

REGISTERED COMPANY NUMBER: 04327526 (England and Wales)  
REGISTERED CHARITY NUMBER: 1091073

**Report of the Trustees and**  
**Financial Statements for the Year Ended 31st July 2022**  
**for**  
**V Learning Network t/a Step into**  
**Learning Ltd**  
**(A Company Limited by Guarantee)**

**V Learning Network t/a Step into  
Learning Ltd**

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for the Year Ended 31st July 2022**

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**V Learning Network t/a Step into  
Learning Ltd**

**Reference and Administrative Details  
for the Year Ended 31st July 2022**

<b>REGISTERED OFFICE</b>	The Orchard Market Street Launceston Cornwall PL15 8AU
<b>REGISTERED COMPANY NUMBER</b>	04327526 (England and Wales)
<b>REGISTERED CHARITY NUMBER</b>	1091073
<b>TRUSTEES/DIRECTORS</b>	Ms V Bishop Ms S Phillips (appointed 15.09.21) Mr L Price (appointed 01.09.21, resigned 16.11.22) Mr C Wadsworth Mr M Williams Mr I Merchant (resigned 01.10.21)
<b>EXECUTIVE OFFICERS</b>	Mr S Howard (Chief Executive Officer retired from post 31.08.22) Ms J Kelly (Exec. Director of Quality and Curriculum from 01.09.22) Ms K Channon (Exec. Director of Business Services from 01.09.22)
<b>ACCOUNTANTS</b>	ATC Advisors Unit 2 Dunheved Court Pennygillam Way Launceston Cornwall PL15 7ED
<b>AUDITORS</b>	Blackwell Bate Ltd Incorporating Simon Murray & Co Chartered Accountants & Statutory Auditors Woburn House Yelverton Devon PL20 6BS
<b>BANKERS</b>	Lloyds Bank plc Fore Street Saltash Cornwall PL12 6AA

**V Learning Network t/a Step into  
Learning Ltd**

**Report of the Trustees  
for the Year Ended 31st July 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st July 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

This report has been prepared in accordance with the small company exemptions.

**OBJECTIVES AND ACTIVITIES**

**Objectives and activities (including Public Benefit Statement)**

In setting our objectives and planning our activities the trustees have given careful consideration to the Charity Commission's public benefit guidance.

The objects of the charity are to improve the efficiency of charities and organisations established for charitable purposes in the counties of Devon and Cornwall in particular through the advancement of education and the provision of advice and guidance on training provision, access to funding, pooling resources, integrated provision of services, management controls and such other matters as may be conducive to the efficiency of the charity or organisation.

**ACHIEVEMENT AND PERFORMANCE**

**Achievements and performance**

The charity has now completed its twenty second year in the further education sector and this year has been a year that has seen further changes for V Learning net.

With funding being variable, and costs increasing, the year was again challenging, however through tight budgetary controls, plus reducing cost in delivery areas, a surplus has been achieved. The improvement in the company's financial position is a reflection of the ongoing beneficial internal changes which have been and continue to be implemented.

Reserves represent mostly cash reserves rather than capital equipment, which allow the company to plan for new areas of growth within the education sector, which should bring further benefits to our members and to the wider community.

Once again, the management and staff at V Learning Net have been crucial to its success. The trustees would like to formally express their thanks to the whole of the V Learning Net staff team for their commitment and hard work over the past year.

**FINANCIAL REVIEW**

**Financial position**

The financial activities are detailed on pages 8 to 15 of the accounts.

The Board of Trustees made the decision to review all delivery expenditure to ensure maximum benefit from funding and also the investment of staff time. The previous development of a Senior Management Team (SMT) and therefore a flattening of the management pyramid structure within the organisation has created new dynamics and has been an important catalyst in the company's improved performance during very challenging times.

**Reserves policy**

It is the policy of the charity to maintain a level of unrestricted funds which are sufficient to cover the working capital requirements of the charity. This is monitored by the Chief Executive, and the board of trustees. At the year end the charity held total reserves of £514,967 (2021: £440,214). Unrestricted free reserves available for spending after allowing for tangible fixed assets as at 31st July 2022 were £450,500 (2021: £437,647).

The trustees consider that the reserves will ensure that they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised, and costs reduced.

**Going concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist following a review of the expected level of income and expenditure for the next 12 months, together with a consideration of the level of reserves held.

**FUTURE PLANS**

It is intended to consolidate the overall position after a year of many changes, and further develop the company's own direct delivery in Launceston, and Plymouth. In addition, a new role of Business Development Officer will see an increase in specific targeted projects funded by various externally funded initiatives.

**V Learning Network t/a Step into  
Learning Ltd**

**Report of the Trustees  
for the Year Ended 31st July 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable private company limited by guarantee and not having a share capital. The liability of each member is limited to £1. The company which is incorporated in England, was incorporated on 22nd November 2001 and established under a Memorandum of Association which defined the objects and powers of the charitable company and it is governed under its Articles of Association. Under the Companies Act 2006 the word limited is omitted from its name.

The overall responsibility for the affairs of the charity is vested in the trustees.

The trustees, who are also the directors for the purpose of charity law, and who served during the year were as noted on page 1.

**Recruitment and appointment of new trustees**

The maximum number of trustees is 12 and the minimum is 3. Trustees are appointed following recommendation to the board,. No persons external to the charity are entitled to appoint trustees. The nomination of a person or organisation as a member is required in writing, signed by the individual or an authorised representative of the organisation and left with the secretary at the registered office of the company. The application is then presented to the next available council meeting and, subject to acceptance, the applicant becomes qualified to be a member of the company from that date. No employees, trustees or associated persons currently providing funding to the company are eligible to be appointed council members. A full list of members is available on request to the secretary at the registered office.

**Organisational structure**

Senior management, led by the Chief Executive (Stephen Howard), work for and with the board and have the primary delegated role to enable the board to fulfil its obligations. Managing and developing services, obtaining contracts, reporting to the board, budget control, management of staff and compliance with legislation are part of the role.

**Related parties**

It is the normal policy of the charity not to make training cost payments to organisations that are managed by the trustees of this charity. Where payments are made these are disclosed in the accounts as related party transactions. See note 15 within notes to the financial statements for full details.

**V Learning Network t/a Step into  
Learning Ltd**

**Report of the Trustees  
for the Year Ended 31st July 2022**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The trustees have assessed all the financial risks to which the charity is exposed to in the trading academic year of 2023/2024 and these risks are being monitored at every monthly board meeting. The trustees are satisfied from the risk assessment provided by the SMT that systems are in place to try to mitigate exposure to those risks.

**Risk**

Reduction of overall subcontracting provision from 100% to 25% in line with Education Skills Funding Agency request and the impact on delivery of the associated programmes.

**Plan to mitigate exposure**

The charity has always used very capable subcontractors to deliver its objectives. An exemption application will be submitted to the Education Skills Funding Agency in February to allow the charity to subcontract at a higher level than has been currently proposed. The decision on this application will not be communicated until the end of May at the earliest. The charity will have July 2022 audited accounts and externally audited subcontracting standards in place to support the application.

Delivery of Element 3 local authority placements not meeting Ofsted expectations

An independent Ofsted monitoring visit is expected to take place by the end of March 2023. This is to evidence that improvements have been made since the full Ofsted inspection was undertaken in November 2022. This will also reassure the local authority and allow placements of learners to be provisionally made for academic year 2023/2024.

Delivery of Element 1 in the event of the proposed subcontractor reduction exemption not being approved.

The Charity will need to increase their direct training delivery, enabling this contract to be spent in full for the academic year 2023/2024, thus preventing funding clawbacks. The Charity is investing in local social research on the labour market and other key areas: education and training, to gain a clearer understanding of the training needs of potential learners and employers. The Charity will continue to promote direct provision for learners to start in September 2023.

Recoverability of the Foundation for Work debtor

The Department of Work and Pensions (DWP) have stated the returns relating to the first year of the Foundation for Work project were not completed compliantly. This has resulted in delayed payments on the project. The charity is working with the DWP to rectify these issues and is still awaiting backdated payments. This issue is expected to be resolved by end of February 2023. The charity is also seeking legal advice on the contract.

Availability of Advance Learning Loan for our learners

The Student Loan Company (SLC) has informed us that Level 4 qualifications will be classed as higher education, which means the charity will need to gain the additional status of a higher education provider with the Office For Students(OFS) by academic year 2025/2026 to be allowed to continue offering these programmes through this funding stream.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of V Learning Network t/a Step into Learning Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**V Learning Network t/a Step into  
Learning Ltd**

**Report of the Trustees  
for the Year Ended 31st July 2022**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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 company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

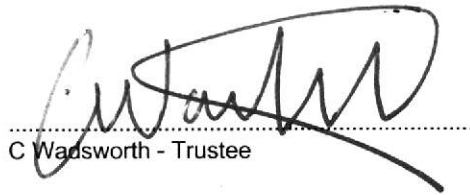
**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the accounts preparation, but of which the reporting auditors are 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**

The company appointed Blackwell Bate Ltd incorporating Simon Murray & Co, Chartered Accountants, as the company's auditors.

Approved by order of the board of trustees on .....19/1/23..... and signed on its behalf by:

  
.....  
C Wadsworth - Trustee

**Report of the Independent Auditors to the Members of  
V Learning Network t/a Step into  
Learning Ltd**

**Opinion**

We have audited the financial statements of V Learning Network, trading as Step into Learning Ltd (the 'charitable company') for the year ended 31 July 2022 which comprise The Statement of Financial Activities, The Statement of Financial Position, The Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- o give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- o have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- o have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information contained within the annual report, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.



**Report of the Independent Auditors to the Members of  
V Learning Network t/a Step into  
Learning Ltd**

**Responsibilities of trustees**

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 financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- o We obtained an understanding of the laws and regulations applicable to the charitable company through discussions with management, and those charged with governance. These laws and regulations which were considered to have a material effect on the financial statements or operations of the charitable company were identified including the following; Companies Act 2006, Charities Act 2011 and the Charities SORP, Employment Law, Health and Safety Act and Data Protection Act.
- o We obtained an understanding of the entity's policies and procedures for assessing fraud risk and identifying actual or alleged fraud by making enquiries with management and those charged with governance and reviewing supporting correspondence with relevant authorities and advisors.
- o We obtained an understanding of the effectiveness of the entities control environment by testing of management override of controls, which includes but is not limited to; testing of journal entries, review of assumptions and judgments made in accounting estimate, and reviewing transactions occurring outside the normal scope of business.
- o The use of qualified and experienced staff members to ensure the audit team is comprised of only competent and capable members who are able to recognise and document any instances of non-compliance. The audit team exercises professional judgement and maintains professional skepticism throughout the audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Graham Roberts (Senior Statutory Auditor)  
for and on behalf of Blackwell Bate Ltd  
Brunel Court  
122 Fore Street  
Saltash  
Cornwall  
PL12 6JW

Date: 27/1/2023

**V Learning Network t/a Step into  
Learning Ltd**

**Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the Year Ended 31st July 2022**

	Notes	Unrestricted fund £	Restricted fund £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Incoming resources	2	774,508	773,309	1,547,817	2,101,777
Investment income	3	18	-	18	16
Other income		-	-	-	9,232
<b>Total</b>		<b>774,526</b>	<b>773,309</b>	<b>1,547,835</b>	<b>2,111,025</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Charitable Activities		690,277	782,805	1,473,082	1,871,536
<b>NET INCOME/(EXPENDITURE)</b>					
Transfers between funds	14	84,249 (57,077)	(9,496) 57,077	74,753 -	239,489 -
<b>Net movement in funds</b>		<b>27,172</b>	<b>47,581</b>	<b>74,753</b>	<b>239,489</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		440,214	-	440,214	200,725
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>467,386</b>	<b>47,581</b>	<b>514,967</b>	<b>440,214</b>

**CONTINUING OPERATIONS**

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**V Learning Network t/a Step into Learning Ltd**

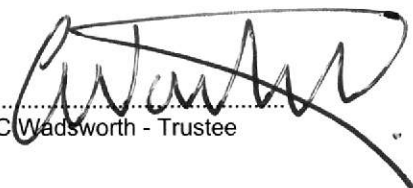
**Statement of Financial Position**  
**31st July 2022**

	Notes	Unrestricted fund £	Restricted fund £	<b>2022 Total funds £</b>	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	<b>16,886</b>	-	<b>16,886</b>	2,567
<b>CURRENT ASSETS</b>					
Debtors	11	-	<b>138,722</b>	<b>138,722</b>	56,570
Cash at bank and in hand		<b>458,746</b>	-	<b>458,746</b>	456,443
		<b>458,746</b>	<b>138,722</b>	<b>597,468</b>	513,013
<b>CREDITORS</b>					
Amounts falling due within one year	12	<b>(8,246)</b>	<b>(91,141)</b>	<b>(99,387)</b>	(75,366)
<b>NET CURRENT ASSETS</b>		<b>450,500</b>	<b>47,581</b>	<b>498,081</b>	437,647
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>467,386</b>	<b>47,581</b>	<b>514,967</b>	440,214
<b>NET ASSETS</b>		<b>467,386</b>	<b>47,581</b>	<b>514,967</b>	440,214
<b>FUNDS</b>	14				
Unrestricted funds				<b>467,386</b>	440,214
Restricted funds				<b>47,581</b>	-
<b>TOTAL FUNDS</b>				<b>514,967</b>	440,214

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 19.11.2023 and were signed on its behalf by:

.....  
C Wadsworth - Trustee



**V Learning Network t/a Step into  
Learning Ltd**

**Statement of Cash Flows  
for the Year Ended 31st July 2022**

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	19,229	262,959
Net cash provided by operating activities		19,229	262,959
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(16,944)	(2,640)
Interest received		18	16
Net cash used in investing activities		(16,926)	(2,624)
<b>Change in cash and cash equivalents in the reporting period</b>		2,303	260,335
<b>Cash and cash equivalents at the beginning of the reporting period</b>		456,443	196,108
<b>Cash and cash equivalents at the end of the reporting period</b>		458,746	456,443

The notes form part of these financial statements

**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Statement of Cash Flows  
for the Year Ended 31st July 2022**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>2022</b>	2021
	<b>£</b>	<b>£</b>
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>74,753</b>	239,489
<b>Adjustments for:</b>		
Depreciation charges	2,625	73
Interest received	(18)	(16)
Increase in debtors	(82,152)	(31,490)
Increase in creditors	24,021	54,903
	<hr/>	<hr/>
<b>Net cash provided by operations</b>	<b>19,229</b>	262,959
	<hr/>	<hr/>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.8.21	Cash flow	At 31.7.22
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Net cash</b>			
Cash at bank and in hand	456,443	2,303	458,746
	<hr/>	<hr/>	<hr/>
	456,443	2,303	458,746
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>456,443</b>	<b>2,303</b>	<b>458,746</b>
	<hr/>	<hr/>	<hr/>

**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Financial Statements  
for the Year Ended 31st July 2022**

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Changes in accounting treatment**

Previously all incoming and outgoing resources have been allocated to the restricted fund with the arising deficit or surplus being transferred to the unrestricted fund.

From 1st August 2021, all incoming resources arising on specific project funding has been allocated to the restricted fund, with associated costs and a proportionate amount of remaining support costs being allocated against this income. Any resultant deficit on the restricted fund is financed by way of a transfer from the unrestricted fund, in compliance with the SORP.

This change has been applied prospectively as it is considered that there is no effect on the overall fund position.

**Income**

The charitable company recognises the earned element of the total gross funds under its control as its income, when the course or service has been delivered, either via its third party providers who deliver the services required under the regulated contracts in place, or via a direct supply by the company. If income which is due by the year end is not received by then, the appropriate amount is accrued, with a corresponding charge for the delivery, if necessary.

Investment income is included when receivable.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

Governance costs include those associated with meeting the constitutional and statutory requirements of the charity and includes costs linked to the strategic management of the charity.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- Straight line over 3 years
Computer equipment	- Straight line over 3 years

**Taxation**

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

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31st July 2022**

**1. ACCOUNTING POLICIES - continued**

**Basic financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where a debt instrument would be measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. These are recognised initially at transaction price and are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the company's contractual obligations expire, are discharged or are cancelled.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Cash and cash equivalents**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**2. INCOMING RESOURCES**

	<b>2022</b>	2021
	£	£
ESFA Funding	<b>1,320,044</b>	1,698,186
Management fee	<b>67,094</b>	227,416
Other projects	<b>160,679</b>	176,175
	<b><u>1,547,817</u></b>	<u>2,101,777</u>

**3. INVESTMENT INCOME**

	<b>2022</b>	2021
	£	£
Deposit account interest	<b><u>18</u></b>	<u>16</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 5) £	Totals £
Charitable Activities	<b><u>1,252,999</u></b>	<b><u>220,083</u></b>	<b><u>1,473,082</u></b>

**V Learning Network t/a Step into Learning Ltd**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st July 2022**

**5. SUPPORT COSTS**

	Support costs £	Governance costs £	Totals £
Charitable Activities	<u>204,534</u>	<u>15,549</u>	<u>220,083</u>

**6. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	2,625	73
Other operating leases	35,765	27,146
Auditors remuneration	6,000	6,000
Non-audit services provided by auditors	<u>377</u>	<u>10,144</u>

**7. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st July 2022 nor for the year ended 31st July 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st July 2022 nor for the year ended 31st July 2021.

**8. STAFF COSTS**

	2022 £	2021 £
Wages and salaries	221,547	155,413
Social security costs	15,013	7,701
Other pension costs	<u>9,257</u>	<u>10,517</u>
	<u>245,817</u>	<u>173,631</u>

Key management personnel remuneration totalled £127,053.

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

	2022	2021
Development	1	1
Projects	5	3
Administration	<u>3</u>	<u>2</u>
	<u>9</u>	<u>6</u>

No employees received emoluments in excess of £60,000.



**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31st July 2022**

**9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Incoming resources	-	2,101,777	2,101,777
Investment income	-	16	16
Other income	-	9,232	9,232
<b>Total</b>	-	2,111,025	2,111,025
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable Activities	-	1,871,536	1,871,536
<b>NET INCOME</b>	-	239,489	239,489
Transfers between funds	239,489	(239,489)	-
<b>Net movement in funds</b>	239,489	-	239,489
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	200,725	-	200,725
<b>TOTAL FUNDS CARRIED FORWARD</b>	440,214	-	440,214

**10. TANGIBLE FIXED ASSETS**

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1st August 2021	52,612	21,459	74,071
Additions	6,697	10,247	16,944
Disposals	(5,817)	(17,708)	(23,525)
At 31st July 2022	53,492	13,998	67,490
<b>DEPRECIATION</b>			
At 1st August 2021	52,612	18,892	71,504
Charge for year	373	2,252	2,625
Eliminated on disposal	(5,817)	(17,708)	(23,525)
At 31st July 2022	47,168	3,436	50,604
<b>NET BOOK VALUE</b>			
At 31st July 2022	6,324	10,562	16,886
At 31st July 2021	-	2,567	2,567

**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31st July 2022**

**11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	2021
	£	£
Trade debtors	<b>138,722</b>	56,570

**12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2022</b>	2021
	£	£
Other creditors	<b>91,587</b>	66,353
Accrued expenses	<b>7,800</b>	9,013
	<b>99,387</b>	75,366

**13. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	<b>2022</b>	2021
	£	£
Within one year	<b>6,808</b>	13,000
Between one and five years	<b>3,325</b>	-
In more than five years	<b>1,108</b>	-
	<b>11,241</b>	13,000

**14. MOVEMENT IN FUNDS**

	At 1.8.21 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
<b>Unrestricted funds</b>				
General fund	<b>440,214</b>	<b>84,249</b>	<b>(57,077)</b>	<b>467,386</b>
<b>Restricted funds</b>				
Restricted Fund	-	<b>(9,496)</b>	<b>57,077</b>	<b>47,581</b>
<b>TOTAL FUNDS</b>	<b>440,214</b>	<b>74,753</b>	<b>-</b>	<b>514,967</b>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	<b>774,526</b>	<b>(690,277)</b>	<b>84,249</b>
<b>Restricted funds</b>			
Restricted Fund	<b>773,309</b>	<b>(782,805)</b>	<b>(9,496)</b>
<b>TOTAL FUNDS</b>	<b>1,547,835</b>	<b>(1,473,082)</b>	<b>74,753</b>

**V Learning Network t/a Step into Learning Ltd**

**Notes to the Financial Statements - continued**  
**for the Year Ended 31st July 2022**

**14. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
<b>Unrestricted funds</b>				
General fund	200,725	-	239,489	440,214
<b>Restricted funds</b>				
Restricted Fund	-	239,489	(239,489)	-
<b>TOTAL FUNDS</b>	<u>200,725</u>	<u>239,489</u>	<u>-</u>	<u>440,214</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Restricted funds</b>			
Restricted Fund	2,111,025	(1,871,536)	239,489
<b>TOTAL FUNDS</b>	<u>2,111,025</u>	<u>(1,871,536)</u>	<u>239,489</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.22 £
<b>Unrestricted funds</b>				
General fund	200,725	84,249	182,412	467,386
<b>Restricted funds</b>				
Restricted Fund	-	229,993	(182,412)	47,581
<b>TOTAL FUNDS</b>	<u>200,725</u>	<u>314,242</u>	<u>-</u>	<u>514,967</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	774,526	(690,277)	84,249
<b>Restricted funds</b>			
Restricted Fund	2,884,334	(2,654,341)	229,993
<b>TOTAL FUNDS</b>	<u>3,658,860</u>	<u>(3,344,618)</u>	<u>314,242</u>

**Transfers between funds**

In the year ended 31st July 2022, a transfer of £57,077 has been made from the unrestricted fund to finance a deficit on the restricted fund.

**V Learning Network t/a Step into  
Learning Ltd**

**Notes to the Financial Statements - continued  
for the Year Ended 31st July 2022**

**15. RELATED PARTY DISCLOSURES**

During the year, the charity paid Mrs J Howard £880 for cleaning services and Mr A Kelly £1,401 for help with setting up the new office. These are both spouses of members of key management personnel and the transactions are considered to be at a suitable market rate.

**16. GOING CONCERN**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist following a review of the expected level of income and expenditure for the next 12 months, together with a consideration of the level of reserves held.

**V Learning Network t/a Step into  
Learning Ltd**

**Detailed Statement of Financial Activities  
for the Year Ended 31st July 2022**

	2022 £	2021 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Incoming resources</b>		
ESFA Funding	1,320,044	1,698,186
Management fee	67,094	227,416
Other projects	160,679	176,175
	<hr/> 1,547,817	<hr/> 2,101,777
<b>Investment income</b>		
Deposit account interest	18	16
<b>Other income</b>		
Government grants	-	9,232
	<hr/> -	<hr/> 9,232
<b>Total incoming resources</b>	1,547,835	2,111,025
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Wages	142,137	99,708
Social security	8,801	3,658
Pensions	5,698	7,331
Staff mileage & expenses	17,510	20,809
Subcontractor & project payments	1,078,853	1,568,531
	<hr/> 1,252,999	<hr/> 1,700,037
<b>Support costs</b>		
<b>Support costs</b>		
Wages	79,410	55,705
Social security	6,212	4,043
Pensions	3,559	3,186
Rent	35,765	27,146
Equipment hire	4,253	6,957
Insurance	2,362	1,832
Light and heat	2,578	569
Telephone	9,327	5,944
Postage and stationery	4,259	1,415
Sundries	2,292	7,537
Subscriptions	1,251	3,219
Depreciation	2,624	73
Advertising	19,009	9,774
Registration fees	6,719	3,597
Computer costs	19,032	23,129
Repairs and renewals	5,882	1,229
	<hr/> 204,534	<hr/> 155,355
<b>Governance costs</b>		
Accountancy	1,800	2,844
Legal fees	7,749	7,300
Auditors remuneration	6,000	6,000
	<hr/> 15,549	<hr/> 16,144

This page does not form part of the statutory financial statements

**V Learning Network t/a Step into  
Learning Ltd**

**Detailed Statement of Financial Activities  
for the Year Ended 31st July 2022**

	2022 £	2021 £
Total resources expended	<u>1,473,082</u>	<u>1,871,536</u>
<b>Net income</b>	<u><u>74,753</u></u>	<u><u>239,489</u></u>