



**ANNUAL REPORT
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010**

Registered Office: Enterprise House, 59-65 Upper Ground, London SE1 9PQ
Telephone: 020 7803 4300 Fax: 020 7803 4301

www.centreforcities.org

A charitable company limited by Guarantee registered in England and Wales
Company No. 6215397 - Registered Charity No. 1119841

CENTRE FOR CITIES
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CENTRE FOR CITIES
LEGAL AND ADMINISTRATIVE INFORMATION
YEAR ENDED 31 DECEMBER 2010

BOARD OF TRUSTEES

Thomas Bloxham (Chairman)	Resigned 01 July 2010
Nigel Hugill (Chairman)	Appointed 01 July 2010
Stephen Ashworth	
Joanna Averley	
Susan Hitch	
Sunand Prasad	
Tristram Hunt	Resigned 18 June 2010

MANAGEMENT TEAM:

Alexandra Jones	Chief Executive
Claire Maugham	Deputy Chief Executive
Andrew Carter	Director of Policy and Research

BANKERS:

HSBC Bank PLC
2nd Floor, 16 King Street
Covent Garden
London WC2E 8JF

REGISTERED AUDITORS:

HW Fisher & Company
Acre House
11-15 William Road
London NW11 3ER

REGISTERED OFFICE:

Enterprise House
59-65 Upper Ground
London SE1 9PQ

Centre for Cities is a registered charity (No 1119841) and a company limited by guarantee registered in England (No 6215397).

CENTRE FOR CITIES
TRUSTEES' ANNUAL REPORT
YEAR ENDED 31 DECEMBER 2010

The Board of Trustees are pleased to present their Annual Report for the year to 31 December 2010. This combines the Directors' Report and Trustees' Report in accordance with the Companies Act 2006 and the Charities Act 1993 respectively, together with audited financial statements for the year.

REFERENCE AND ADMINISTRATIVE DETAILS

Centre for Cities ("the Centre") is an independent, non-partisan research and policy institute. The Centre is committed to helping Britain's cities improve their economic performance by producing practical research and policy solutions for city leaders, Whitehall and employers.

The Centre was initially established in 2005 as a team within the Institute for Public Policy Research. In 2007 it was independently incorporated as a company limited by guarantee (in England: No. 6215397) and registered as a charity (in England: No.1119841)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is governed by its Articles of Association last amended on 11 April 2011.

Governing Body

The Board of Trustees, who are also Members and Directors of the Charitable Company, is self-appointing. A trustee's period of office is 3 years from the date of appointment or re-appointment. A Trustee may be re-appointed by the trustees for a further period of 3 years.

New members of the Governing Body are elected on the basis of nominations from the Trustees and the executive officers based on the candidates' professional qualities, experience and personal competence.

The Trustees who served during the year are shown on the information page (1).

The Board of Trustees is responsible for the overall governance of the Charity. The Board meets quarterly to manage and control the affairs of the Centre, and delegates day-to-day management issues to the Management Team.

Recruitment and training of Trustees

All new trustees are provided with an information pack giving the full details of how the Charity is constituted and operates. Any further information they require is provided by an appropriate senior person within the Charity.

Finance and Audit Committee

The Board of Trustees has established a Finance & Audit Committee, chaired by Stephen Ashworth. The purpose of the Finance & Audit Committee is to provide an independent oversight function in order to ensure that the risks of the Centre, financial and otherwise, are

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effectively reviewed and that annual financial statements are a true reflection of the activities of the Centre.

Advisory Group

The Research Advisory Board assists the Centre for Cities' Research and Policy team, advising on how the research programme meets the Centre's mission and business plan objectives. The Research Advisory Board meets three times a year to comment on recent publications and advise on the strategic direction of short and medium-term research plans.

The Management Team

The Management Team is headed by the Charity Chief Executive and at 31 Dec 2010 comprised the professional management team detailed on page 1. Representatives of the Gatsby Foundation, expert advisers and the Management Team attend the Trustees meetings.

The Management Team undertakes the day-to-day management of the organisation's activities within the framework set out by the Trustees.

Risk Management

The Trustees have introduced a formal risk management process to assess business risks and implement risk management strategies. The established risk assessment system involves identifying the types of threats the Charity faces, prioritising them in terms of impact and recommending controls to mitigate them.

In 2010, the Centre faced two major risks. One of them was the departure of their founding Chief Executive, Dermot Finch, after more than five years of service. This was mitigated by the swift appointment of the current Chief Executive, Alexandra Jones, and an intensive programme of stakeholder engagement with the Centre's key contacts in the early months of her appointment.

The other significant risk was the economic downturn in Britain and the impact this has had upon fundraising. This was mitigated by revising the annual Budget, reducing expenditure, and linking future expenditure to fundraising milestones.

The Board is satisfied that for all major risks identified, appropriate controls have been put in place and maintained to mitigate those risks adequately.

OBJECTS, AIMS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE CHARITY

Charitable Objects

The Centre's Objects, as set out in the Memorandum of Association are:

"To promote education for the public benefit in issues of economics and public policy in relation to cities and towns in the United Kingdom and elsewhere in the world and to promote for the public benefit research in the aforementioned fields and to publish the useful results of such research".

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Mission and Ambition

The Centre's mission is to understand how and why economic growth and change takes place in cities in the UK and internationally in order to help British cities improve their economic performance.

Ultimately the Centre's success is measured by whether we have influenced local and national policies and practices to support UK cities improving their economies, playing to their economic strengths and recognising their weaknesses. For some cities, economic 'improvement' will mean economic and jobs growth; for others, this will mean slowing the rate of decline, making the most of existing assets and linking more effectively to neighbouring areas providing economic and jobs growth.

Our five year ambition is that:

By 2016, UK cities will be implementing economic policies which the Centre's evidence base suggests will support effective economic change, UK cities will be high on the national policy agenda, and the Centre will be the first port of call for decision makers seeking to understand and improve the performance of UK cities.

Principal Activities

The Centre fulfils its charitable objective in the following ways:

- **Producing high quality research:** The Centre publishes a range of short papers and longer reports on the economic performance of UK cities. This research is produced by an in-house team of experts, with input from a Research Advisory Board and Partner Cities, and comments from our network of academics, cities and businesses. The research is of a high quality, drawing on a robust evidence base. To ensure public benefit, the Centre's reports and papers are available to the public, free of charge on the Centre's website, and the Centre presents these findings to varied audiences.
- **Influencing policy:** The Centre's research aims to influence policy by producing clear policy proposals on how to improve the economic performance of UK cities. Relevant policy issues include urban growth and employment, transport, housing, and city leadership. Policy proposals are developed in consultation with Whitehall departments, political parties, local authorities and business organisations.
- **Impacting on practice:** The Centre carries out its research in association with a number of Partner Cities, including the elected leaders and chief executives of city councils. We also advise cities on policy documents they are producing and bring together networks of local and national decision makers from both the public and the private sector. This enables us to directly influence policies and practices within specific cities, and to publicise lessons from this work which are relevant to other cities.
- **External affairs:** The Centre disseminates its research findings and policy recommendations through national, local and specialist media (print and online). It also holds public events (free of charge), to discuss and debate its research findings

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and policy recommendations. These include a programme of fringe events at all three party conferences each year.

Public Benefit

The Charity remains committed to the aim of providing public benefit in accordance with the section 4 of the Charities Act 2006.

The Trustees also confirm that, in carrying out its Principal Activities, the Centre provided public benefit during 2010.

The Centre regularly produces high-quality research reports and policy analysis that are independent of government, individual clients or companies. These are made available widely and free of charge to individuals, organisations, practitioners and others active in urban economic development. Together, these reports provide a robust evidence base on the economic performance of UK cities and towns for public access, thereby equipping the public with knowledge and information on issues affecting cities and towns.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The Centre regularly produces high-quality research reports and policy analysis that are independent of government, individual clients or companies. These are made available widely and free of charge to individuals, organisations, practitioners and others active in urban economic development. Together, these reports provide a robust evidence base on the economic performance of UK cities and towns for public access, thereby equipping the public with knowledge and information on issues affecting cities and towns.

During 2010, the Centre successfully achieved the advancement of education for the public benefit, in the following ways:

High quality research

The Centre published a total of five major in-house reports during 2010. Research topics included private sector jobs, local enterprise partnerships, growing private sector jobs, the built environment in cities with weaker economies and housing. We also published a survey of cities' thoughts on the changing policy environment. Our third annual *Cities Outlook 2010* report highlighted the uneven nature of the UK's economic recovery, with robust city economies performing better and weaker city economies falling further behind.

The Centre's series of research reports during 2010 were all available free of charge on its website, and some were available in printed form. *Cities Outlook 2010* received a total of 40,000 downloads from the Centre's website.

In addition, the Centre delivered a number of reports on a bespoke basis for external clients. These included three reports for the government's Taskforce for Talent and Enterprise on the impact of globalisation in UK cities, and one report for the Association of Train Operating Companies on the impact of rail infrastructure on cities. All these reports were available free of charge on the Centre's website.

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Influencing policy

Our Private Sector Cities report, and its headline statistic of 10 new private sector jobs being created in London and the South for every 1 created in the Midlands and North between 1998 and 2008, was quoted by the Chancellor on several occasions. Our broad portfolio of research has influenced the development of urban policy at national and local level on issues such as city-regions, housing, transport and local government finance.

Our Cities Manifesto set out a range of policy recommendations on the web, provoking debate and response from a range of politicians and stakeholders. We also produced 12 short policy reports focusing on issues including Regional Development Agencies, the election and different parties' policies, regeneration, local enterprise partnerships, tax increment financing, business rates and the Localism Bill.

Impacting on practice

The Centre's Partner Cities programme has provided city leaders with practical advice on policy issues such as housing, transport and employment.

The Centre continued its Partner City research programme in 2010, publishing bespoke reports for Portsmouth and Urban South Hampshire (PUSH) and Derby. In addition we conducted detailed research using a previously developed framework, City Relationships, for Hull and Humber to support them in considering how best to work together.

The Centre also introduced a new way of working with cities – an associate relationship. This involves us working with cities to offer advice on specific policies and then drawing out general lessons from this work to share with other cities. Cities who joined us as associates in 2010 included Brighton, Milton Keynes and York.

External affairs

The Centre held 13 public dissemination events during 2010, including our party conference programme. Events ranged from intimate roundtables with Bob Neill, David Willetts and Bruce Katz, to larger events of up to 100 guests, including a Spending Review Briefing with Justine Greening and our Cities Outlook 2010 launch with Vince Cable. Towards the end of 2010 we also held our first Cities Network event - bringing together cities, Whitehall and business for a day long workshop to generate practical ideas and share experiences on how cities can rise to the challenges of cutting budgets while growing private sector jobs.

The Centre established a strong media presence, with spokespeople regularly called on for comment in the national, local and broadcast media. We also built up an effective online presence, with a growing audience for the blog, website and Twitter feeds. In 2010, we increased the number of short briefing style outputs on emerging topics - for example our note on Local Enterprise Partnerships, published in June 2010, was downloaded over 4,000 times. The Centre sent a regular e-newsletter to its 4,000 contacts - updating our stakeholders

CENTRE FOR CITIES
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2010

with the latest Centre's reports, events and news. Registration for the newsletter is open to everyone via the Centre's website.

The Centre also held a public event at each of the major party conferences and publicised this in the relevant city and through the conference packs. In addition, the Centre hosted invitation-only roundtables on transport and regeneration and wrote up these events to share the findings more widely.

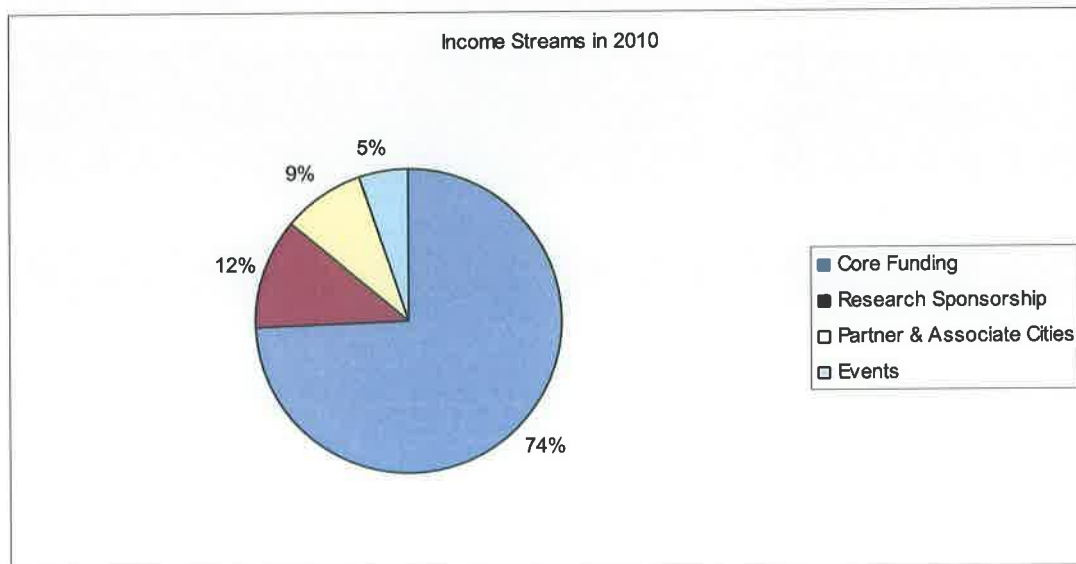
FINANCIAL REVIEW

Results for the year

The Statement of Financial Activities, set out on page 12, shows that during 2010, the charity's income from unrestricted funds decreased by 9% to £1,073,415 (2009: £1,174,304, which excludes gift in kind of £48k). The decrease was mainly due to a fall in the level of funding from the local governments and corporate sponsors of our research projects.

Income streams in 2010

Core funding (Gatsby Foundation)	£800k (2009: £800k)
Research Donations	£NIL (2009: £60k)
Research Sponsorship	£124k (2009: £163k)
Partner & Associate Cities	£92k (2009: £100k)
Events	£57k (2009: £51k)

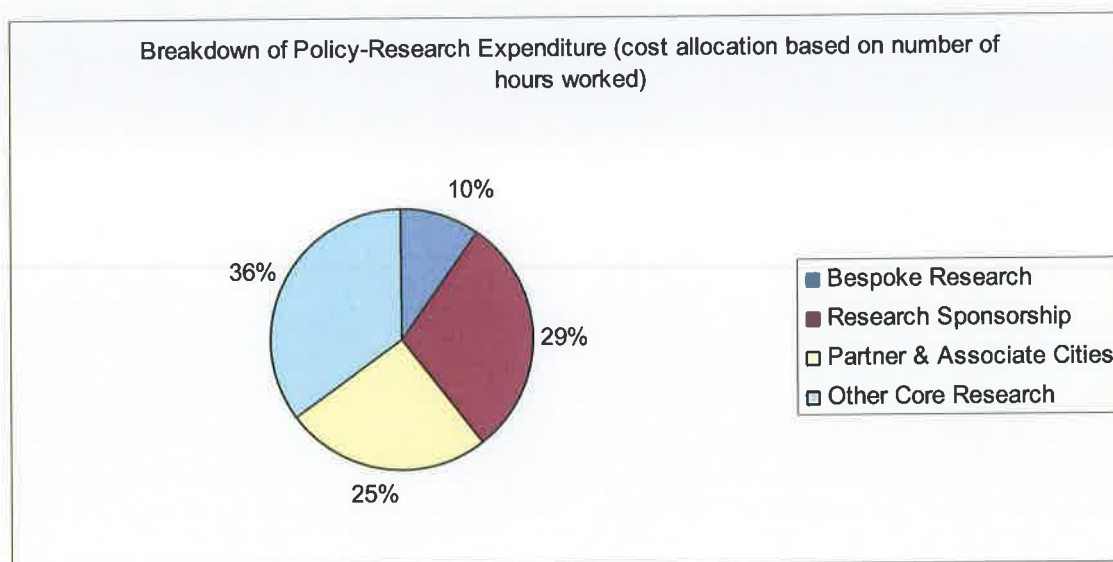


In 2010, there were no restricted funds.

CENTRE FOR CITIES
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2010

The Centre's unrestricted expenditure decreased by 13% to £1,055,722 (2009: £1,208,570, which excludes gift in kind of £48k). The fall in expenditure was chiefly due to the reduction in staff costs. There were two main factors behind the fall of these costs: the average number of employees in 2010 was 13 compared to 14 in 2009 and staff remuneration was linked to fundraising targets set out by the Trustees. Additional savings were made on hospitality, travel, and miscellaneous costs.

In 2010, most of unrestricted resources were spent on Research-Policy (65.5%), over third on External Affairs (34%) and 0.5% on governance.



As a result, the net outgoing resources for the year on unrestricted funds was a surplus of £17,693 (2009: deficit £49,582).

The carried forward balance of unrestricted funds at 31 December 2010 was £368,545 (2009: £350,852), increase of 5%.

The Balance Sheet (page 13) shows the unrestricted fund balance of fixed assets of £84,469 (2009: £147,822) with net unrestricted current assets totalling to £284,077 (2009: £203,030)

Reserves Policy

The Gatsby Charitable Foundation supports Centre for Cities financially through core funding on an annual basis.

The Trustees policy is that the level of reserves, defined as unrestricted net current assets, should not fall below £180,000. This reflects the size of the organisation and the size and nature of risks faced. Reserves held at 31 December 2010 amounted to £284,077.

CENTRE FOR CITIES
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2010

Reserves are required to:

- smooth out surpluses and deficits year on year;
- replace capital expenditure or restructure the organisation;
- deal with the effect of any risks that materialise;
- allow the organisation to take on opportunities that may arise in a timely manner;
and
- deal with the unexpected.

The policy is reviewed as necessary by the Trustees and at least once a year as part of the annual reporting process.

FUTURE PLANS

The Centre intends to continue meeting its charitable Objects in the following ways during 2010:

- **High quality research & influencing policy:** Influence local and national economic growth and regeneration policies with high quality, varied outputs and targeted events. We will re-state the case for cities in the context of the coalition government's focus on increasing economic growth and jobs growth across the UK. The Centre's policy-research programme will focus primarily on helping UK cities to manage and adapt to change: reviewing how cities can drive private sector economic recovery in a localist age of austerity.
- **Impacting on practice:** Establish a Cities Network for local and national decision makers in the public and private sectors as an important source of information, advice and good practice. Make effective use of roundtables to disseminate and influence and continue to work with cities, city regions and local enterprise partnerships to provide evidence and advice.
- **External affairs:** Develop an innovative and distinct brand as 'the knowledge exchange on UK cities', through networks, online platform, events and media. Continue to prioritise quality coverage and dissemination above quantity of media hits.
- **Party conferences:** Deliver the Centre's own programme of fringe events at all three party conferences in autumn 2011, engaging with members of the public.

CENTRE FOR CITIES
TRUSTEES' ANNUAL REPORT (CONTINUED)
YEAR ENDED 31 DECEMBER 2010

Trustees' responsibilities in relation to the financial statements

The Trustees, who are also the directors of Centre for Cities for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the organisation and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, 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; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the organisation will continue in operation.

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

Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware, which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that H W Fisher & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the Board of Trustees


Nigel Huggill


Date

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF CENTRE FOR CITIES

We have audited the accounts of Centre for Cities for the year ended 31 December 2010 set out on pages 13 to 19. 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 opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2010, 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.

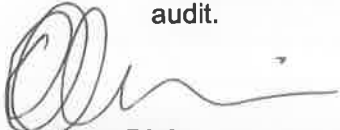
Opinion on other matter prescribed by the Companies Act 2006

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

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 accounts 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.



Andrew Rich
(Senior Statutory Auditor)
for and on behalf of H W Fisher & Company
Chartered Accountants
Statutory Auditor
Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

Dated: 13/6/11.....

CENTRE FOR CITIES
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2010

Income and Expenditure	Notes	2010 £	2009 £
Incoming Resources			
Incoming resources from generated funds:-			
Grants receivable		800,000	800,000
Gift in kind		-	48,293
Interest Income		253	912
Incoming resources from charitable activities:-			
Research		215,936	322,794
External Affairs		57,225	50,598
Urban Hub		-	38,994
Total incoming resources		1,073,415	1,261,591
Resources Expended			
Charitable activities:	2		
Research-Policy		695,611	923,237
External Affairs		355,512	326,500
Urban Hub		-	61,576
		1,051,123	1,311,313
Governance Costs	5	4,600	7,126
Total resources expended	2	1,055,722	1,318,439
Net movement in funds		17,693	(56,848)
Balance brought forward at 1 Jan 2010		350,852	407,700
Balance carried forward at 31 Dec 2010		368,545	350,852

All operations are continuing and there are no recognised gains or losses for the year other than stated above

The notes on pages 15 to 19 form part of these accounts

**CENTRE FOR CITIES
BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Notes	Total 2010 £	Total 2009 £
FIXED ASSETS	7	<u>84,469</u>	147,822
		84,469	147,822
CURRENT ASSETS			
Debtors	8	46,830	146,375
Cash at bank and in hand		<u>325,785</u>	138,102
		372,615	284,477
CREDITORS			
Amounts falling due within one year	9	<u>(88,539)</u>	(81,447)
		(88,539)	(81,447)
NET CURRENT ASSETS		<u>284,076</u>	203,030
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>368,545</u>	350,852
Funds			
Unrestricted funds:		<u>368,545</u>	350,852
		368,545	350,852

Approved and authorised for issue by the Board of Trustees on their behalf by

Trustee



And signed on



The notes on pages 15 to 19 form part of these accounts

CENTRE FOR CITIES
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2010

ACCOUNTING POLICIES

(a) Basis of preparation of accounts

The accounts have been prepared in accordance with the Companies Act 2006, the Statement of Recommended practice 2005 (SORP 2005) *Accounting and Reporting by Charities*, applicable accounting standards and the historic cost basis of accounting.

(b) Recognition of income

Income under grants, donations or sponsorship is recognised in the financial statement on a receivable basis. Income under contracts is recognised in the financial statement to the extent that entitlement to the income has been earned during the year through completion of the contract.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost including any incidental expenses of acquisition and unrecoverable VAT where appropriate. All assets costing more than £1000 are capitalised.

Depreciation is calculated to write off the cost of fixed assets on a straight-line basis over their estimated useful lives. Depreciation is charged from the month of acquisition. The principal estimated useful lives for this purpose are:

Computer equipment and software	- 3 years
Fixtures and Fittings	- 5 years
Leasehold Improvements	- Over the life of the lease

(d) Funds

Funds which are expendable at the discretion of the Trustees in furtherance of the objectives or administration of the Charity are classified as unrestricted funds.

Restricted funds are funds which are subject to specific trusts and are expendable at the discretion of the trustees in furtherance of some particular aspect of the objects of the charity.

(e) Gift in kind

For the accounting purposes, the recognition value of the gift in kind is the fair market value of the donated item. The fair market value is the price that would be agreed upon between a willing buyer and willing seller, with neither being required to act and both having reasonable knowledge of the facts.

(f) Expenditure

All expenditure has been recognised on the accruals basis.

CENTRE FOR CITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010

Governance costs relate to costs of the governance arrangements of the Charity and include the direct costs of Trustee committee meetings, audit fees and legal advice. All other costs are the result of undertaking the work of the Charity to meet its objectives and have been classified as resources expended on charitable activities.

To the extent that VAT is irrecoverable the cost is included and identified separately within the contract or functional area to which it relates and where appropriate VAT on Fixed Assets is capitalised.

(g) Pension Costs

The Charity has a money purchase scheme for qualifying employees. Pension costs charged to the statement of Financial Activities represent the contributions payable by the Charity in the period (see Note 4).

(h) Taxation

No taxation is payable due to the charitable status of the organisation.

(i) Operating leases

Operating lease costs are charged on a straight-line basis over the lease term.

CENTRE FOR CITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010

2 ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff No	Staff Costs £	Other Costs £	Depreciation £	Total £
Research-Policy	9	429,156	222,595	43,860	695,611
External Affairs	4	169,539	166,480	19,493	355,512
Governance costs	-	-	4,600	-	4,600
Total	13	598,695	393,674	63,353	1,055,722

3 ANALYSIS OF OTHER COSTS

	Rent £	Recruitment £	Travel £	Training £	Other costs £
Research-Policy	70,558	27,456	13,631	13,806	97,145
External Affairs	31,359	12,204	6,687	6,136	110,094
	101,917	39,660	20,318	19,941	207,239

4 STAFF COSTS

Total staff comprised:	2010 £	2009 £
Wages and salaries	510,352	653,411
Social security costs	55,860	65,570
Other pension costs	32,483	38,844
	598,695	757,824

	2010	2009
The average number of employees during the period calculated on full-time equivalent basis	13	14

Employees earning between £80,001-£90,000	1	-
Employees earning between £90,001-£100,001	1	1
Employer pension contributions for employees earning above £60,000	£7,723	£7,200

CENTRE FOR CITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010

5 GOVERNANCE COSTS	2010	2009
	£	£
Legal fees	15	1,275
Auditors' remuneration	3,550	5,500
Trustees' travel and subsistence	1,035	351
	<u>4,600</u>	<u>7,126</u>

During the year, five of the Charity's Trustees received reimbursement for travel & subsistence costs in the total amount of £1,035 (2009: £351). None received any remuneration.

6 RELATED PARTY TRANSACTIONS

There were no related party transactions during the period.

7 TANGIBLE FIXED ASSETS

	Leasehold Improvements £	Fixtures and Fittings £	Computer Equipment £	Total £
Cost or book value				
At 1 January 2010	214,848	48,082	53,883	316,813
At 31 December 2010	<u>214,848</u>	<u>48,082</u>	<u>53,883</u>	<u>316,813</u>
Accumulated depreciation				
At 1 January 2010	103,843	23,239	41,909	168,991
Charge for year	42,970	9,616	10,767	63,353
At 31 December 2010	<u>146,813</u>	<u>32,855</u>	<u>52,676</u>	<u>232,344</u>
Net book value				
At 31 December 2010	<u>68,035</u>	<u>15,227</u>	<u>1,207</u>	<u>84,469</u>
At 31 December 2009	<u>111,005</u>	<u>24,843</u>	<u>11,974</u>	<u>147,822</u>

All of the tangible fixed assets are principally used for direct charitable purposes

CENTRE FOR CITIES
NOTES TO THE ACCOUNTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2010

8 DEBTORS	Total 2010 £	Total 2009 £
Due within one year:		
Trade debtors	7,931	100,625
Prepayments	10,989	18,726
	<u>18,920</u>	<u>119,351</u>
Due after more than one year:		
Other debtors	27,910	27,024
Total	<u>46,830</u>	<u>146,375</u>

9 CREDITORS - Amounts falling due within one year

	Total 2010 £	Total 2009 £
Trade creditors	19,744	16,622
Taxation and social security	23,262	27,959
Accruals	26,533	35,243
Other creditors	19,000	1,623
	<u>88,539</u>	<u>81,447</u>

10 OTHER FINANCIAL COMMITMENTS

Amounts payable over the next twelve months on operating leases:

	2010 £	2009 £
Land and buildings		
Expiry date: Between 2 and 5 years	<u>107,880</u>	<u>107,880</u>