churches to a greater participation in the provision of community services, by training and the provision of professional support services.
- Find new funding opportunities to expand our work with ex-offenders.

#### Independent Auditors

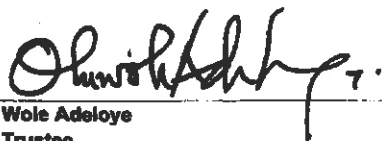
The auditors, Armstrong & Co, have indicated their willingness to be proposed for re-appointment in accordance with Section 485 of the Companies Act 2006.

Although not required, the trustees have determined that the charitable company be audited under the Companies Act 2006 for the year ended 31st March 2010 and for future years. The charitable company is required to be audited under charities legislation for the year ended 31st March 2010.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The trustees acknowledge and confirm their responsibilities for preparing the financial statements and providing appropriate information to the auditors as detailed in the Statement of Trustees' Responsibilities set out on page 10.

The financial statements were approved by the Board of Trustees on 20 December 2010 and signed on its behalf by:



Wole Adeloye  
Trustee

---

# **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

## **Statement of Trustees' Responsibilities for the year ended 31 March 2010**

---

### **Statement of trustees' responsibilities**

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Charity law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

The trustees are required by law to prepare financial statements for each financial period which give a true and fair view of the financial activities of the charity and of its financial position at the end of that period. In preparing those financial statements the trustees are required to:

- a) Select suitable accounting policies and apply them consistently;
- b) Observe the methods and principles in the Charities SORP;
- c) Make judgements and estimates that are reasonable and prudent;
- d) Follow applicable accounting standards and statements of recommended practice, subject to any material departures disclosed and explained in the accounts;
- e) Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charity will continue in operation.

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

### **Statement as to disclosure of information to auditors**

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

---

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Independent Auditors' Report to the Members of Pecan

---

We have audited the financial statements of Pecan for the year ended 31 March 2010 on pages 12 to 20 which have been prepared in accordance with the accounting policies set out on pages 14 - 15 and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

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 opinions we have formed.

### Respective responsibilities of trustees and auditors

As described on page 10 the charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of their Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions with the charity is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

We are not required to consider whether any statements in the Trustees' Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

### Basis of Opinion

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

We have undertaken the audit in accordance with the requirements of APB Ethical Standards, including APB Ethical Standard *Provisions Available for Small Entities*, in the circumstances set out in note 3 to the financial statements.

### Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31 March 2010 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- the financial statements have been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Trustees' Report is consistent with the financial statements.



Anthony Armstrong (Senior statutory auditor)  
Armstrong & Co  
Chartered Accountants & Statutory Auditors

4a Printing House Yard  
Hackney Road  
London E2 7PR

20 December 2010

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Statement of Financial Activities

*Incorporating the income and expenditure account*  
for the year ended 31 March 2010

	Notes	2010			2009	
		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	
		£	£	£	£	
<b>Incoming resources</b>						
Voluntary income	4	61,316	-	-	61,316	60,654
Activities for generating funds	5	38,950	-	-	38,950	28,230
Investment income	6	1,305	-	-	1,305	14,214
Incoming resources from charitable activities	7	901,771	332,008	-	1,233,779	1,136,921
Other incoming resources	8	13,160	2,777	-	15,937	45,030
<b>Total incoming resources</b>		<b>1,016,502</b>	<b>334,785</b>	<b>-</b>	<b>1,351,287</b>	<b>1,285,049</b>
<b>Resources expended</b>						
Charitable activities	9	1,132,179	349,382	-	1,481,561	1,561,694
Governance costs	11	26,779	-	-	26,779	25,361
Endowment expenses	12	-	-	4,457	4,457	4,457
<b>Total resources expended</b>		<b>1,158,958</b>	<b>349,382</b>	<b>4,457</b>	<b>1,512,797</b>	<b>1,591,512</b>
<b>Surplus/(deficit) on ordinary activities before funds transfers</b>		<b>(142,456)</b>	<b>(14,597)</b>	<b>(4,457)</b>	<b>(161,510)</b>	<b>(306,463)</b>
<b>Gross transfers between funds</b>						
General to restricted	22	(11,516)	11,516	-	-	-
<b>Net income/(expenditure) for the year</b>		<b>(153,972)</b>	<b>(3,081)</b>	<b>(4,457)</b>	<b>(161,510)</b>	<b>(306,463)</b>
<b>Total funds brought forward</b>		<b>1,307,651</b>	<b>3,081</b>	<b>192,770</b>	<b>1,503,502</b>	<b>1,809,965</b>
<b>Total funds carried forward</b>		<b>1,153,679</b>	<b>-</b>	<b>188,313</b>	<b>1,341,992</b>	<b>1,503,502</b>

The statement of financial activities incorporates an income and expenditure account.

The accompanying accounting policies and notes form an integral part of these financial statements.

# Pecan

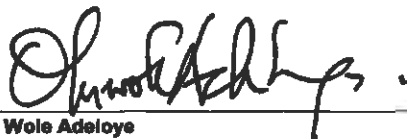
(A Charity Company Limited by Guarantee, company number 2394165)

## Balance Sheet as at 31 March 2010

	Notes	31 March 2010		31 March 2009	
		£	£	£	£
<b>Fixed assets</b>					
Tangible fixed assets	14		2,209,005		2,252,286
<b>Current assets</b>					
Stocks	15			1,049	
Debtors	16	383,528		185,385	
Cash at bank and in hand	17	510,028		484,304	
		<u>893,556</u>		<u>670,738</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>803,245</u>		<u>398,942</u>	
<b>Net current assets</b>			90,311		271,796
<b>Total assets less current liabilities</b>			<u>2,299,316</u>		<u>2,524,082</u>
<b>Creditors: amounts falling due after one year</b>	19		957,324		1,020,580
<b>Net assets</b>			<u>1,341,992</u>		<u>1,503,502</u>
<b>Funds</b>					
General funds		153,520		329,987	
Designated funds	21	<u>1,000,159</u>		<u>977,664</u>	
<b>Total unrestricted funds</b>			1,153,679		1,307,651
Restricted funds	22				3,081
Endowment funds			188,313		192,770
<b>Total funds</b>	23		<u>1,341,992</u>		<u>1,503,502</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the trustees on 20 December 2010 and signed on their behalf by:



Wole Adedoye  
Trustee



John Willis  
Trustee

The notes on pages 14 to 20 form part of these accounts.

---

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Accounting Policies for the year ended 31 March 2010

---

### 1 Accounting policies

#### Accounting Convention

The financial statements have been prepared under the historical cost convention and in accordance with:

- a) the Financial Reporting Standard for Smaller Entities (effective April 2008);
- b) the recommendations of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005), published in March 2005.
- c) the Companies Act 2006.

#### Incoming Resources

Incoming resources are the amounts derived from the provision of charitable services, the receipt of gifts, subscriptions and grants falling within the charity's ordinary activities and are shown net of VAT where applicable.

#### Endowment funds

Endowment funds are restricted funds which are capital in nature. Permanent endowments exist where there is no power to convert the capital into income. The funds can reduce where there are decreases in value, either by losses or depreciation, of assets represented by the funds.

#### Restricted Funds

Restricted funds are to be used for specified purposes as laid down by the funder. Direct and support expenditure which meets these criteria are identified to the fund together with a fair allocation of other costs.

#### Unrestricted Funds

Unrestricted funds are funds received which have no restrictions placed on their use and are available as general funds.

#### Designated Funds

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

#### Voluntary Income

Voluntary income received by way of donations and gifts is included in full when received.

#### Revenue grants

Revenue grants are credited to incoming resources on the earlier of when they are received or when they are due. If they relate to a specified future period they are deferred.

#### Allocation of costs

Costs are allocated directly to projects where they can be identified as relating solely to that project. Other costs are allocated between the funds based on staff time spent on the fund activities or other appropriate criteria.

#### Governance costs

These are costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity.

#### Tangible Fixed Assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold buildings	- 2% on cost
Computer & office equipment	- 50% on cost
Furniture And Fittings	- 25% on cost
Motor Vehicles	- 25% on cost

Items of equipment are only capitalised where the purchase price exceeds £1,000.

---

## **Pecan**

(A Charity Company Limited by Guarantee, company number 2394165)

### **Accounting Policies for the year ended 31 March 2010**

---

#### **Stocks**

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

#### **Pensions**

The charity operates defined contribution schemes which are administered by outside independent pensions providers. Contributions payable for the year are charged to the Statement of Financial Activities.

#### **2 Incoming resources**

The incoming resources and surplus are attributable to the principal activities of the charity.

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Notes to the Accounts for the year ended 31 March 2010

<b>3 Net outgoing resources</b>	<b>2010</b>	<b>2009</b>
<i>Net outgoing resources are stated after charging:</i>	<b>£</b>	<b>£</b>
Auditors fees - audit services	7,000	7,000
Auditors fees - other services	6,290	7,608
Depreciation - owned assets	45,179	44,991

### Trustees' emoluments

Emoluments include salaries, fees, bonuses, expense allowances and estimated non-cash benefits receivable. All trustees serve in a voluntary capacity and do not receive payment for their services.

### APB Ethical Standard - Provisions available for small entities

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements and to provide advice relating to statutory and regulatory compliance.

<b>4 Voluntary income</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
Central & sundry	50,928	-	50,928	49,309
Skills & employability	10,388	-	10,388	-
Morph	-	-	-	11,345
	<u>61,316</u>	<u>-</u>	<u>61,316</u>	<u>60,654</u>

<b>5 Activities for generating funds</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
Central & sundry	38,950	-	38,950	2,933
Morph	-	-	-	25,297
	<u>38,950</u>	<u>-</u>	<u>38,950</u>	<u>28,230</u>

<b>6 Investment income</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
Central & sundry	1,305	-	1,305	14,214
	<u>1,305</u>	<u>-</u>	<u>1,305</u>	<u>14,214</u>

<b>7 Incoming resources from charitable activities</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
Central & sundry	16,888	-	16,888	1,662
Skills & employability	386,940	100,062	487,002	136,165
Basic skills	90,665	190,671	281,336	175,699
Workout	407,278	41,275	448,553	789,633
Morph	-	-	-	33,762
	<u>901,771</u>	<u>332,008</u>	<u>1,233,779</u>	<u>1,136,921</u>

<b>8 Other incoming resources</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>	<b>Total</b>	<b>Total</b>
Central & sundry	6,220	-	6,220	8,225
Skills & employability	525	-	525	12,084
Basic skills	6,415	2,727	9,142	20,127
Workout	-	50	50	5,134
Morph	-	-	-	(540)
	<u>13,160</u>	<u>2,777</u>	<u>15,937</u>	<u>45,030</u>



# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Notes to the Accounts for the year ended 31 March 2010

					2010	2009
9 Charitable activities	Direct project costs	Human Resources	Premises	Support	Total	Total
	£	£	£	£	£	£
Central & sundry	4,737	53,556	56,719	56,802	171,814	318,573
Skills & Employability	52,924	348,179	2,847	45,158	449,108	169,449
Basic Skills	28,176	251,123	-	11,588	290,887	-
Workout	150,094	387,270	525	31,863	569,752	817,960
Morph	-	-	-	-	-	255,711
	<u>235,931</u>	<u>1,040,128</u>	<u>60,091</u>	<u>145,411</u>	<u>1,481,581</u>	<u>1,581,693</u>

					2010	2009
10 Analysis of Support costs	Overheads	Management services	Depreciation & finance costs	Fundraising	Total	Total
	£	£	£	£	£	£
Central & sundry	27,131	16,322	5,806	7,743	56,802	81,356
Skills & Employability	8,164	13,932	10,525	12,537	45,158	8,201
Basic Skills	537	7,231	3,069	751	11,588	-
Workout	1,111	18,894	12,888	1,170	31,863	54,186
Morph	-	-	-	-	-	13,419
	<u>36,943</u>	<u>54,179</u>	<u>32,088</u>	<u>22,201</u>	<u>145,411</u>	<u>157,142</u>

			2010	2009
11 Governance costs	Unrestricted	Restricted	Total	Total
	£	£	£	£
Board meetings	455	-	455	283
Accountancy fees	6,290	-	6,290	7,608
Audit fees	7,000	-	7,000	7,000
Legal	13,034	-	13,034	10,320
Penalties	-	-	-	150
	<u>26,779</u>	<u>-</u>	<u>26,779</u>	<u>25,361</u>

	2010	2009
12 Endowment expenses	Total	Total
	£	£
Endowment expenditure	4,457	4,457
	<u>4,457</u>	<u>4,457</u>

Endowment expenditure relates to depreciation on capital assets acquired with endowment funds.

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Notes to the Accounts for the year ended 31 March 2010

13 Staff costs	2010	2009
	£	£
Staff salaries	793,196	730,361
Staff social security	72,595	68,613
Staff pensions	32,995	28,326
	<u>898,787</u>	<u>827,300</u>

Average number of full time equivalent (FTE) employees and associated remuneration during the year was:

Employees	Direct	2010		2009	
		FTE	Total £	FTE	Total £
	Support	27.5	700,222	25.0	616,428
	Total	2.5	92,974	4.0	113,933
		<u>30.0</u>	<u>793,196</u>	<u>29.0</u>	<u>730,361</u>
Number of employees at end of period:	Full-time	18		18	
	Part-time	20		17	

No remuneration was paid to any Trustee or their associates for services as a trustee during the year ended 31 March 2010 nor at 31 March 2009.

Employees paid in excess of £60,000 during the current year and previous year:

None                      None

### 14 Tangible fixed assets

	Building £	Office Equipment £	Furniture And Fittings £	Motor Vehicles £	Total £
<b>Cost</b>					
As at 1 April 2009	2,478,903	171,114	15,531	4,456	2,670,004
Additions	-	1,898	-	-	1,898
As at 31 March 2010	<u>2,478,903</u>	<u>173,012</u>	<u>15,531</u>	<u>4,456</u>	<u>2,671,902</u>
<b>Depreciation</b>					
As at 1 April 2009	230,019	168,514	15,531	3,650	417,718
Charge for the year	40,824	3,549	-	806	45,179
As at 31 March 2010	<u>270,843</u>	<u>172,063</u>	<u>15,531</u>	<u>4,456</u>	<u>462,897</u>
<b>Net book value</b>					
As at 31 March 2010	<u>2,208,060</u>	<u>949</u>	<u>-</u>	<u>-</u>	<u>2,209,005</u>
As at 31 March 2009	<u>2,248,884</u>	<u>2,600</u>	<u>-</u>	<u>806</u>	<u>2,252,286</u>

The fixed assets held by the company have been purchased using funds from a variety of sources. Some of these sources place a restriction on the ability of the company to dispose of assets bought with their funds. This restriction usually requires the company to gain approval for any disposals.

### 15 Stocks

	2010	2009
	£	£
Travel card stock	-	1,049
	<u>-</u>	<u>1,049</u>

### 16 Debtors: amounts falling due within one year

	2010	2009
	£	£
Operating debtors	302,193	125,697
Other debtors	-	27,292
Prepayments	75,808	18,300
Accrued income	5,527	14,096
	<u>383,528</u>	<u>185,385</u>

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Notes to the Accounts for the year ended 31 March 2010

<b>17 Bank and cash in hand</b>	<b>2010</b>	<b>2009</b>
	£	£
Bank deposit accounts	181,673	167,388
Bank current account	325,274	311,078
Petty cash	3,081	5,838
	<u>510,028</u>	<u>484,304</u>
<b>18 Creditors: amounts falling due within one year</b>	<b>2010</b>	<b>2009</b>
	£	£
Operating creditors	47,728	41,235
Rent deposit held	21,250	-
VAT liability	5,199	13,108
Pension payments due	3,967	557
Accruals & deferred income	661,891	262,766
Operational loans	7,347	6,917
Property mortgages	55,863	54,359
	<u>903,245</u>	<u>398,942</u>
<b>19 Creditors: amounts falling due after one year</b>	<b>2010</b>	<b>2009</b>
	£	£
Operational loans	46,939	54,332
Property mortgages	910,385	966,248
	<u>957,324</u>	<u>1,020,580</u>
<b>20 Maturity of debt</b>	<b>2010</b>	<b>2009</b>
	£	£
Amount falling due:		
In one year or less	63,210	61,276
Between one and two years	65,350	63,267
Between two and five years	222,217	202,656
In five years or more	669,756	754,657
	<u>1,020,533</u>	<u>1,081,856</u>

The mortgages are secured by floating charges over 71-73 County Street, London SE1, 121 Peckham High Street, London SE15 and 93 Camberwell Station Road, London SE5. Two loans are repayable by 11 September 2023, with one repayable by 23 January 2026. Interest on two loans is charged at variable rates (currently 1.75%), with the third loan charged at a fixed rate of 5.6% (reviewable on 30 September 2013).

The operational loan is secured by a second charge on 93 Camberwell Station Road and is repayable in 10 years. Interest is charged at 6% per annum and is subject to review after 2 years.

	Opening balance	Resources arising	Resources utilised	Closing balance
	£	£	£	£
<b>21 Designated funds</b>				
Designated Fund	977,664	22,495	-	1,000,159
	<u>977,664</u>	<u>22,495</u>	<u>-</u>	<u>1,000,159</u>

### Designated Fund

This fund represents the amount of charity funds locked up in freehold land and buildings and other fixed assets which are needed for operational purposes. The funds are carried at the net book value of the fixed assets at the balance sheet date, after deducting any outstanding loans, endowment funds or restricted funds used to finance their acquisition.

	Opening balance	Incoming resources	Resources expended	Transfers & adjustments	Closing balance
	£	£	£	£	£
<b>22 Restricted funds</b>					
Basic Skills	-	193,398	199,248	5,850	-
Employability	3,081	100,062	108,809	5,666	-
Workout	-	41,325	41,325	-	-
	<u>3,081</u>	<u>334,785</u>	<u>349,382</u>	<u>11,516</u>	<u>-</u>

# Pecan

(A Charity Company Limited by Guarantee, company number 2394165)

## Notes to the Accounts for the year ended 31 March 2010

### Restricted funds (continued)

Projects financed by restricted funds are supported by unrestricted funding where necessary. This occurs where the funding is in arrears or the incidence of expenditure on the project occurs disproportionately at the beginning of the project compared to the income flows. Where restricted projects end the year with a deficit, this is met by after year-end restricted income or transfers from unrestricted funds.

Basic Skills	Funding designated for use in teaching English for Speakers of Other Languages (ESOL) courses.
Employability	Funding designated for use in providing information and guidance (IAG) to clients on incapacity benefit.
Workout	Funding from the UK Treasury's Invest to Save budget and from Home Office Future Builders fund to run the Workout pilot project to work with ex-offenders on release from prison to help them work, together with a new project funded by the National Offender Management Service (NOMS).

23 Net assets attributable to funds	General funds	Designated funds	Restricted funds	Endowment funds	Total
		£	£	£	£
Tangible fixed assets	-	2,020,892	-	188,313	2,209,005
Current assets	863,676	-	29,880	-	893,556
Current liabilities	(710,156)	(63,209)	(29,880)	-	(803,245)
Long term liabilities	-	(957,324)	-	-	(957,324)
Net assets represented by funds	<u>153,520</u>	<u>1,000,159</u>	<u>-</u>	<u>188,313</u>	<u>1,341,992</u>

### 24 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 25 Post balance sheet events

There were no significant post balance sheet events.

### 26 Pension commitments

The charity contributes to employees defined contribution stakeholder pension schemes. The assets of the schemes are held separately from those of the charity in an independently administered fund.

The unpaid contributions outstanding at the year end were:

	2010	2009
£	£	£
	<u>3,967</u>	<u>557</u>

### 27 Transactions with trustees

There were no material transactions with the trustees during the year.

### 28 Contingent liabilities

The charity had no material contingent liabilities at 31 March 2010 nor at 31 March 2009.

### 29 Related parties

There were no disclosable related party transactions during the year.

### 30 Gifts in kind and volunteers

During the year the charity benefited from unpaid work performed by volunteers.

### 31 Company status

The company is limited by guarantee and has no share capital. The guarantors liability in the event the company is wound up is restricted to a maximum of £1 each.