

HUMBER LEARNING CONSORTIUM

England & Wales · Charity number 1097333

Details

Other names	HUMBERSIDE LEARNING CONSORTIUM
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Status	Registered
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Legal form	Charitable company
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Company number	04383779
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Registered	2003-05-01
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Register	View on the Charity Commission register
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Contact

Address	63-71 Anlaby Road Hull HU3 2LL
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Phone	01482327438
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Email	office@hlc-vol.org
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Website	www.hlc-vol.org
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Activities

Objects: THE OBJECTS OF THE COMPANY SHALL BE TO PROMOTE THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT, IN PARTICULAR BUT NOT TO LIMIT THE GENERALITY OF THE FOREGOING TO:(A) TO IMPROVE ACCESS TO LEARNING OPPORTUNITIES FOR USERS, VOLUNTEERS AND EMPLOYEES OF VOLUNTARY AND COMMUNITY ORGANISATIONS IN THE HUMBER AND YORKSHIRE;(B) TO DEVELOP VOLUNTARY SECTOR LEARNING PROVIDERS TO MEET QUALITY THRESHOLDS AND STAKEHOLDER REQUIREMENTS;(C) TO DEVELOP A PARTNERSHIP APPROACH TO THE DELIVERY AND DEVELOPMENT OF LEARNING OPPORTUNITIES AND GOOD PRACTICE;(D) TO CARRY OUT ANY ASSOCIATED ACTIVITIES;(E) TO PROMOTE THE EFFICIENCY AND EFFECTIVENESS OF CHARITIES, VOLUNTARY AND COMMUNITY GROUPS BASED IN THE HUMBER AND YORKSHIRE REGION BY PROVIDING TRAINING AND ONGOING SUPPORT TO INCREASE THEIR ABILITY TO ACCESS FUNDING AND PARTICIPATE IN THE REGENERATION OF THEIR AREA.

Activities: Working throughout the Humber and Yorkshire region, HLC seeks to improve access to learning for disadvantaged and marginalised communities and individuals

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Other Charities Or Voluntary Bodies

Geography

- **Area of benefit:** HUMBER AND YORKSHIRE REGION
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,490,510	£5,534,584	£808,680	28
2024-03-31	£4,687,234	£4,664,041	£852,754	34
2023-03-31	£4,849,604	£4,849,222	£829,562	44
2022-03-31	£5,018,498	£4,982,926	£829,180	43
2021-03-31	£4,828,070	£4,836,458	£793,608	43

Trustees

Name	Role	Appointed
Gavin Paul Betts		2014-01-13
Mark Jennings		2021-04-16
Patricia Ellen Whiting		2026-05-11
Paul Nicholson		2017-02-10
Professor Andrew Edmund Gerald Jonas		2019-07-11

Accounts

Charity registration number 1097333 (England and Wales)

Company registration number 04383779

HUMBER LEARNING CONSORTIUM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

HUMBER LEARNING CONSORTIUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr P Nicholson Mr A Jonas Mr M Jennings Mr C A Darnell Mr G Betts Mrs L Benton
Secretary	Mr A D Crossland
Charity number (England and Wales)	1097333
Company number	04383779
Registered office	63-71 Anlaby Road Hull England East Yorkshire HU3 2LL
Auditor	Rackhams Accountants Limited 3 Melton Enterprise Park Redcliff Road Melton East Yorkshire HU14 3RS

HUMBER LEARNING CONSORTIUM

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HUMBER LEARNING CONSORTIUM

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2025

HLC's operating environment has remained challenging throughout 2024-25 and we expect the turbulence to continue into 2025-26 and beyond. HLC's transition to domestic funding (UKSPF) following the end of European (ESF) funding in 2023 was largely successful in terms of maintaining partnership approaches to the delivery of learning & skills provision – HLC worked with 24 partners across UKSPF and Multiply in both Hull and the East Riding of Yorkshire.

Although the annual contract values for UKSPF were broadly comparable to ESF, there was still a funding gap that we were unable to close, and this has resulted in a reported deficit position of £44,195 in 2024-25. UKSPF is in doubt beyond March 2026, and Multiply ended nationally in March 2025, which only reinforces the uncertainty facing HLC and Third Sector organisations operating in the learning and skills arena.

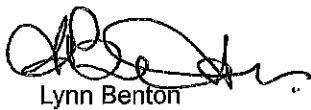
Our Adult Skills Fund contract has continued to deliver exceptionally well, so it came as a huge disappointment to learn without prior warning in March 2025 that our 2025-26 ASF allocation of £477,000 had been subsumed into the HEY local authorities, without our prior knowledge, as part of a devolution "pilot" process in Hull and East Yorkshire. To add further to the uncertainty we are grappling with, a 10% ASF contract top slice is now being applied by our allocated local authority, which will result in a significant loss of income to HLC next year.

HLC's DfE 16-19 Study Programme continues to grow and deliver, and it is meeting expressed need across Hull where NEET numbers have been on the rise for several years. A significant percentage of the young people we work with, through our partners Goodwin Development Trust, Unity in Community, and Niche Training, have Education Health Care Plans (EHCPs) or are classed as high needs, and the flexible / informal approach of our Study Programme suits them better than more formal institutions.

Our UKSPF partnerships in Hull and East Riding of Yorkshire (2023-2025) both delivered successfully, exceeding their respective output and outcome targets by considerable margins. Hull City Council has maintained its strong working relationship with the Third Sector by funding the Hull Exploring opportunities partnership into 2025-26. However, East Riding Council chose not to continue the ER Exploring Opportunities programme, and this £1m per year project closed at the end of March 2025. Unfortunately, one of the East Riding partner organisations folded immediately as a result.

The deficit in 2024-25 turned out to be lower than we had originally forecasted and this helped us to maintain our cash reserves on 31 March 2025 at a healthy £808,680. The end of UKSPF in East Riding and the Multiply programme nationally, will make 2025-26 a more challenging prospect. With uncertainty remaining over UKSPF beyond March 2026 and clarity on ASF and Skills Devolution unlikely to materialise until early-2026, the next couple of years will remain daunting.

As in previous years the HLC board of trustees remains confident that HLC's excellent contract delivery track record, reputation with stakeholders, staff team expertise, and its robust financial health (strong cash reserves position and no external borrowings) will enable the organisation to plan and respond proactively over the next few years.



Lynn Benton
Chair of Trustees

Date: 17 September 2025

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The charitable objects of HLC are to promote the advancement of education for the public benefit, in particular:

- (a) To improve access to learning opportunities for users, volunteers, and employees of voluntary and community organisations in Humber and Yorkshire
- (b) To develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) To develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) To carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire region by providing training and on-going support to increase their ability to access funding and participate in the regeneration of their area.

Public benefit

HLC's activities promote the advancement of education for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including specific guidance on fee charging.

We work with delivery partners, the majority of which are local not-for-profit organisations, to deliver a wide range of accredited and non-accredited learning opportunities.

HLC's learning provision is targeted at disadvantaged individuals and communities. As a result, where possible, learning is provided free of charge, or at the lowest possible cost to encourage access and participation.

From a broader perspective, HLC's activities help adults and young people within the Yorkshire and Humber region to engage on a journey that leads to further learning and / or job opportunities, benefiting both the individual, their families, and communities.

Quality assurance and improvement processes are given a high profile across HLC and its partner's networks. Guidance and training are regularly provided to ensure that delivery partners and their staff members meet the quality thresholds of funders and inspection bodies.

HLC is committed to strengthening voluntary and community sector organisations to deliver learning opportunities. Our experience demonstrates that promoting the delivery of learning opportunities in partnership with local and trusted community groups helps to engage those from the most disadvantaged backgrounds.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Achievements and performance

Significant activities and achievements against objectives

During 2024-25 HLC has been able to promote and deliver learning opportunities through the following core activities, grants, and contracts:

- Quality and Development
- DfE 16-19 Study Programme
- ESFA Adult Education Budget
- UKSPF Multiply Hull
- UKSPF Multiply East Riding
- UKSPF Exploring Opportunities Hull
- UKSPF Exploring Opportunities East Riding
- National Lottery Community Fund – Good to Go project

With our partners we have delivered a wide range of learning opportunities to disadvantaged people. The contracts and projects are summarised below. The letters in brackets demonstrate which of HLC's charitable objects (see above) are being met by a particular area of work, grant, or contract.

Quality and Development (a, b, c, d, e)

Quality assurance and the development of our delivery partners is driven by our commitment to continuous improvement. Supporting voluntary sector organisations to become high quality learning providers is one of HLC's primary charitable objects and one of our 3 strategic priorities. HLC carries out a range of quality and development activities, including:

- Regular 1-1 quality and support visits to partners
- Observations of teaching, learning, and assessment (including dual observations)
- Quality Improvement Network meetings (5-6 per academic year)
- Designated Safeguarding Officers network (4 per year)
- Continuing professional development events
- Equality & diversity support, inc. E&D diaries and calendars
- Learner enrichment activities
- Safeguarding & Prevent Duty support and advice
- E-safety audits
- Webinars
- Telephone advice, on-line meetings, 1-1 support, and virtual networks
- A dedicated quality resources website
- Matrix IAG quality assurance compliance support

These activities help HLC to maintain and strengthen our relationships with partner organisations, in turn helping them to build their own capacity and deliver high quality learning opportunities to our target beneficiaries.

HLC continues to demonstrate a strong commitment to quality improvement and was rated "Good" by Ofsted inspectors in June 2022. HLC has now been rated "Good" in all its inspections (2012, 2015, 2022). HLC holds the Matrix information, advice, and guidance quality standard, and Cyber Essentials accreditation.

DfE - 16-19 Study Programme started August 2023 (a, b, c, e)

The Study Programme replaced our previous 16-18 Traineeship contract when the national Traineeships programme was scrapped by the former Conservative government. This contract is delivered by 3 community-based partners. HLC will be seeking to grow its Study Programme delivery incrementally and carefully over the coming 2-3 academic years to develop and maintain quality of provision.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

ESFA - Adult Skills Fund (formerly Adult Education Budget) – started August 2023 (a, b, c, e)

HLC was one of only 55 training providers nationally to bid successfully through the 2023 SFA Adult Skills Fund (ASF) procurement exercise. The ASF programme supports adults aged 19+ offering a range of flexible accredited units and qualifications that are designed to progress individuals into employment, further learning, or career progression. In 2024-25, HLC worked with 5 community-based delivery partners in Hull & East Riding. We intend to grow ASF provision gradually, adding new partners and local delivery over the next 2-3 years. ASF will come under the local remit and control of the Hull & East Yorkshire Mayoral Combined Authority (via Devolution) in summer 2026. An interim pilot devolution arrangement is in place for 2025-26, which will see HLC's ASF funding "account managed" by Hull Training & Adult Education for one academic year.

UKSPF Multiply Hull November 2022 to March 2025 (a, b, c, d, e)

Multiply was a national 3-year numeracy programme aimed at adults aged 19+ and funded through a 20% top slice of the UK Shared Prosperity Fund (UKSPF). Multiply was designed to improve adults' numeracy skills by engaging them in activities that develop their confidence with numbers. HLC led a partnership of 4 community based VCSE organisations who delivered maths-based activities across the city of Hull. The HLC-led partnership delivered 3 out of the 5 Multiply contracts that were tendered out by Hull City Council. These activities ended in March 2025 when the Multiply programme was closed nationally.

UKSPF Multiply East Riding November 2022 to March 2025 (a, c, d)

HLC is leading a partnership of 5 community based VCSE partners who are delivering maths engagement activities across the East Riding of Yorkshire with a particular emphasis on Bridlington, Goole, and Holderness. The ER Multiply contract is ended in March 2025 when the national programme was closed.

UKSPF Exploring Opportunities Hull from April 2023 to March 2026 (a, b, c)

Funded through UKSPF with Hull City Council as the accountable body, EO Hull is an HLC-led partnership project with 8 experienced Hull-based organisations. It aims to support unemployed and economically inactive residents with the goal of progressing them into employment or further learning or moving them closer to the labour market. The partnership provides beneficiaries with 1-1 keyworker and a personalised programme of support, including dedicated mental health and debt advice services. The delivery model builds upon best practice from our successful CLLD, BBO, and Springboard programmes.

UKSPF Exploring Opportunities East Riding from August 2023 to March 2025 (a, b, c)

Funded through UKSPF with East Riding as the accountable body, EO East Riding was a successful HLC-led partnership project with 8 experienced ER-based organisations. It supported unemployed and economically inactive residents with the goal of progressing them into employment or further learning or moving them closer to the labour market. The partnership provided beneficiaries with 1-1 keyworker and a personalised programme of support, including dedicated mental health and debt advice services. The delivery model built upon best practice from our successful CLLD, BBO, and Springboard programmes. The programme closed in March 2025 when East Riding Council chose not to commission any VCSE provision via UKSPF People & Skills.

National Lottery Community Fund – Good to Go from April 2024 to March 2026 (a, c, d)

A 2-year Lottery-funded programme (Reaching Communities), which is focused on first steps and social inclusion activities that act as a bridge into employability provision.

Financial review

This year, HLC is reporting a deficit £44,195. From a financial health perspective, HLC has robust sustainability and gearing ratings (no borrowings), with an unrestricted reserve position of £808,680.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Plans for future periods

At the time of writing, the government is yet to announce what the future of UKSPF funding might look like beyond March 2026. Clarity on this is critical because the majority of our partner organisations are currently delivering on HLC's UKSPF programmes and are dependent on it for their sustainability. The lack of NEET and/or Inactive Trailblazer status in Hull and East Yorkshire is compounding the issue not only for VCSE sustainability, but also for provision sufficiency for young people and unemployed/inactive adults.

Our Adult Skills Fund provision is currently under a temporary "pilot" management arrangement with Hull Training & Adult Education in advance of full Hull & East Riding skills devolution in August 2026. We are hoping to secure and grow our own ASF delivery for 2026-27 through a combined authority procurement process, which is expected to launch in early-2026.

The 16-19 Study Programme continues to deliver well, and we are aiming to grow this organically year-on-year, with the goal of eventually doubling the overall contract value.

Structure, governance and management

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 trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P Nicholson

Mr A Jonas

Mr M Jennings

Mr C A Darnell

Mr G Betts

Mrs L Benton

Organisational structure

A board comprising six trustees is the current the accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association.

The trustees meet quarterly to discuss and approve major decisions. The board of HLC has a Finance & General Purposes sub-group, which meets in advance of a full board meeting to scrutinise the financial and management accounts. A management team comprising a Chief Executive, Deputy Chief Executive, and Quality Director, oversees the day-to-day operations of the organisation. The Chief Executive also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the whole staff team to engage in and discuss issues affecting the organisation. We meet as a whole group every January for an away day. This ensures that the staff team remains fully engaged and that strategic decisions of the board benefit from the expertise and operational experience of all employees. Responsibility for the day-to-day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility.

Contractual Partnerships

Humber Learning Consortium utilises contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Education & Skills Funding Agency, Department for Education (DfE), National Lottery Community Fund, Hull City Council (UKSPF & Multiply), and East Riding of Yorkshire Council (UKSPF & Multiply). HLC also has strategic alliances which support VCS learning; partners include Hull & East Yorkshire Business Growth & Skills Hub (formerly HEY LEP), and the National Careers Service.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

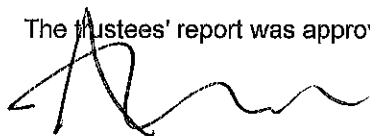
The management team in conjunction with trustee representatives review the risks faced by the organisation. A risk register is held and reviewed periodically to assess changing risk factors. The main risks to the organisation considered as part of this strategy are as follows:

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Personnel
5. Teaching, Learning & Assessment
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

Auditor

Following a procurement exercise Rackhams Accountants Limited re-appointed by HLC trustees at the 2023 AGM for a 3-year period.

The trustees' report was approved by the Board of Trustees.



Mr A D Crossland
Company Secretary

17 September 2025

HUMBER LEARNING CONSORTIUM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

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

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

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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. 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.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Opinion

We have audited the financial statements of Humber Learning Consortium (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, 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:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, in the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected, or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and we determined that the following were most relevant: FRS 102, Companies Act 2006, Health and Safety at Work Act and Employment Law.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities, including fraud, and tailored our procedures according to this risk assessment.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

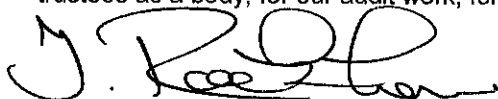
- Identifying and testing journal entries and the overall accounting records. In particular, we tested items that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. In particular, we considered going concern and impairment of trade debtors.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines.
- Performing physical verification of key assets.
- Obtaining third party confirmation of material balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Trevor Rackham FCCA (Senior Statutory Auditor)

For and on behalf of Rackhams Accountants Limited, Statutory Auditor
Chartered Certified Accountants

3 Melton Enterprise Park

Redcliff Road

Melton

East Yorkshire

HU14 3RS

17 September 2025

Rackhams Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HUMBER LEARNING CONSORTIUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income from:							
Charitable activities	3	1,309,689	4,164,861	5,474,550	747,346	3,934,780	4,682,126
Investments	4	15,960	-	15,960	5,108	-	5,108
Total income		<u>1,325,649</u>	<u>4,164,861</u>	<u>5,490,510</u>	<u>752,454</u>	<u>3,934,780</u>	<u>4,687,234</u>
Expenditure on:							
Charitable activities	5	1,369,844	4,164,740	5,534,584	826,798	3,837,243	4,664,041
Total expenditure		<u>1,369,844</u>	<u>4,164,740</u>	<u>5,534,584</u>	<u>826,798</u>	<u>3,837,243</u>	<u>4,664,041</u>
Net income/(expenditure)		<u>(44,195)</u>	<u>121</u>	<u>(44,074)</u>	<u>(74,344)</u>	<u>97,537</u>	<u>23,193</u>
Transfers between funds		<u>(3)</u>	<u>3</u>	<u>-</u>	<u>124,449</u>	<u>(124,449)</u>	<u>-</u>
Net movement in funds	7	<u>(44,198)</u>	<u>124</u>	<u>(44,074)</u>	<u>50,105</u>	<u>(26,912)</u>	<u>23,193</u>
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>852,949</u>	<u>(195)</u>	<u>852,754</u>	<u>802,844</u>	<u>26,717</u>	<u>829,561</u>
Fund balances at 31 March 2025		<u>808,751</u>	<u>(71)</u>	<u>808,680</u>	<u>852,949</u>	<u>(195)</u>	<u>852,754</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

HUMBER LEARNING CONSORTIUM

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		1,808		5,614
Current assets					
Debtors	12	525,807		699,453	
Cash at bank and in hand		832,126		995,467	
		1,357,933		1,694,920	
Creditors: amounts falling due within one year	13	(551,061)		(847,780)	
Net current assets			806,872		847,140
Total assets less current liabilities			808,680		852,754
The funds of the charity					
Restricted income funds	16		(71)		(195)
Unrestricted funds	17		808,751		852,949
			808,680		852,754

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 17 September 2025


Mrs L Benton
Company Secretary

Company registration number 04383779 (England and Wales)

HUMBER LEARNING CONSORTIUM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash absorbed by operations	20		(178,308)		(168,448)
Investing activities					
Purchase of tangible fixed assets		(1,049)		-	
Proceeds from disposal of tangible fixed assets		56		-	
Investment income received		15,960		5,108	
Net cash generated from investing activities			14,967		5,108
Net cash generated from financing activities			-		-
Net decrease in cash and cash equivalents			(163,341)		(163,340)
Cash and cash equivalents at beginning of year			995,467		1,158,807
Cash and cash equivalents at end of year			832,126		995,467

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Humber Learning Consortium is a private company limited by guarantee incorporated in England and Wales. The registered office is 63-71 Anlaby Road, Hull, England, East Yorkshire, HU3 2LL.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	3 years on cost
---------------------	-----------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Subcontracted learning						
Services provided under contract	1,309,689	4,164,861	5,474,550	747,346	3,934,780	4,682,126

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	15,960	5,108

5 Expenditure on charitable activities

	Subcontracted learning 2025 £	Subcontracted learning 2024 £
Direct costs		
Staff costs	1,024,921	1,214,420
Depreciation and impairment	4,798	9,427
Insurance	3,309	3,024
Event costs	592	4,708
External consultants	-	34,753
Training and trainers	2,406	2,370
Learner bursery payments	23,106	39,387
Subcontracted Learning	4,349,209	3,216,006
	5,408,341	4,524,095
Share of support and governance costs (see note 6)		
Support	120,943	135,462
Governance	5,300	4,484
	5,534,584	4,664,041
Analysis by fund		
Unrestricted funds	1,369,844	826,798
Restricted funds	4,164,740	3,837,243
	5,534,584	4,664,041

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

6 Support costs allocated to activities

	2025 £	2024 £
Sundries	2,034	1,340
Bank charges	975	1,122
Accommodation	35,156	46,523
Communication	28,686	29,032
Equipment and resources	27,077	38,803
Organisation development	5,045	7,514
Staff expenses	21,970	11,128
Governance costs	5,300	4,484
	<u>126,243</u>	<u>139,946</u>
Analysed between:		
Subcontracted learning	<u>126,243</u>	<u>139,946</u>

7 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,300	4,292
Depreciation of owned tangible fixed assets	<u>4,798</u>	<u>9,427</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
CEO	1	1
Senior management	2	2
Delivery staff	14	17
Administration	9	12
Information technology	2	2
	<u>28</u>	<u>34</u>
Total		

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Employees (Continued)

Employment costs	2025 £	2024 £
Wages and salaries	859,154	1,016,854
Social security costs	77,566	93,766
Other pension costs	88,201	103,800
	<u>1,024,921</u>	<u>1,214,420</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001 - £70,000	1	1
£70,001 - £80,000	2	2
	<u>3</u>	<u>3</u>

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2024	34,687
Additions	1,049
Disposals	(686)
At 31 March 2025	<u>35,050</u>
Depreciation and impairment	
At 1 April 2024	29,073
Depreciation charged in the year	4,798
Eliminated in respect of disposals	(629)
At 31 March 2025	<u>33,242</u>
Carrying amount	
At 31 March 2025	<u>1,808</u>
At 31 March 2024	<u>5,614</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

12 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	(25,749)	29,806
Prepayments and accrued income	551,555	669,647
	<u>525,806</u>	<u>699,453</u>

13 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		23,874	13,859
Deferred income	14	50,254	35,528
Trade creditors		2,382	228,715
Accruals		474,551	569,678
		<u>551,061</u>	<u>847,780</u>

14 Deferred income

	2025 £	2024 £
Other deferred income	<u>50,254</u>	<u>35,528</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>50,254</u>	<u>35,528</u>
Movements in the year:		
Deferred income at 1 April 2024	35,528	642,997
Released from previous periods	(35,528)	(642,997)
Resources deferred in the year	<u>50,254</u>	<u>35,528</u>
Deferred income at 31 March 2025	<u>50,254</u>	<u>35,528</u>

15 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>88,201</u>	<u>103,800</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
High Needs Learners Funding	(125)	75,098	(75,098)	-	(125)
UKSPF Exploring Opportunities - East Riding	(77)	1,002,365	(1,002,361)	73	-
UKSPF Exploring Opportunities - Hull	7	754,920	(754,873)	-	54
UKSPF Exploring Employment	-	1,000,000	(999,990)	(10)	-
UKSPF Exploring Volunteering	-	800,000	(799,949)	(51)	-
UKSPF Families Learning Together	-	299,646	(299,637)	(9)	-
	-	232,832	(232,832)	-	-
	(195)	4,164,861	(4,164,740)	3	(71)
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
YEI ESF Springboard	25,398	559,055	(463,055)	(121,398)	-
This Ability	1,319	976,546	(979,150)	1,285	-
BBO	-	152,282	(149,854)	(2,428)	-
Springboard 3	-	815,190	(813,282)	(1,908)	-
High Needs Learners Funding	-	7,700	(7,825)	-	(125)
UKSPF Exploring Opportunities - East Riding	-	737,725	(737,802)	-	(77)
UKSPF Exploring Opportunities - Hull	-	686,282	(686,275)	-	7
	26,717	3,934,780	(3,837,243)	(124,449)	(195)

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
Redundancy reserve	175,386	-	-	(2,438)	172,948
Adult Education Budget	-	9,192	(7,957)	(1,235)	-
Adult Skills Fund	-	451,644	(447,372)	-	4,272
Spot Contracts	-	30,771	(30,771)	-	-
Barbara Haigh Investment Fund	-	2,000	(2,000)	-	-
Multiply East Riding	6,312	301,328	(301,232)	(6,408)	-
Multiply Hull	(811)	338,700	(333,592)	(4,297)	-
Study Programme	(6,774)	162,503	(160,529)	-	(4,800)
General funds	678,836	29,511	(86,391)	14,375	636,331
	<u>852,949</u>	<u>1,325,649</u>	<u>(1,369,844)</u>	<u>(3)</u>	<u>808,751</u>
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Redundancy reserve	162,729	-	-	12,657	175,386
AEB	-	168,744	(257,937)	89,193	-
Youth Hub	4,227	(1,481)	(2,100)	(646)	-
Barbara Haigh Investment Fund	-	1,000	(1,000)	-	-
CLLD	156,890	29,563	(18,583)	(167,870)	-
Youth Hub 2	895	27,523	(28,300)	(118)	-
Youth Futures	448	48,524	(48,972)	-	-
VPP	-	29,856	(29,856)	-	-
Study Programme	-	64,703	(71,477)	-	(6,774)
Multiply East Riding	4,527	175,000	(173,215)	-	6,312
Multiply Hull	(227)	200,100	(200,684)	-	(811)
General funds	477,655	384,022	(368,573)	191,233	684,337
	<u>802,844</u>	<u>752,454</u>	<u>(826,798)</u>	<u>124,449</u>	<u>852,949</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	1,809	-	1,809
Current assets/(liabilities)	806,942	(71)	806,871
	<u>808,751</u>	<u>(71)</u>	<u>808,680</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	5,614	-	5,614
Current assets/(liabilities)	847,335	(195)	847,140
	<u>852,949</u>	<u>(195)</u>	<u>852,754</u>

19 Related party transactions

The charitable company shares a mutual trustee with the Goodwin Development Trust. During the year payments were made by Humber Learning Consortium to Goodwin Development Trust amounting to £666,857 (2024 : £556,859).

20	Cash generated from operations	2025 £	2024 £
	(Deficit)/surplus for the year	(44,073)	23,193
	Adjustments for:		
	Investment income recognised in statement of financial activities	(15,960)	(5,108)
	Depreciation and impairment of tangible fixed assets	4,798	9,427
	Movements in working capital:		
	Decrease in debtors	173,647	2,908
	(Decrease)/increase in creditors	(311,445)	408,600
	Increase/(decrease) in deferred income	14,726	(607,468)
	Cash absorbed by operations	<u>(178,307)</u>	<u>(168,448)</u>

Accounts

Charity registration number 1097333

Company registration number 04383779 (England and Wales)

HUMBER LEARNING CONSORTIUM
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

HUMBER LEARNING CONSORTIUM

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr P Nicholson
Mr A Jonas
Mr M Jennings
Mr C A Darnell
Mr G Betts
Mrs L Benton

Secretary

Mr A D Crossland

Charity number

1097333

Company number

04383779

Registered office

63-71 Anlaby Road
Hull
England
East Yorkshire
HU3 2LL

Auditor

Rackhams Accountants Limited
3 Melton Enterprise Park
Redcliff Road
Melton
East Yorkshire
England
HU14 3RS

HUMBER LEARNING CONSORTIUM

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HUMBER LEARNING CONSORTIUM

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 31 MARCH 2024

As I reported last year, 2023-24 is the second of three 'crux' years for HLC. The end of European (ESF) funding in 2023, meant the closure of HLC's final 3 EU-funded projects - Community Led Local Development (June23), Building Better Opportunities (June23), and Springboard (Dec23). This inevitably resulted in several employees seeking pastures new, and I would like to thank them for their contribution to these successful projects, and to HLC in general.

Considerable senior management time and effort was focused on bid-writing and business development to mitigate the loss of ESF funding. At the outset of 2023-24, SMT and Trustees were basing financial forecasts on significant deficit scenarios. However, hard work on several large bids ultimately paid off, and I am pleased to report that HLC has made a surplus of £23,193 in 2023-24, increasing our reserves to £852,754.

Despite this success, next year (2024-25) remains challenging, especially as the future of the UK Shared Prosperity Fund remains uncertain at the time of writing this report.

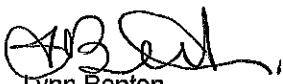
We were pleased that HLC was one of only 55 learning providers nationally to be awarded an Adult Education Budget contract by the ESFA in the 2023 procurement round. This means that HLC has re-entered the mainstream adult learning market following the government decision in 2019 to focus funding on block grant deliverers (local authorities and colleges). It also means HLC is well-placed for any relevant funding opportunities arising from local skills devolution and the Hull & East Yorkshire Mayoral Combined Authority in 2026.

In December 2022 the government announced the scrapping of 16-18 traineeships, a key feature of HLC's mainstream provision and an important stepping stone for young people into employment and apprenticeships. Thanks to effective lobbying by Hull City Council in early-2023, HLC was awarded a small 16-18 Study Programme contract by DfE to deliver "traineeship style" provision. In 2023-24 this will support approximately 21 young people (compared to 60+ on traineeships). However, we have an opportunity to grow this contract year-on-year, which we intend to do in an incremental way, one that enables HLC to develop its own and partners' capacity to deliver a new type of provision - often aimed at young people with high needs and / or education health care (EHC) plans.

As for other bidding successes in 2023-24, HLC won large UKSPF contracts from Hull City Council and East Riding of Yorkshire Council to deliver "Exploring Opportunities" (EO), partnership-based employment programmes aimed at unemployed and economically inactive people aged 16+. EO builds on best practice and experience from our various ESF programmes (e.g., Community Grants, CLLD, BBO, and Springboard), which supported over 9,000+ beneficiaries between 2016 and 2023. As I write there have been further successes that will impact on 2024-25 – notably 3 new UKSPF partnerships in Hull – Exploring Employment, Exploring Volunteering, and Families Learning Together, more Multiply contracts in Hull and East Riding, and "Good to Go", a replacement for This-Ability, funded by the National Lottery Community Fund for 2 years from April 2024.

While there has been considerable attention and effort focused this year on business development, we have not lost sight of our other two strategic priorities, quality and contract performance. HLC has once again retained Matrix (IAG) accreditation and was also awarded the ESFA Subcontracting Controls Standard. Both awards demonstrate our commitment to developing and supporting our 27 community-based delivery partners.

2023-24 has perhaps been more positive than we had anticipated. The trustees are however mindful that the next couple of years remain a challenge, and we might need to draw upon some of our reserves to maintain stability and deliver HLC's charitable objects. Notwithstanding this, we are confident that HLC's excellent contract delivery track record, reputation with stakeholders, staff team expertise, and robust financial health (good reserves position and no external borrowings) put us in strong position going forward.



Lynn Benton

Chair of Trustees

Date: 19 September 2024

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "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).

Objectives and activities

The charitable objects of HLC are to promote the advancement of education for the public benefit, in particular:

- (a) To improve access to learning opportunities for users, volunteers, and employees of voluntary and community organisations in Humber and Yorkshire
- (b) To develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) To develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) To carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire region by providing training and on-going support to increase their ability to access funding and participate in the regeneration of their area.

Public benefit

HLC's activities promote the advancement of education for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including specific guidance on fee charging.

We work with delivery partners, the majority of which are local not-for-profit organisations, to deliver a wide range of accredited and non-accredited learning opportunities.

HLC's learning provision is targeted at disadvantaged individuals and communities. As a result, where possible, learning is provided free of charge, or at the lowest possible cost to encourage access and participation.

From a broader perspective, HLC's activities help adults and young people within the Yorkshire and Humber region to engage on a journey that leads to further learning and / or job opportunities, benefiting both the individual, their families, and communities.

Quality assurance and improvement processes are given a high profile across HLC and its partner's networks. Guidance and training are regularly provided to ensure that delivery partners and their staff members meet the quality thresholds of funders and inspection bodies.

HLC is committed to strengthening voluntary and community sector organisations to deliver learning opportunities. Our experience demonstrates that promoting the delivery of learning opportunities in partnership with local and trusted community groups helps to engage those from the most disadvantaged backgrounds.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Significant activities and achievements against objectives

During 2023-24 HLC has been able to promote and deliver learning opportunities through the following core activities, grants, and contracts:

- Quality and Development
- DfE 16-18 Study Programme
- ESFA Adult Education Budget
- UKSPF Multiply Hull
- UKSPF Multiply East Riding
- UKSPF Exploring Opportunities Hull
- UKSPF Exploring Opportunities East Riding
- ESFA 16-18 Traineeships
- National Lottery Community Fund - This-Ability project
- ESF / National Lottery Community Fund - Building Better Opportunities (BBO Humber)
- ESF Springboard
- ESIF Hull Community-Led Local Development (under Hull City Council, the accountable body)

With our partners we have delivered a wide range of learning opportunities to disadvantaged people. The contracts and projects are summarised below. The letters in brackets demonstrate which of HLC's charitable objects (see above) are being met by a particular area of work, grant, or contract.

Quality and Development (a, b, c, d, e)

Quality assurance and the development of our delivery partners is driven by our commitment to continuous improvement. Supporting voluntary sector organisations to become high quality learning providers is one of HLC's primary charitable objects and one of our 3 strategic priorities. HLC carries out a range of quality and development activities, including:

- Regular 1-1 quality and support visits to partners
- Observations of teaching, learning, and assessment (including dual observations)
- Quality Improvement Network meetings (5-6 per academic year)
- Designated Safeguarding Officers network (4 per year)
- Continuing professional development events
- Equality & diversity support, inc. E&D diaries and calendars
- Learner enrichment activities
- Safeguarding & Prevent Duty support and advice
- E-safety audits
- Webinars
- Telephone advice, on-line meetings, 1-1 support, and virtual networks
- A dedicated quality resources website
- Matrix IAG quality assurance compliance support

These activities help HLC to maintain and strengthen our relationships with partner organisations, in turn helping them to build their own capacity and deliver high quality learning opportunities to our target beneficiaries.

HLC continues to demonstrate a strong commitment to quality improvement and was rated "Good" by Ofsted inspectors in June 2022. HLC has now been rated "Good" in all its inspections (2012, 2015, 2022). HLC holds the Matrix information, advice, and guidance quality standard, and Cyber Essentials accreditation.

DfE - 16-18 Study Programme started August 2023 (a, b, c, e)

The Study Programme replaced our previous 16-18 Traineeship contract when the national Traineeships programme was scrapped by the former Conservative government. This is initially a small annual contract delivered by 2 community-based partners. In 2023-24 it will support approximately 21 learners in Hull & East Yorkshire. HLC will be seeking to grow its Study Programme delivery incrementally and carefully over the coming 2-3 academic years to develop and maintain quality of provision.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

ESFA - Adult Education Budget – started August 2023 (a, b, c, e)

HLC was one of only 55 training providers nationally to bid successfully through the 2023 ESFA Adult Education Budget (AEB) procurement exercise. The annual recurring AEB programme supports adults aged 19+ offering a range of flexible accredited units and qualifications that are designed to progress individuals into employment, further learning, or career progression. In 2023-24 HLC worked with 5 community-based delivery partners in Hull & East Riding to support 365 learners. We intend to grow out AEB provision gradually, adding new partners and local delivery over the next 2-3 years. AEB will be rebadged as Adult Skills Fund (ASF) from August 2024 and will eventually come under the local remit and control of the Hull & East Riding Mayoral Combined Authority (via Devolution) in summer 2026.

UKSPF Multiply Hull November 2022 to March 2025 (a, b, c, d, e)

Multiply is a national 3-year numeracy programme aimed at adults aged 19+. It is funded through a 20% top slice of the UK Shared Prosperity Fund (UKSPF) and is designed to improve adults' numeracy skills by engaging them in activities that develop their confidence with numbers. HLC is leading a partnership of 4 community based VCSE organisations who are delivering maths-based activities across the city of Hull. The HLC-led partnership is delivering 3 out of the 5 Multiply contracts that were tendered out by Hull City Council. These activities currently run until March 2025.

UKSPF Multiply East Riding November 2022 to March 2025 (a, c, d)

HLC is leading a partnership of 5 community based VCSE partners who are delivering maths engagement activities across the East Riding of Yorkshire with a particular emphasis on Bridlington, Goole, and Holderness. The ER Multiply contract is annual (April-March) and has been confirmed until March 2025.

UKSPF Exploring Opportunities Hull from April 2023 to March 2025 (a, b, c)

Funded through UKSPF with Hull City Council as the accountable body, EO Hull is an HLC-led partnership project with 8 experienced Hull-based organisations. It aims to support unemployed and economically inactive residents with the goal of progressing them into employment or further learning or moving them closer to the labour market. The partnership provides beneficiaries with 1-1 keyworker and a personalised programme of support, including dedicated mental health and debt advice services. The delivery model builds upon best practice from our successful CLLD, BBO, and Springboard programmes.

UKSPF Exploring Opportunities East Riding from August 2023 to March 2025 (a, b, c)

Funded through UKSPF with East Riding as the accountable body, EO East Riding is an HLC-led partnership project with 8 experienced ER-based organisations. It aims to support unemployed and economically inactive residents with the goal of progressing them into employment or further learning or moving them closer to the labour market. The partnership provides beneficiaries with 1-1 keyworker and a personalised programme of support, including dedicated mental health and debt advice services. The delivery model builds upon best practice from our successful CLLD, BBO, and Springboard programmes.

ESFA - 16-18 Traineeships end July 2023 (a, c, d)

This was a mainstream ESFA contract supporting young people aged 16-18 (a package of maths, English, ICT skills provision, employability skills, and structured work placements). In the 2023-24 academic year this was replaced by an alternative DfE 16-18 Study Programme (see above) when Traineeships were scrapped by the former Conservative government.

National Lottery Community Fund - This-Ability ended Mar 2024 (a, c, d)

'This-Ability' was a 5-year project (January 2019 to March 2024) covering Hull and the East Riding. It supported young people aged 18-29 with hidden disabilities, learning difficulties, physical disabilities, and long-term health conditions. This-Ability was purely an 'into employment' project. At project close, This-Ability had supported 218 young people. A 2-year follow-on project "Good to Go" has been funded by National Lottery Community Fund via its Reaching Communities programme.

ESF & National Lottery Communities Fund - Building Better Opportunities (BBO Humber) ended June 2023 (a, b, c)

HLC worked with 14 partner organisations across the Humber, including the 4 local authorities, with a target to support 1,882 economically inactive (80%) and unemployed individuals (20%), aged 25+. A total of 2,001 participants accessed the programme (106% of target). At project close, BBO had progressed 511 participants (25.5%) into employment, 624 (31.2%) into further learning, and 308 (15.4%) into job search activities.

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

Springboard (ESF and National Lottery Match Funding) ended December 2023 (a, c, d)

Springboard was a £21m programme (2016 to Dec 2023) supporting economically inactive and unemployed young people (aged 16-29) across the city of Hull and the East Riding. It also covered North and North-East Lincolnshire up to 2019. Springboard and This-Ability (see above) were complementary projects from a match funding perspective. At project close Springboard had engaged 5716 participants with 41.3% going into further learning/training or employment.

ESF / ERDF Hull Community-Led Local Development (CLLD) ended June 2023 (a, b, c, d, e)

HLC acted as the Programme Management Organisation (PMO) managing a £6.63m programme of ESF and ERDF grants on behalf of Hull City Council (acting as the accountable body). The grants enabled applicant organisations (grant recipients) to deliver employability and enterprise support activities to unemployed and economically inactive participants living in 4 'hub areas' of Hull – West & Central, East, North and Orchard Park, and Bransholme. As the PMO, HLC provided community engagement, promoted CLLD grants, coordinated grant rounds, and performance / quality managed the successful grant recipients. At project close, CLLD had engaged 2,165 ESF participants with 58.5% moving into further learning, employment, or active job search.

Financial review

This year, HLC is reporting a surplus of £23,193. From a financial health perspective, HLC has robust sustainability and gearing ratings (no borrowings), with an unrestricted reserve position of £852,754.

This year's surplus consolidates HLC's sound financial footing, and our considerable unrestricted reserves provide working capital to enable Trustees to plan with confidence for 2024-25.

Plans for future periods

At the time of writing, the new Labour government has not made any announcements about the future of UKSPF funding beyond March 2025. Clarity on this is critical because 23 partner organisations are currently delivering on HLC's UKSPF programmes (including Multiply).

We were pleased to be one of only 55 learning providers nationally to gain an Adult Education Budget (AEB) contract in the 2023 ESFA tendering round. This £0.47m contract, along with our 16-18 Study Programme, places HLC firmly back in the mainstream-funded learning arena for the first time since 2019. Both contracts offer potential for performance-based growth, and we will be seeking to develop these incrementally over the next 2-3 academic years.

The AEB success also positions us in advance of the Hull & East Riding devolution deal, which is now moving at pace towards a mayoral combined authority in early-2025. This will mean that our area will have direct control over the AEB budget and commissioning processes, probably from 2026-27, which should benefit HLC, our partners, and the local community.

Structure, governance and management

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 trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P Nicholson
Mr A Jonas
Mr M Jennings
Mr C A Darnell
Mr G Betts
Mrs L Benton

HUMBER LEARNING CONSORTIUM

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Organisational structure

A board comprising six trustees is the current the accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association.

The trustees meet quarterly to discuss and approve major decisions. The board of HLC has a Finance & General Purposes sub-group, which meets in advance of a full board meeting to scrutinise the financial and management accounts. A management team comprising a Chief Executive, Deputy Chief Executive, and Quality Director, oversees the day-to-day operations of the organisation. The Chief Executive also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the whole staff team to engage in and discuss issues affecting the organisation. We meet as a whole group every January for an away day. This ensures that the staff team remains fully engaged and that strategic decisions of the board benefit from the expertise and operational experience of all employees. Responsibility for the day-to-day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility.

Contractual Partnerships

Humber Learning Consortium utilises contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Education & Skills Funding Agency, Department for Education (DfE), National Lottery Community Fund, Hull City Council (UKSPF & Multiply), and East Riding of Yorkshire Council (UKSPF & Multiply). HLC also has strategic alliances which support VCS learning; partners include Hull & East Yorkshire Business Growth & Skills Hub (formerly HEY LEP), and the National Careers Service.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The management team in conjunction with trustee representatives review the risks faced by the organisation. A risk register is held and reviewed periodically to assess changing risk factors. The main risks to the organisation considered as part of this strategy are as follows:

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Personnel
5. Teaching, Learning & Assessment
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

Auditor

Following a procurement exercise Rackhams Accountants Limited re-appointed by HLC trustees at the 2023 AGM for a 3-year period.

The trustees' report was approved by the Board of Trustees.



Mr A D Crossland
~~Trustee~~ *Secretary*

19 September 2024

HUMBER LEARNING CONSORTIUM

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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. 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.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Opinion

We have audited the financial statements of Humber Learning Consortium (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, 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:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, 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.

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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 an auditor's report 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, in the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected, or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and we determined that the following were most relevant: FRS 102, Companies Act 2006, Health and Safety at Work Act and Employment Law.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities, including fraud, and tailored our procedures according to this risk assessment.

HUMBER LEARNING CONSORTIUM

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records. In particular, we tested items that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. In particular, we considered going concern and impairment of trade debtors.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines.
- Performing physical verification of key assets.
- Obtaining third party confirmation of material balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Trevor Rackham FCCA (Senior Statutory Auditor)
for and on behalf of Rackhams Accountants Limited

19 September 2024

Chartered Certified Accountants
Statutory Auditor

3 Melton Enterprise Park
Redcliff Road
Melton
East Yorkshire
England
HU14 3RS

Rackhams Accountants Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

HUMBER LEARNING CONSORTIUM

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income from:							
Charitable activities	3	747,346	3,934,780	4,682,126	758,733	4,090,873	4,849,606
Investments	4	5,108	-	5,108	-	-	-
Total income		<u>752,454</u>	<u>3,934,780</u>	<u>4,687,234</u>	<u>758,733</u>	<u>4,090,873</u>	<u>4,849,606</u>
Expenditure on:							
Charitable activities	5	826,798	3,837,243	4,664,041	748,995	4,100,229	4,849,224
Total expenditure		<u>826,798</u>	<u>3,837,243</u>	<u>4,664,041</u>	<u>748,995</u>	<u>4,100,229</u>	<u>4,849,224</u>
Net income/(expenditure)		<u>(74,344)</u>	<u>97,537</u>	<u>23,193</u>	<u>9,738</u>	<u>(9,356)</u>	<u>382</u>
Transfers between funds		124,449	(124,449)	-	(42,779)	42,779	-
Net movement in funds	7	<u>50,105</u>	<u>(26,912)</u>	<u>23,193</u>	<u>(33,041)</u>	<u>33,423</u>	<u>382</u>
Reconciliation of funds:							
Fund balances at 1 April 2023		<u>802,844</u>	<u>26,717</u>	<u>829,561</u>	<u>835,885</u>	<u>(6,706)</u>	<u>829,179</u>
Fund balances at 31 March 2024		<u><u>852,949</u></u>	<u><u>(195)</u></u>	<u><u>852,754</u></u>	<u><u>802,844</u></u>	<u><u>26,717</u></u>	<u><u>829,561</u></u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

HUMBER LEARNING CONSORTIUM

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	11		5,614		15,042
Current assets					
Debtors	12	699,453		702,361	
Cash at bank and in hand		995,467		1,158,807	
		1,694,920		1,861,168	
Creditors: amounts falling due within one year	13	(847,780)		(1,046,649)	
Net current assets			847,140		814,519
Total assets less current liabilities			852,754		829,561
The funds of the charity					
Restricted income funds	16		(195)		26,717
Unrestricted funds	17		852,949		802,844
			852,754		829,561

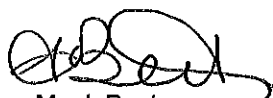
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 19 September 2024



Mrs L Benton
Trustee

Company registration number 04383779 (England and Wales)

HUMBER LEARNING CONSORTIUM

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	20		(168,448)		163,643
Investing activities					
Purchase of tangible fixed assets		-		(6,433)	
Proceeds from disposal of tangible fixed assets		-		175	
Investment income received		5,108		-	
Net cash generated from/(used in) investing activities			5,108		(6,258)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(163,340)		157,385
Cash and cash equivalents at beginning of year			1,158,807		1,001,422
Cash and cash equivalents at end of year			995,467		1,158,807

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Humber Learning Consortium is a private company limited by guarantee incorporated in England and Wales. The registered office is 63-71 Anlaby Road, Hull, England, East Yorkshire, HU3 2LL.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	3 years on cost
---------------------	-----------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

1.10 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Subcontracted learning						
Services provided under contract	747,346	3,934,780	4,682,126	758,733	4,090,873	4,849,606

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	5,108	-

5 Expenditure on charitable activities

	Subcontracted learning 2024 £	Subcontracted learning 2023 £
Direct costs		
Staff costs	1,214,420	1,301,216
Depreciation and impairment	9,427	10,953
Insurance	3,024	2,740
Event costs	4,708	5,948
External consultants	34,753	83,363
Training and trainers	2,370	7,839
ESFA community grants	-	547,550
Learner bursery payments	39,387	36,068
Subcontracted Learning	3,216,006	2,680,263
	<u>4,524,095</u>	<u>4,675,940</u>
Share of support and governance costs (see note 6)		
Support	135,462	168,831
Governance	4,484	4,453
	<u>4,664,041</u>	<u>4,849,224</u>
Analysis by fund		
Unrestricted funds	826,798	748,995
Restricted funds	3,837,243	4,100,229
	<u>4,664,041</u>	<u>4,849,224</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

6 Support costs allocated to activities

	2024 £	2023 £
Sundries	1,340	650
Bank charges	1,122	1,047
Accommodation	46,523	66,630
Communication	29,032	32,750
Equipment and resources	38,803	36,135
Organisation development	7,514	6,827
Staff expenses	11,128	24,792
Governance costs	4,484	4,453
	<u>139,946</u>	<u>173,284</u>
Analysed between:		
Subcontracted learning	<u>139,946</u>	<u>173,284</u>

7 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	4,292	3,685
Depreciation of owned tangible fixed assets	<u>9,427</u>	<u>10,953</u>

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
CEO	1	1
Senior management	2	2
Delivery staff	17	23
Administration	12	16
Information technology	2	2
	<u>34</u>	<u>44</u>
Total	<u>34</u>	<u>44</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

9 Employees (Continued)

Employment costs	2024 £	2023 £
Wages and salaries	1,016,854	1,091,528
Social security costs	93,766	98,299
Other pension costs	103,800	111,389
	<u>1,214,420</u>	<u>1,301,216</u>

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 - £70,000	1	2
£70,001 - £80,000	2	1
	<u>3</u>	<u>3</u>

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2023	46,761
Disposals	(12,073)
At 31 March 2024	<u>34,688</u>
Depreciation and Impairment	
At 1 April 2023	31,720
Depreciation charged in the year	9,427
Eliminated in respect of disposals	(12,073)
At 31 March 2024	<u>29,074</u>
Carrying amount	
At 31 March 2024	<u>5,614</u>
At 31 March 2023	<u>15,042</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

12 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	29,806	182,884
Prepayments and accrued income	669,647	519,477
	<u>699,453</u>	<u>702,361</u>

13 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other taxation and social security		13,859	64,855
Deferred income	14	35,528	642,997
Trade creditors		228,715	217,455
Accruals		569,678	121,342
		<u>847,780</u>	<u>1,046,649</u>

14 Deferred income

	2024	2023
	£	£
Other deferred income	<u>35,528</u>	<u>642,997</u>

Deferred income is included in the financial statements as follows:

	2024	2023
	£	£
Deferred income is included within:		
Current liabilities	<u>35,528</u>	<u>642,997</u>
Movements in the year:		
Deferred income at 1 April 2023	642,997	511,361
Released from previous periods	(642,997)	(511,361)
Resources deferred in the year	<u>35,528</u>	<u>642,997</u>
Deferred income at 31 March 2024	<u>35,528</u>	<u>642,997</u>

15 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>103,800</u>	<u>111,389</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Retirement benefit schemes

(Continued)

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

16 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
YEI ESF Springboard	25,398	559,055	(463,055)	(121,398)	-
This Ability	1,319	976,546	(979,150)	1,285	-
BBO	-	152,282	(149,854)	(2,428)	-
Springboard 3	-	815,190	(813,282)	(1,908)	-
High Needs Learners Funding	-	7,700	(7,825)	-	(125)
UKSPF Exploring Opportunities - East Riding	-	737,725	(737,802)	-	(77)
UKSPF Exploring Opportunities - Hull	-	686,282	(686,275)	-	7
	<u>26,717</u>	<u>3,934,780</u>	<u>(3,837,243)</u>	<u>(124,449)</u>	<u>(195)</u>
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
YEI ESF Springboard	22,425	1,148,650	(1,145,677)	-	25,398
This Ability	2,359	826,441	(827,481)	-	1,319
BBO	-	1,193,857	(1,207,881)	14,024	-
Community Grants 5	(31,490)	621,073	(618,338)	28,755	-
Springboard 3	-	300,852	(300,852)	-	-
	<u>(6,706)</u>	<u>4,090,873</u>	<u>4,100,229</u>	<u>42,779</u>	<u>26,717</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
Redundancy reserve	162,729	-	-	12,657	175,386
AEB	-	168,744	(257,937)	89,193	-
Youth Hub	4,227	(1,481)	(2,100)	(646)	-
Barbara Haigh Investment Fund	-	1,000	(1,000)	-	-
CLLD	156,890	29,563	(18,583)	(167,870)	-
Youth Hub 2	895	27,523	(28,300)	(118)	-
Youth Futures	448	48,524	(48,972)	-	-
VPP	-	29,856	(29,856)	-	-
Study Programme	-	64,703	(71,477)	-	(6,774)
Multiply East Riding	4,527	175,000	(173,215)	-	6,312
Multiply Hull	(227)	200,100	(200,684)	-	(811)
General funds	473,355	8,922	5,326	191,233	678,836
	<u>802,844</u>	<u>752,454</u>	<u>(826,798)</u>	<u>124,449</u>	<u>852,949</u>

Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
Redundancy reserve	139,941	-	-	22,788	162,729
AEB	-	109,610	(134,551)	24,941	-
Youth Hub	4,227	-	-	-	4,227
Barbara Haigh Investment Fund	-	1,150	(1,150)	-	-
CLLD	131,913	111,595	(86,618)	-	156,890
Spot Contracts	-	18,240	(28,945)	10,705	-
Youth Hub 2	-	204,667	(203,772)	-	895
Youth Futures	-	41,702	(41,254)	-	448
Multiply East Riding	-	185,932	(181,405)	-	4,527
Multiply Hull	-	82,000	(82,227)	-	(227)
General funds	559,804	3,837	10,927	(101,213)	473,355
	<u>835,885</u>	<u>758,733</u>	<u>(748,995)</u>	<u>(42,779)</u>	<u>802,844</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2024

18 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	5,614	-	5,614
Current assets/(liabilities)	847,335	(195)	847,140
	<u>852,949</u>	<u>(195)</u>	<u>852,754</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	15,042	-	15,042
Current assets/(liabilities)	787,802	26,717	814,519
	<u>802,844</u>	<u>26,717</u>	<u>829,561</u>

19 Related party transactions

The charitable company shares a mutual trustee with the Goodwin Development Trust. During the year payments were made by Humber Learning Consortium to Goodwin Development Trust amounting to £556,859 (2022 : £537,861).

20 Cash generated from operations	2024 £	2023 £
Surplus for the year	23,193	382
Adjustments for:		
Investment income recognised in statement of financial activities	(5,108)	-
Depreciation and impairment of tangible fixed assets	9,427	10,953
Movements in working capital:		
Decrease in debtors	2,908	268,226
Increase/(decrease) in creditors	408,600	(247,552)
(Decrease)/increase in deferred income	(607,468)	131,634
Cash (absorbed by)/generated from operations	<u>(168,448)</u>	<u>163,643</u>

Accounts

REGISTERED COMPANY NUMBER: 04383779 (England and Wales)
REGISTERED CHARITY NUMBER: 1097333

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
HUMBER LEARNING CONSORTIUM**

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

HUMBER LEARNING CONSORTIUM

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**CHAIRMAN'S REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

2022-23 has been the first of three 'crux' years for HLC, where we began the shift away from the considerable levels of European (ESF) funding into the new "Levelling Up" landscape of UK Shared Prosperity Fund (UKSPF). Although this has meant that resources and energy have been focused on bid-writing and business development, HLC has also been careful not to lose sight of driving the performance of its programmes and ensuring high quality learning provision is available for our target groups. This latter commitment was validated in June 2022 by HLC's "Good" Ofsted inspection outcome, which meant that HLC has been graded "Good" in every one of its 3 Ofsted inspections so far (2012, 2015, and 2022).

HLC and its delivery partners engaged and supported 2,063 learners in 2022-23. Despite the challenging funding environment, we achieved our key financial aim of breaking even. As a result of solid contract performance and careful cost management HLC is reporting a small surplus of £382 this year, which maintains our unrestricted reserves at £829,562. These healthy reserves will be particularly critical in the context of the funding uncertainty and closure of several projects in the next financial year (CLLD, BBO, Springboard, and This-Ability).

To replace these projects, senior managers have been actively pursuing UKSPF and Multiply funding opportunities, with considerable success. HLC has secured 3 Multiply contracts with Hull and East Riding councils and will lead a new Hull UKSPF all-age employment programme starting in April 2023. At the time of writing, we have also been successful with our East Riding UKSPF employment programme bid. These contracts provide a level of funding certainty through until March 2025. Following the government's decision to scrap Traineeships, DfE awarded HLC a small 16-19 Study Programme, which we aim to grow, starting August 2023. HLC was also one of only 55 providers to be successful in the national Adult Education Budget procurement exercise, which places us firmly back in the mainstream funding arena. Importantly, it also helps to strategically position HLC ahead of Hull & East Riding skills devolution, which we anticipate will take effect in 2026.

2022-23 has been another positive year, particular with our third consecutive successful Ofsted inspection and the new contracts we have won. These give us the confidence that HLC will continue to play a key role in the learning & skills landscape over the coming years. The trustees are mindful that the next two years will continue to present a challenge. However, we are also confident that HLC's strong delivery track record, reputation, staff team expertise, and robust financial health (good reserves position and no external borrowings) stand us in good stead for whatever is around the corner.



Lynn Benton
Chair of Trustees

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

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 31 March 2023. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable objects of HLC are to promote the advancement of education for the public benefit, in particular;

- (a) To improve access to learning opportunities for users, volunteers and employees of voluntary and community organisations in Humber and Yorkshire
- (b) To develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) To develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) To carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire region by providing training and on-going support to increase their ability to access funding and participate in the regeneration of their area.

Public benefit

HLC's activities promote the advancement of education for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including specific guidance on fee charging.

We work with delivery partners, the majority of which are local not-for-profit organisations, to deliver a wide range of accredited and non-accredited learning opportunities.

HLC's learning provision is targeted at disadvantaged individuals and communities. As a result, where possible, it is provided free of charge, or at the lowest possible cost to encourage access and participation.

From a broader perspective, HLC's activities help adults and young people within the Yorkshire and Humber region to engage on a learning journey that leads to further opportunities, benefiting both the individual and their communities.

Quality assurance and improvement processes are given a high profile across HLC and its partner's networks. Guidance and training are regularly provided to ensure that delivery partners and their staff members meet the quality thresholds of funders and inspection bodies.

HLC is committed to strengthening voluntary and community sector organisations to deliver learning opportunities. Our experience demonstrates that promoting the delivery of learning opportunities in partnership with local and trusted community groups helps to engage those from the most disadvantaged backgrounds.

STRATEGIC REPORT

Achievement and performance

Charitable activities

During 2022-23 HLC has been able to promote and deliver learning opportunities through the following core activities, grants, and contracts:

- Quality and Development
- 16-18 Traineeships
- ESF Community Grants (Humber, East Riding, York & North Yorkshire) - ended 31st March 2023
- National Lottery Community Fund - This-Ability project
- ESF / National Lottery Community Fund - Building Better Opportunities (BBO Humber)
- ESF Springboard
- ESIF Hull Community-Led Local Development (under Hull City Council, the accountable body)
- Youth Hub
- UKSPF Multiply Hull (2 contracts)
- UKSPF Multiply East Riding
- ERASMUS+ Independent People

With our partners we have delivered a wide range of learning opportunities to disadvantaged people. The contracts and projects are summarised below. The letters in brackets demonstrate which of HLC's charitable objects (see above) are being met by a particular area of work, grant, or contract.

Quality and Development (a, b, c, d, e)

Quality assurance and the development of our delivery partners is driven by our commitment to continuous improvement. Supporting voluntary sector organisations to become high quality learning providers is one of HLC's primary charitable objects and one of our 3 strategic priorities. HLC carries out a range of quality and development activities, including:

- Regular 1-1 quality and support visits to partners
- Observations of teaching, learning, and assessment (including dual observations)
- Quality Improvement Network meetings (5-6 per academic year)
- Designated Safeguarding Officers network (4 per year)
- Continuing professional development events
- Equality & diversity support, inc. E&D diaries and calendars
- Learner enrichment activities
- Safeguarding & Prevent Duty support and advice
- E-safety audits
- Webinars
- Telephone advice, on-line meetings, 1-1 support, and virtual networks
- A dedicated quality resources website
- Matrix IAG quality assurance compliance support

These activities help HLC to maintain and strengthen our relationships with partner organisations, in turn helping them to build their own capacity and deliver high quality learning opportunities to our target beneficiaries.

HLC continues to demonstrate a strong commitment to quality improvement and was rated "Good" by Ofsted inspectors in June 2022. HLC has now been rated "Good" in all its inspections (2012, 2015, 2022). HLC holds the Matrix information, advice, and guidance quality standard, and Cyber Essentials accreditation.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Charitable activities

ESFA 16-18 Traineeships (a, c, d)

This is a mainstream ESFA contract supporting young people aged 16-18 (a package of maths, English, ICT skills provision, employability skills, and structured work placements). In the 2023-24 academic year this will be replaced by an alternative DfE 16-19 Study Programme because Traineeships have been scrapped by the government.

ESF & ESFA Community Grants Humber, East Riding, York, and North Yorkshire (a, b, c, e)

ESF Community Grants provides grants of up to £20,000 to small and medium sized voluntary, community groups and social enterprises that are normally unable to access mainstream ESFA/ESF funding. The grants were used to help and assist unemployed or economically inactive individuals from deprived communities to move closer to the labour market. The ESF Community Grants programme closed in March 2023, by which time it had supported 2,927 participants and awarded 172 grants to small voluntary and community groups worth a total of £2,857,794.

National Lottery Community Fund - This-Ability (a, c, d)

'This-Ability' is a 5-year project (January 2019 to March 2024) in Hull and the East Riding, which supports young people aged 18-29 with hidden disabilities, learning difficulties, physical disabilities, and long-term health conditions. This-Ability is purely an 'into employment' project - aiming to progress at least 40% into sustained jobs. To March 2023 This-Ability has supported 228 young people and progressed 29% into employment.

ESF & National Lottery Communities Fund - Building Better Opportunities (BBO Humber) (a, b, c)

BBO was initially a 3-year £3.23m contract (November 2016 - October 2019), which was extended twice to June 2023 and provided with an additional £3.87m. HLC works with 14 partner organisations across the Humber, including the 4 local authorities, with a target to support 1,882 economically inactive (80%) and unemployed individuals (20%), aged 25+. A total of 2,001 participants have accessed the programme (106% of target). BBO has progressed 511 participants (25.5%) into employment, 671 (33.5%) into further learning, and 488 (24.4%) into job search activities.

Springboard (ESF and National Lottery Match Funding) (a, c, d)

Springboard is a £21m programme (2016 to Dec 2023) aimed at supporting economically inactive and unemployed young people (aged 16-29) across the city of Hull and the East Riding. It also covered North and North-East Lincolnshire up to 2019. Springboard and This-Ability (see above) are complementary projects from a match funding perspective. Springboard and This-Ability are closely linked to the Youth Hub, which is a partnership between HLC, Hull City Council, Goodwin Development Trust, and Job Centre Plus. Springboard has engaged 5421 participants since 2016 with 41% going into further learning/training or employment.

ESF / ERDF Hull Community-Led Local Development (CLLD) (a, b, c, d, e)

CLLD is a £635,000 contract (November 2017 - June 2023). HLC acts as the Programme Management Organisation (PMO) managing a £6.63m programme of ESF and ERDF grants on behalf of Hull City Council (acting as the accountable body). The grants enable applicant organisations (grant recipients) to deliver employability and enterprise support activities to at least 2510 unemployed and economically inactive participants living in 4 'hub areas' of Hull - West & Central, East, North and Orchard Park, and Bransholme. As the PMO, HLC provides community engagement, promotes CLLD grants, coordinates grant rounds, and performance / quality manages the successful grant recipients. CLLD had engaged 2165 ESF participants to March 2023, with 58% moving into further learning, employment, or active job search.

Youth Hub (c, d)

Youth Hub was funded through the DWP Flexible Support Fund until December 2022. Led by HLC, the partnership which includes Hull City Council, Goodwin Development Trust, and Job Centre Plus provides a physical location in Hull (Goodwin Community Hub, Anlaby Road) where unemployed / economically inactive young people can be referred to a team of mentors and ancillary support (e.g., mental health services). The service provides young people with information advice and guidance about a range of programmes and job opportunities, including This-Ability, Springboard, Traineeships, and Apprenticeships. Although DWP funding ended in December 2022, HLC and partners took the decision to continue with the Youth Hub concept, through a combination of other funding streams and initiatives. This will enable the Youth Hub to continue operating into late-2023.

UKSPF Multiply Hull (a, c, d)

Multiply is a national 3-year numeracy programme aimed at 19+ adults. It is funded through a 20% top slice of the UK Shared Prosperity Fund (UKSPF) and is designed to improve adults' numeracy skills by engaging them in activities that develop their confidence with numbers. HLC is leading a partnership of 4 community based VCSE organisations who are delivering maths engagement activities across the city of Hull. The HLC-led partnership is delivering 2 out of the 5 Multiply contracts that were tendered out by Hull City Council. These activities currently run until March 2025.

UKSPF Multiply East Riding (a, c, d)

HLC is leading a partnership of 5 community based VCSE partners who are delivering maths engagement activities across the East Riding of Yorkshire with a particular emphasis on Bridlington, Goole, and Holderness. The ER Multiply contract is annual (April-March) with potential to run until March 2025.

ERASMUS+ Independent People (b, c)

An 18-month ERASMUS+ strategic youth partnership funded by the EU, led by HLC with 2 partners: Karlstads Kommun (Sweden) and vzwPart (Belgium). The project successfully concluded in June 2022. The collaboration project addressed "soft skills" gaps for young people, by producing 3 tangible results: a framework of 8 soft skills that are common to UK, Swedish, and Belgian youthwork contexts, a passport to help evidence the acquisition of soft skills, and a project website that contains open access soft skills training methodologies for use by youth workers, keyworkers, and tutors. www.independentpeople.sit

Financial review

Our small surplus this year consolidates HLC's sound financial footing and our unrestricted reserves of £829,562 provides working capital to enable Trustees to plan with confidence for the next 2-3 years.

This year, HLC is reporting a surplus of £382. From a financial health perspective, HLC has robust sustainability and gearing ratings (no borrowings), with an unrestricted cash reserve position of £829,562.

STRATEGIC REPORT

Future Developments

The publication of local authority UK Shared Prosperity Fund investment plans in 2022-23 has provided some clarity about the UK domestic funding opportunities post-ESF. The picture in the Humber however has been mixed, with Hull and East Riding councils both keen on partnership approaches to programme delivery, whereas North and North-East Lincolnshire councils have taken a more fragmented approach to commissioning and procuring People & Skills activities, which limits partnership bidding opportunities. Nevertheless, HLC's success in bidding for Multiply and UKSPF contracts in Hull and East Riding provides a good platform for further bids and in the meantime, we will be maintaining a watching brief on the south bank, should anything materialise.

The government's decision in December 2022 to scrap the national traineeship programme was a major disappointment, however, with support from Hull City Council, HLC was able to make a successful case for access to the Study Programme from August 2023. This will enable us to continue delivery of "traineeship-style" programmes for disadvantaged young people. The new Study Programme is initially small, so HLC intends to use its own working capital to enable growth and development of the programme over the coming few years.

We were pleased to be one of only 55 learning providers nationally to gain an Adult Education Budget (AEB) contract in the latest ESFA tendering round. This sizeable contract, along with the new Study Programme, places HLC firmly back in the mainstream-funded learning arena for the first time since 2017. These programmes are in scope for Ofsted, and we will be prioritising our Quality & Development activities to ensure we always remain "inspection-ready". We are also working towards accreditation for the new ESFA sub-contracting standard and expect to achieve this by October 2023.

The AEB success also positions us nicely in advance of the Hull & East Riding devolution deal, which is now moving at pace towards a mayoral combined authority in early-2025. This will mean that our area will have direct control over the AEB budget and commissioning processes, probably from 2026-27, which should benefit HLC, our partners, and the local community.

Beyond UKSPF and mainstream ESFA/DfE funding, we are focused on National Lottery opportunities, Youth Futures Foundation, and have recently commenced work with the Humberside Police & Crime Commissioners Office, which holds potential for the future.

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.

Organisational structure

A board comprising six trustees is the current the accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association.

The trustees meet quarterly to discuss and approve major decisions. The board of HLC has a Finance & General Purposes sub-group, which meets quarterly in advance of a full board meeting to scrutinise the financial and management accounts. A management team comprising a Chief Executive, Deputy Chief Executive, and Quality Director, oversees the day-to-day operations of the organisation. The Chief Executive also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the whole staff team to engage in a consideration of the issues affecting the organisation's direction. We meet as a whole group every January for an away day. This ensures that the staff team remains fully engaged and that strategic decisions of the board benefit from the expertise and operational experience of the employees. Responsibility for the day-to-day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Contractual Partnerships

Humber Learning Consortium utilises contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Education & Skills Funding Agency, DWP, and National Lottery Community Fund. HLC also has a number of strategic alliances which support VCS learning; partners include Hull & East Yorkshire Local Enterprise Partnership, National Careers Service, Your Consortium Limited, and the 4 local authorities (Hull, East Riding of Yorkshire, North-East Lincolnshire, and North Lincolnshire).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Management Team in conjunction with Trustee representatives review the risks faced by the organisation. A risk register is held and reviewed periodically to assess changing risk factors. The main risks to the organisation considered as part of this strategy are as follows:

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Personnel
5. Teaching, Learning & Assessment
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04383779 (England and Wales)

Registered Charity number

1097333

Registered office

63-71 Anlaby Road
Hull
England
East Yorkshire
HU3 2LL

Trustees

C A Darnell
G Betts
Mrs L Benton
P Nicholson
A Jonas
M Jennings

Company Secretary

A D Crossland

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

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

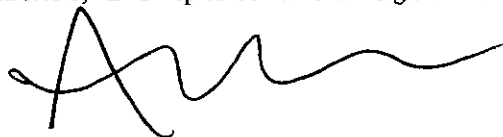
In so far as the trustees are aware:

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

AUDITORS

Following a procurement exercise Rackhams Accountants Limited were re-appointed by HLC trustees at the 2020 AGM for a 3-year period.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 September 2023 and signed on the board's behalf by:



A D Crossland - Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Opinion

We have audited the financial statements of Humber Learning Consortium (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 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.

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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HUMBER LEARNING CONSORTIUM**

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, in the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected, or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and we determined that the following were most relevant: FRS 102, Companies Act 2006, Health and Safety at Work Act and Employment Law.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities, including fraud, and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records. In particular, we tested items that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. In particular, we considered going concern and impairment of trade debtors.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines.
- Performing physical verification of key assets.
- Obtaining third party confirmation of material balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

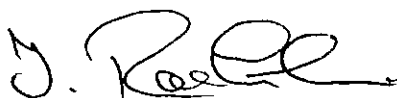
REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

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. 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Rackhams Accountants Limited

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

3 Melton Park

Redcliff Road

Melton

East Yorkshire

HU14 3RS

21 September 2023

HUMBER LEARNING CONSORTIUM

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1	(4)	(3)	4
Charitable activities	3				
Subcontracted learning		758,734	4,090,873	4,849,607	5,018,494
Total		<u>758,735</u>	<u>4,090,869</u>	<u>4,849,604</u>	<u>5,018,498</u>
EXPENDITURE ON					
Charitable activities	4				
Subcontracted learning		744,540	4,100,229	4,844,769	4,978,431
Governance		4,453	-	4,453	4,495
Total		<u>748,993</u>	<u>4,100,229</u>	<u>4,849,222</u>	<u>4,982,926</u>
NET INCOME/(EXPENDITURE)		9,742	(9,360)	382	35,572
Transfers between funds	13	(42,779)	42,779	-	-
Net movement in funds		<u>(33,037)</u>	<u>33,419</u>	<u>382</u>	<u>35,572</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		835,885	(6,705)	829,180	793,608
TOTAL FUNDS CARRIED FORWARD		<u><u>802,848</u></u>	<u><u>26,714</u></u>	<u><u>829,562</u></u>	<u><u>829,180</u></u>

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	10	15,041	-	15,041	19,737
CURRENT ASSETS					
Debtors	11	702,362	-	702,362	970,585
Cash at bank and in hand		1,132,090	26,718	1,158,808	1,001,422
		<u>1,834,452</u>	<u>26,718</u>	<u>1,861,170</u>	<u>1,972,007</u>
CREDITORS					
Amounts falling due within one year	12	(1,046,649)	-	(1,046,649)	(1,162,564)
NET CURRENT ASSETS		<u>787,803</u>	<u>26,718</u>	<u>814,521</u>	<u>809,443</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>802,844</u>	<u>26,718</u>	<u>829,562</u>	<u>829,180</u>
NET ASSETS/(LIABILITIES)		<u>802,844</u>	<u>26,718</u>	<u>829,562</u>	<u>829,180</u>
FUNDS	13				
Unrestricted funds				802,844	835,885
Restricted funds				26,718	(6,705)
TOTAL FUNDS				<u>829,562</u>	<u>829,180</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 21 September 2023 and were signed on its behalf by:

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET - continued
31 MARCH 2023

L Benton - Trustee

A handwritten signature in blue ink, appearing to read 'L Benton', is written over the printed name.

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	163,644	(601,993)
Net cash provided by/(used in) operating activities		163,644	(601,993)
Cash flows from investing activities			
Purchase of tangible fixed assets		(6,433)	(13,162)
Sale of tangible fixed assets		175	-
Net cash used in investing activities		(6,258)	(13,162)
Change in cash and cash equivalents in the reporting period		157,386	(615,155)
Cash and cash equivalents at the beginning of the reporting period		1,001,422	1,616,577
Cash and cash equivalents at the end of the reporting period		1,158,808	1,001,422

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	382	35,572
Adjustments for:		
Depreciation charges	10,952	6,907
Decrease/(increase) in debtors	268,225	(609,079)
Decrease in creditors	(115,915)	(35,393)
Net cash provided by/(used in) operations	<u>163,644</u>	<u>(601,993)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>1,001,422</u>	<u>157,386</u>	<u>1,158,808</u>
	<u>1,001,422</u>	<u>157,386</u>	<u>1,158,808</u>
Total	<u>1,001,422</u>	<u>157,386</u>	<u>1,158,808</u>

The notes form part of these financial statements

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Tangible fixed assets

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

Plant and machinery - Straight line over 3 years

Capital grants received are credited to a restricted fund against which the depreciation of the relevant asset is charged.

Items costing below £1,000 individually are not usually capitalised. An annual impairment review is carried out to ensure that all fixed assets still have a useful life.

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.

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.

HUMBER LEARNING CONSORTIUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Gifts	(3)	4

3. INCOME FROM CHARITABLE ACTIVITIES

Activity	2023	2022
	£	£
Service contracts, subcontracted learning and other income		
Subcontracted learning	4,849,607	5,018,494

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Subcontracted learning	4,675,935	168,834	4,844,769
Governance	-	4,453	4,453
	<u>4,675,935</u>	<u>173,287</u>	<u>4,849,222</u>

5. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Subcontracted learning	144,040	24,794	-	168,834
Governance	-	-	4,453	4,453
	<u>144,040</u>	<u>24,794</u>	<u>4,453</u>	<u>173,287</u>

6. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Depreciation - owned assets	10,954	6,907

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

No expenses were paid to trustees in the current or prior year.

8. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,091,528	1,066,825
Social security costs	98,297	91,677
Other pension costs	111,388	108,629
	<u>1,301,213</u>	<u>1,267,131</u>

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

	2023	2022
CEO	1	1
Senior Management	2	2
Delivery staff	23	20
Administration	16	18
Information Technology	2	2
	<u>44</u>	<u>43</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
	<u>3</u>	<u>2</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	4	4
Charitable activities			
Subcontracted learning	680,623	4,337,871	5,018,494
Total	<u>680,623</u>	<u>4,337,875</u>	<u>5,018,498</u>
EXPENDITURE ON			
Charitable activities			
Subcontracted learning	632,207	4,346,224	4,978,431

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Governance	4,495	-	4,495
Total	636,702	4,346,224	4,982,926
NET INCOME/(EXPENDITURE)	43,921	(8,349)	35,572
Transfers between funds	(14,900)	14,900	-
Net movement in funds	29,021	6,551	35,572
RECONCILIATION OF FUNDS			
Total funds brought forward	806,861	(13,253)	793,608
TOTAL FUNDS CARRIED FORWARD	835,882	(6,702)	829,180

10. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 April 2022	40,855
Additions	6,433
Disposals	(527)
At 31 March 2023	46,761
DEPRECIATION	
At 1 April 2022	21,118
Charge for year	10,954
Eliminated on disposal	(352)
At 31 March 2023	31,720
NET BOOK VALUE	
At 31 March 2023	15,041
At 31 March 2022	19,737

HUMBER LEARNING CONSORTIUM

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	182,885	3,421
Accrued income	516,002	939,646
Prepayments	3,475	2,732
Deferred expenses	-	24,786
	<u>702,362</u>	<u>970,585</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	217,455	487,834
Social security and other taxes	(16)	592
VAT	64,871	4,963
Deferred income	642,997	511,361
Accrued expenses	121,342	157,814
	<u>1,046,649</u>	<u>1,162,564</u>

13. MOVEMENT IN FUNDS

	At 1.4.22	Net movement in funds	Transfers between funds	At 31.3.23
	£	£	£	£
Unrestricted funds				
General fund	559,804	14,764	(101,213)	473,355
Redundancy reserve	139,941	-	22,788	162,729
AEB	-	(24,941)	24,941	-
Youth Hub	4,227	-	-	4,227
CLLD	131,913	24,977	-	156,890
Spot Contracts	-	(10,705)	10,705	-
Youth Hub 2	-	895	-	895
Multiply East Riding	-	4,527	-	4,527
Youth Futures	-	448	-	448
Multiply Hull	-	(227)	-	(227)
	<u>835,885</u>	<u>9,738</u>	<u>(42,779)</u>	<u>802,844</u>
Restricted funds				
YEI ESF Springboard	22,426	2,973	-	25,399
This Ability	2,359	(1,040)	-	1,319
BBO	-	(14,024)	14,024	-
Community Grants 5	(31,490)	2,735	28,755	-
	<u>(6,705)</u>	<u>(9,356)</u>	<u>42,779</u>	<u>26,718</u>
TOTAL FUNDS	<u>829,180</u>	<u>382</u>	<u>-</u>	<u>829,562</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	3,839	10,925	14,764
AEB	109,610	(134,551)	(24,941)
Barbara Haigh Investment Fund	1,150	(1,150)	-
CLLD	111,595	(86,618)	24,977
Spot Contracts	18,240	(28,945)	(10,705)
Youth Hub 2	204,667	(203,772)	895
Multiply East Riding	185,932	(181,405)	4,527
Youth Futures	41,702	(41,254)	448
Multiply Hull	82,000	(82,227)	(227)
	<u>758,735</u>	<u>(748,997)</u>	<u>9,738</u>
Restricted funds			
YEI ESF Springboard	1,148,646	(1,145,673)	2,973
This Ability	826,441	(827,481)	(1,040)
BBO	1,193,857	(1,207,881)	(14,024)
Community Grants 5	621,073	(618,338)	2,735
Springboard 3	300,852	(300,852)	-
	<u>4,090,869</u>	<u>(4,100,225)</u>	<u>(9,356)</u>
TOTAL FUNDS	<u><u>4,849,604</u></u>	<u><u>(4,849,222)</u></u>	<u><u>382</u></u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	565,208	32,931	(38,335)	559,804
Redundancy reserve	130,049	-	9,892	139,941
AEB	-	(9,883)	9,883	-
Youth Hub	107	4,120	-	4,227
CLLD	108,723	23,190	-	131,913
Spot Contracts	2,774	(6,316)	3,542	-
Youth Hub 2	-	(118)	118	-
	<u>806,861</u>	<u>43,924</u>	<u>(14,900)</u>	<u>835,885</u>
Restricted funds				
YEI ESF Springboard	16,451	5,975	-	22,426
This Ability	5,042	(2,683)	-	2,359
BBO	3,196	(18,096)	14,900	-
Community Grants 5	(37,942)	6,452	-	(31,490)
	<u>(13,253)</u>	<u>(8,352)</u>	<u>14,900</u>	<u>(6,705)</u>
TOTAL FUNDS	<u>793,608</u>	<u>35,572</u>	<u>-</u>	<u>829,180</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	18,703	14,228	32,931
AEB	258,115	(267,998)	(9,883)
Youth Hub	176,658	(172,538)	4,120
Barbara Haigh Investment Fund	4,303	(4,303)	-
CLLD	125,391	(102,201)	23,190
Spot Contracts	25,784	(32,100)	(6,316)
Youth Hub 2	71,670	(71,788)	(118)
	<u>680,624</u>	<u>(636,700)</u>	<u>43,924</u>
Restricted funds			
YEI ESF Springboard	1,435,552	(1,429,577)	5,975
This Ability	651,419	(654,102)	(2,683)
BBO	1,168,014	(1,186,110)	(18,096)
Community Grants 5	1,051,527	(1,045,075)	6,452
Springboard 3	31,362	(31,362)	-
	<u>4,337,874</u>	<u>(4,346,226)</u>	<u>(8,352)</u>
TOTAL FUNDS	<u>5,018,498</u>	<u>(4,982,926)</u>	<u>35,572</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

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

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	565,208	47,695	(139,548)	473,355
Redundancy reserve	130,049	-	32,680	162,729
AEB	-	(34,824)	34,824	-
Youth Hub	107	4,120	-	4,227
CLLD	108,723	48,167	-	156,890
Spot Contracts	2,774	(17,021)	14,247	-
Youth Hub 2	-	777	118	895
Multiply East Riding	-	4,527	-	4,527
Youth Futures	-	448	-	448
Multiply Hull	-	(227)	-	(227)
	806,861	53,662	(57,679)	802,844
Restricted funds				
YEI ESF Springboard	16,451	8,948	-	25,399
This Ability	5,042	(3,723)	-	1,319
BBO	3,196	(32,120)	28,924	-
Community Grants 5	(37,942)	9,187	28,755	-
	(13,253)	(17,708)	57,679	26,718
TOTAL FUNDS	793,608	35,954	-	829,562

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

13. MOVEMENT IN FUNDS - continued

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 £
Unrestricted funds			
General fund	22,542	25,153	47,695
AEB	367,725	(402,549)	(34,824)
Youth Hub	176,658	(172,538)	4,120
Barbara Haigh Investment Fund	5,453	(5,453)	-
CLLD	236,986	(188,819)	48,167
Spot Contracts	44,024	(61,045)	(17,021)
Youth Hub 2	276,337	(275,560)	777
Multiply East Riding	185,932	(181,405)	4,527
Youth Futures	41,702	(41,254)	448
Multiply Hull	82,000	(82,227)	(227)
	1,439,359	(1,385,697)	53,662
Restricted funds			
YEI ESF Springboard	2,584,198	(2,575,250)	8,948
This Ability	1,477,860	(1,481,583)	(3,723)
BBO	2,361,871	(2,393,991)	(32,120)
Community Grants 5	1,672,600	(1,663,413)	9,187
Springboard 3	332,214	(332,214)	-
	8,428,743	(8,446,451)	(17,708)
TOTAL FUNDS	9,868,102	(9,832,148)	35,954

14. RELATED PARTY DISCLOSURES

The charitable company shares a mutual trustee with the Goodwin Development Trust. During the year payments were made by Humber Learning Consortium to Goodwin Development Trust amounting to £537,861 (2022 £504,765).

HUMBER LEARNING CONSORTIUM**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts	(3)	4
Charitable activities		
Service contracts, subcontracted learning and other income	4,849,607	5,018,494
Total incoming resources	4,849,604	5,018,498
EXPENDITURE		
Charitable activities		
Wages	1,091,528	1,066,825
Social security	98,297	91,677
Pensions	111,388	108,629
Insurance	2,740	2,549
Event costs	5,948	90
External consultants	83,363	38,270
Training and trainers	7,839	4,805
ESFA community grants	547,550	943,646
Learner bursary payments	36,068	7,169
Subcontracted learning	2,680,262	2,572,540
Depreciation	10,952	6,907
	4,675,935	4,843,107
Support costs		
Finance		
Sundries	650	5,516
Bank charges	1,047	1,045
Accommodation	66,630	49,672
Communication	32,751	34,476
Equipment and resources	36,136	20,015
Organisational development	6,826	10,622
	144,040	121,346
Other		
Staff expenses	24,794	13,998
Bad debts	-	(20)
	24,794	13,978
Governance costs		
Legal fees	768	810
Carried forward	768	810

This page does not form part of the statutory financial statements

HUMBER LEARNING CONSORTIUM**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Governance costs		
Brought forward	768	810
Auditors' remuneration	3,685	3,685
	<u>4,453</u>	<u>4,495</u>
Total resources expended	<u>4,849,222</u>	<u>4,982,926</u>
Net income	<u>382</u>	<u>35,572</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 04383779 (England and Wales)
REGISTERED CHARITY NUMBER: 1097333

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
HUMBER LEARNING CONSORTIUM**

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

HUMBER LEARNING CONSORTIUM

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HUMBER LEARNING CONSORTIUM

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MARCH 2022

During 2021-22, the HLC team began a gradual return to office working following the pandemic. As with many businesses, the lockdowns gave us an opportunity to reflect on how we work, and hybrid-working and tele-meetings are certainly a way forward in terms of improved productivity and achieving a work-life balance.

Despite Covid-19, our various projects have managed to broadly deliver as planned (see "Achievement & Performance" section below), with BBO being a notable success.

As a charity our aims are to support disadvantaged communities and individuals and in 2021-22, through our partners, HLC worked with 2,612 learners. As a result of this solid performance and careful cost management HLC reported a 2021-22 surplus of £35,572, with unrestricted reserves reaching £829,180.

However, the next two financial years will be particularly crucial for HLC as ESF Community Grants officially ends in March 2023, and almost all our other contracts close in 2023-24, including CLLD and BBO (June 2023), Springboard (September 2023), and This-Ability (December 2023).

The end of these projects, in such a short space of time, presents a major challenge in terms of securing new funding streams. In response, HLC's senior managers have been actively engaged in UKSPF and Multiply investment planning processes with the Humber local authorities, as well as closely following Combined Authority skills devolution developments and the emerging funding strategies of both the National Lottery Community Fund and Youth Futures Foundation. The aim, where possible, is to secure extension or replacement funding for our current youth and adult employment programmes and maintain momentum into the new world of UKSPF funding.

Beyond these major funders, we are continuing to seek appropriate business development opportunities (contracts and grants), which will enable HLC to fulfil its charitable objects.

In summary 2021-22 was a positive year, especially following the global pandemic. As trustees we are conscious that the next two years present a different kind of challenge, especially as we move from EU-funding to UKSPF. However, I am confident that HLC's strong delivery track record, reputation, staff team expertise, and robust financial health (good reserves position and no external borrowings) stand us in good stead.

Lynn Benton
Chair of Trustees

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 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 31 March 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable objects of HLC are to promote the advancement of education for the public benefit, in particular;

- (a) To improve access to learning opportunities for users, volunteers and employees of voluntary and community organisations in Humber and Yorkshire
- (b) To develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) To develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) To carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire region by providing training and on-going support to increase their ability to access funding and participate in the regeneration of their area.

Public benefit

HLC's activities promote the advancement of education for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including specific guidance on fee charging.

We work with delivery partners, the majority of which are local not-for-profit organisations, to deliver a wide range of accredited and non-accredited learning opportunities.

HLC's learning provision is targeted at disadvantaged individuals and communities. As a result, where possible, it is provided free of charge, or at the lowest possible cost to encourage access and participation.

From a broader perspective, HLC's activities help adults and young people within the Yorkshire and Humber region to engage on a learning journey that leads to further opportunities, benefiting both the individual and their communities.

Quality assurance and improvement processes are given a high profile across HLC and its partner's networks. Guidance and training are regularly provided to ensure that delivery partners and their staff members meet the quality thresholds of funders and inspection bodies.

HLC is committed to strengthening voluntary and community sector organisations to deliver learning opportunities. Our experience demonstrates that promoting the delivery of learning opportunities in partnership with local and trusted community groups helps to engage those from the most disadvantaged backgrounds.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Achievement and performance

Charitable activities

During 2021-22 HLC has been able to promote and deliver learning opportunities through the following core activities, grants, and contracts:

- Quality and Development
- 16-18 Traineeships
- ESF Community Grants (Humber, East Riding, York & North Yorkshire)
- National Lottery Community Fund - This-Ability project
- ESF / National Lottery Community Fund - Building Better Opportunities (BBO Humber)
- ESF Springboard
- ESIF Hull Community-Led Local Development (under Hull City Council, the accountable body)
- Youth Hub

With our partners we have delivered a wide range of learning opportunities to disadvantaged people. The contracts and projects are summarised below. The letters in brackets demonstrate which of HLC's charitable objects (see above) are being met by a particular area of work, grant, or contract.

Quality and Development (a, b, c, d, e)

Quality assurance and the development of our delivery partners is driven by our commitment to continuous improvement. Supporting voluntary sector organisations to become high quality learning providers is one of HLC's primary charitable objects as well as one of our 3 strategic priorities. To that end, HLC carries out a range of quality and development activities, including:

- Regular 1-1 quality and support visits to partners
- Observations of teaching, learning, and assessment (including dual observations)
- Quality Improvement Network meetings (typically 5-6 per academic year)
- Designated Safeguarding Leads network (4 per year)
- Continuing professional development events
- Equality & diversity support, inc. E&D diaries and calendars
- Safeguarding & Prevent Duty support and advice
- E-safety audits
- Webinars
- Telephone advice, Zoom meetings, 1-1 support, and virtual networks
- A dedicated quality resources website
- Matrix IAG quality assurance compliance support

These activities help HLC to maintain and strengthen our relationships with partner organisations, in turn helping them to build their own capacity and deliver high quality learning opportunities to our target beneficiaries.

HLC continues to demonstrate a strong commitment to quality improvement, holding an OFSTED Grade 2 (Good) rating, the Matrix information, advice, and guidance quality standard, and Cyber Essentials accreditation.

ESFA 16-18 Traineeships (a, c, d)

This is a mainstream ESFA contract supporting young people aged 16-18 (a package of maths, English, ICT skills provision, employability skills, and structured work placements). In the 2021-22 academic year HLC's partners were on course to engage 73 participants in Traineeships.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ESF & ESFA Community Grants Humber, East Riding, York, and North Yorkshire (a, b, c, e)

ESF Community Grants provides grants of up to £20,000 to small and medium sized voluntary, community groups and social enterprises that are normally unable to access mainstream ESFA/ESF funding. The grants are used to help and assist unemployed or economically inactive individuals from deprived communities to move closer to the labour market. The CG5 Community Grants, which went live in April 2019. It is expected to support 2,650 participants, progressing 17% into employment and 16% into training or education.

National Lottery Community Fund - This-Ability - (a, c, d)

'This-Ability' is a 5-year project (January 2019 to December 2023) in Hull and the East Riding, which will support young people aged 18-29 with hidden disabilities, learning difficulties, physical disabilities, and long-term health conditions. This-Ability is purely an 'into employment' project - aiming to progress at least 40% into sustained. To date This-Ability has supported 156 young people and progressed 38.2% into sustained employment.

ESF & National Lottery Communities Fund - Building Better Opportunities (BBO Humber) (a, b, c)

BBO was initially a 3-year £3.23m contract (November 2016 – October 2019), which has since been extended twice to June 2023 and provided with an additional £3.87m. Over the whole life of the BBO project, HLC is working with 14 partner organisations across the Humber, including the 4 local authorities, to support 1,882 economically inactive (80%) and unemployed individuals (20%), aged 25+. As of March 2022, 1,770 participants had been enrolled and we anticipate meeting the contract target in full by July 2022. So far BBO has progressed 1,229 participants (69.4%) into employment, further learning, or job search.

Springboard (ESF and National Lottery Match Funding) (a, c, d)

Springboard is a £16m programme (2016 to Dec 2023) aimed at supporting 4641 economically inactive and unemployed young people (aged 16-29) across the city of Hull. Springboard and This-Ability (see above) are complementary projects from a match funding perspective. Springboard (and This-Ability) are closely linked to the Youth Hub, which is a partnership between HLC, Hull City Council, Goodwin Development Trust, and Job Centre Plus. YEI engaged 493 participants during 21-22 with 43% going into further learning/training or employment.

ESF / ERDF Hull Community-Led Local Development (CLLD) (a, b, c, d, e)

CLLD is a £635,000 contract (November 2017 – June 2023). HLC acts as the Programme Management Organisation (PMO) managing a £6.63m programme of ESF and ERDF grants on behalf of Hull City Council (acting as the accountable body). The grants enable applicant organisations (grant recipients) to deliver employability and enterprise support activities to at least 2510 unemployed and economically inactive participants living in 4 'hub areas' of Hull – West & Central, East, North and Orchard Park, and Bransholme. As the PMO, HLC provides community engagement, promotes CLLD grants, coordinates grant rounds, and performance / quality manages the successful grant recipients. CLLD had engaged 1738 participants to March 2022, with 912 moving into further learning, employment, or active job search.

Youth Hub (c, d)

Youth Hub is funded through the DWP Flexible Support Fund. Led by HLC, the partnership which includes Hull City Council, Goodwin Development Trust, and Job Centre Plus provides a physical location in Hull (Goodwin Community Hub, Anlaby Road) where unemployed / economically inactive young people can be referred to a team of mentors and ancillary support (e.g., mental health services). The service provides young people with information advice and guidance about a range of programmes and job opportunities, including This-Ability, Springboard, Traineeships, and Apprenticeships.

STRATEGIC REPORT

Financial review

Our surplus this year further consolidates HLC's sound financial footing and our unrestricted reserves of £829,180 should enable the organisation to navigate the next couple of years, where post-ESF headwinds will prevail.

The outlook beyond the next financial year (2022-23) initially looks challenging, but we are closely monitoring UK Shared Prosperity Fund (UKSPF), "Multiply", a new (national adult numeracy programme), and skills devolution opportunities, because these will be crucial areas for HLC's future funding.

This year, HLC is reporting a surplus of £35,572. From a financial health perspective, HLC has robust sustainability and gearing ratings, with an unrestricted cash reserve position of £829,180, and no external borrowings.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

STRATEGIC REPORT

Future Developments

A primary focus for 2022-23 is to successfully deliver our existing ESF contracts: BBO, Springboard, This-Ability, CLLD, and Community Grants. This will help to build and maintain our track record for the forthcoming UK Shared Prosperity Fund (UKSPF) opportunities.

We also aim to maintain the high quality of our 16-18 Traineeship programme in readiness for our anticipated Ofsted inspection, which was originally postponed in March 2020, due to Covid-19. It is HLC's intention to grow 16-18 Traineeships over the next 2-3 academic years, adding appropriate new partners and curriculum areas as we develop the offer.

As previously reported, the end of ESF funding in 2023 is a significant challenge for many third sector organisations, including HLC. We have closely engaged with national UKSPF developments to ensure the organisation and partners are well placed for the new funding environment.

At the time of writing, HLC had begun to contribute significantly to the 4 Humber local authorities' UKSPF and Multiply investment plans and we expect to see tenders emerging in the latter half of 2022. There has been considerable frustration that the People & Skills element of UKSPF does not come on stream until 2024-25 - leaving a sizeable funding gap for ESF-funded employment programmes. As part of our UKSPF submissions we have encouraged all local authorities to exercise their Levelling Up flexibility, allowing them to prioritise "VCS-led, locally important employment programmes at risk from the ESF taper" - in our case, BBO, Springboard, and Community Grants.

Senior managers are also maintaining a close watching brief on LEP skills devolution, and we expect a Hull & East Riding combined authority to emerge within the next 2 years. At this point, elements of the Adult Skills Budget (AEB) should become contestable for Independent Training Providers, such as HLC. If this is the case, we will be looking at the possibility of re-entering the market for Community and Classroom Learning - perhaps even Apprenticeships, which have all previously been removed from HLC by virtue of ESFA policy changes.

Elsewhere, we have continued to develop the Youth Hub in Hull with our partners Hull City Council, Job Centre Plus, and Goodwin Development Trust. Now in its second year, the Youth Hub is demonstrating that a one-stop-shop for unemployed young people, with on-site access to mental health support and wider wrap around help is a highly effective way of tackling entrenched pre-employment barriers, especially for those furthest from the labour market.

In early 2022, we were successful in winning one of only 7 national pilot grants through the Youth Futures Foundation to research the mismatch between high NEET numbers in Hull and low Apprenticeship take up. This project is being run in conjunction with Hull City Council and The Warren and, if successful, it could lead to a 3-year, £1.5m implementation project from early-2024.

In January 2021 we began an ERASMUS+ strategic youth partnership, called "Independent People" with Karlstads Kommun (Sweden) and vzwPart (Belgium). The initial 9 months of the project were heavily impacted by COVID travel restrictions. Despite this, we successfully engaged in virtual collaboration and finally ran our first Teaching & Learning Activity in Ghent, Belgium in March 2022. In May 2022, we will visit Karlstad, before hosting our two partner organisations in Hull in June 2022. Despite Brexit disbaring HLC from leading future ERASMUS+ projects, we hope to participate in a follow-on project with Karlstads Kommun and vzwPart as an essential third country partner.

In common with many businesses, the COVID-19 pandemic gave HLC pause to consider the way that the team operates and how we could achieve a better work-life balance for employees. Positives have included the rapid adoption of Zoom and Team meetings (significantly reducing travel costs and saving time) and the increased productivity of performing some tasks from home. We are currently operating hybrid working and if this proves successful for staff, partners, learners, stakeholders, and the business, we will adopt it on a permanent basis.

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.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

A board comprising six trustees is the current the accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association.

The trustees meet quarterly to discuss and approve major decisions. The board of HLC has a Finance & General Purposes sub-group, which meets quarterly in advance of a full board meeting to scrutinise the financial and management accounts. A management team comprising a Chief Executive, Deputy Chief Executive, and Quality Director, oversees the day-to-day operations of the organisation. The Chief Executive also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the whole staff team to engage in a consideration of the issues affecting the organisation's direction. We meet as a whole group every January for an away day. This ensures that the staff team remains fully engaged and that strategic decisions of the board benefit from the expertise and operational experience of the employees. Responsibility for the day-to-day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility.

Contractual Partnerships

Humber Learning Consortium utilises contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Education & Skills Funding Agency, DWP, and National Lottery Community Fund. HLC also has a number of strategic alliances which support VCS learning; partners include Hull & East Yorkshire Local Enterprise Partnership, National Careers Service, Your Consortium Limited, and the 4 local authorities (Hull, East Riding of Yorkshire, North-East Lincolnshire, and North Lincolnshire).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Management Team in conjunction with Trustee representatives review the risks faced by the organisation. A risk register is held and reviewed periodically to assess changing risk factors. The main risks to the organisation considered as part of this strategy are as follows:

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Personnel
5. Teaching, Learning & Assessment
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04383779 (England and Wales)

Registered Charity number

1097333

Registered office

63-71 Anlaby Road
Hull
England
East Yorkshire
HU3 2LL

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Trustees

C A Darnell
G Betts
Mrs L Benton
P Nicholson
A Jonas
M Jennings

Company Secretary

A D Crossland

Auditors

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records 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.

In so far as the trustees are aware:

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

AUDITORS

Following a procurement exercise Rackhams Accountants Limited were re-appointed by HLC trustees at the 2020 AGM for a 3-year period.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 15 September 2022 and signed on the board's behalf by:



A D Crossland - Secretary

15/9/22

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Opinion

We have audited the financial statements of Humber Learning Consortium (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 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.

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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF
HUMBER LEARNING CONSORTIUM**

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.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

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.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, in the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected, or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and we determined that the following were most relevant: Charities SORP (FRS 102), Companies Act 2006, Health and Safety at Work Act and Employment Law.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetrated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities, including fraud, and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records. In particular, we tested items that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates. In particular, we considered going concern and impairment of trade debtors.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing key revenue lines.
- Performing physical verification of key assets.
- Obtaining third party confirmation of material balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements even though we have properly planned and performed our audit in accordance with auditing standards. The primary responsibility for the prevention and detection of irregularities and fraud rests with the directors.

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. 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Rackhams Accountants Limited

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

3 Melton Park

Redcliff Road

Melton

East Yorkshire

HU14 3RS

15 September 2022

HUMBER LEARNING CONSORTIUM

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Subcontracted learning		680,623	4,337,871	5,018,494	4,828,070
Investment income	2	-	4	4	-
Total		<u>680,623</u>	<u>4,337,875</u>	<u>5,018,498</u>	<u>4,828,070</u>
EXPENDITURE ON					
Charitable activities					
Subcontracted learning	4	632,207	4,346,224	4,978,431	4,836,458
Governance		4,495	-	4,495	-
Total		<u>636,702</u>	<u>4,346,224</u>	<u>4,982,926</u>	<u>4,836,458</u>
NET INCOME/(EXPENDITURE)		43,921	(8,349)	35,572	(8,388)
Transfers between funds	13	(14,900)	14,900	-	-
Net movement in funds		29,021	6,551	35,572	(8,388)
RECONCILIATION OF FUNDS					
Total funds brought forward		806,861	(13,253)	793,608	801,996
TOTAL FUNDS CARRIED FORWARD		<u>835,882</u>	<u>(6,702)</u>	<u>829,180</u>	<u>793,608</u>

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET

31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	10	19,737	-	19,737	13,482
CURRENT ASSETS					
Debtors	11	970,585	-	970,585	361,506
Cash at bank and in hand		976,637	24,785	1,001,422	1,616,577
		<u>1,947,222</u>	<u>24,785</u>	<u>1,972,007</u>	<u>1,978,083</u>
CREDITORS					
Amounts falling due within one year	12	(1,131,074)	(31,490)	(1,162,564)	(1,197,957)
NET CURRENT ASSETS/(LIABILITIES)		<u>816,148</u>	<u>(6,705)</u>	<u>809,443</u>	<u>780,126</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>835,885</u>	<u>(6,705)</u>	<u>829,180</u>	<u>793,608</u>
NET ASSETS		<u>835,885</u>	<u>(6,705)</u>	<u>829,180</u>	<u>793,608</u>
FUNDS	13				
Unrestricted funds				835,885	806,861
Restricted funds				(6,705)	(13,253)
TOTAL FUNDS				<u>829,180</u>	<u>793,608</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 15 September 2022 and were signed on its behalf by:

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET - continued
31 MARCH 2022

L. Benton - Trustee


15/9/22.

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	(601,997)	192,240
Net cash (used in)/provided by operating activities		(601,997)	192,240
Cash flows from investing activities			
Purchase of tangible fixed assets		(13,162)	(15,620)
Interest received		4	-
Net cash used in investing activities		(13,158)	(15,620)
Change in cash and cash equivalents in the reporting period		(615,155)	176,620
Cash and cash equivalents at the beginning of the reporting period		1,616,577	1,439,957
Cash and cash equivalents at the end of the reporting period		1,001,422	1,616,577

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022****1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM
OPERATING ACTIVITIES**

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	35,572	(8,388)
Adjustments for:		
Depreciation charges	6,907	2,138
Interest received	(4)	-
Increase in debtors	(609,079)	(310,200)
(Decrease)/increase in creditors	(35,393)	508,690
Net cash (used in)/provided by operations	<u>(601,997)</u>	<u>192,240</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21 £	Cash flow £	At 31.3.22 £
Net cash			
Cash at bank and in hand	1,616,577	(615,155)	1,001,422
	<u>1,616,577</u>	<u>(615,155)</u>	<u>1,001,422</u>
Total	<u>1,616,577</u>	<u>(615,155)</u>	<u>1,001,422</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Tangible fixed assets

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

Plant and machinery - Straight line over 3 years

Capital grants received are credited to a restricted fund against which the depreciation of the relevant asset is charged.

Items costing below £1,000 individually are not usually capitalised. An annual impairment review is carried out to ensure that all fixed assets still have a useful life.

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.

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.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

2. INVESTMENT INCOME

	2022 £	2021 £
Interest receivable - trading	4	-

3. INCOME FROM CHARITABLE ACTIVITIES

Activity	2022 £	2021 £
Service contracts, subcontracted learning and other income		
Subcontracted learning	5,018,494	4,828,070

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Subcontracted learning	4,843,107	135,324	4,978,431
Governance	-	4,495	4,495
	4,843,107	139,819	4,982,926

5. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Subcontracted learning	121,346	13,978	-	135,324
Governance	-	-	4,495	4,495
	121,346	13,978	4,495	139,819

6. NET INCOME/(EXPENDITURE)

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

	2022 £	2021 £
Depreciation - owned assets	6,907	2,138

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

7. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

No expenses were paid to trustees in the current or prior year.

8. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,066,825	1,020,720
Social security costs	91,677	85,703
Other pension costs	108,629	105,016
	<u>1,267,131</u>	<u>1,211,439</u>

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

	2022	2021
CEO	1	1
Senior Management	2	2
Delivery staff	20	19
Administration	18	19
Information Technology	2	2
	<u>43</u>	<u>43</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	1	1
£70,001 - £80,000	1	-
	<u>2</u>	<u>1</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Subcontracted learning	522,479	4,305,591	4,828,070
Investment income	(2)	2	-
Total	<u>522,477</u>	<u>4,305,593</u>	<u>4,828,070</u>
EXPENDITURE ON			
Charitable activities			
Subcontracted learning	520,085	4,316,373	4,836,458

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	2,392	(10,780)	(8,388)
Transfers between funds	(16,543)	16,543	-
Net movement in funds	(14,151)	5,763	(8,388)
RECONCILIATION OF FUNDS			
Total funds brought forward	821,011	(19,015)	801,996
TOTAL FUNDS CARRIED FORWARD	<u>806,860</u>	<u>(13,252)</u>	<u>793,608</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 April 2021	27,693
Additions	13,162
At 31 March 2022	<u>40,855</u>
DEPRECIATION	
At 1 April 2021	14,211
Charge for year	6,907
At 31 March 2022	<u>21,118</u>
NET BOOK VALUE	
At 31 March 2022	<u>19,737</u>
At 31 March 2021	<u>13,482</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	3,421	30,367
Accrued income	939,646	302,293
Prepayments	2,732	6,613
Deferred expenses	24,786	22,233
	<u>970,585</u>	<u>361,506</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	487,834	675,431
Social security and other taxes	592	22,961
VAT	4,963	5,101
Deferred income	511,361	420,911
Accrued expenses	157,814	73,553
	<u>1,162,564</u>	<u>1,197,957</u>

13. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
General fund	565,208	32,931	(38,335)	559,804
Redundancy reserve	130,049	-	9,892	139,941
AEB	-	(9,883)	9,883	-
Youth Hub	107	4,120	-	4,227
CLLD	108,723	23,190	-	131,913
Spot Contracts	2,774	(6,316)	3,542	-
Youth Hub 2	-	(118)	118	-
	<u>806,861</u>	<u>43,924</u>	<u>(14,900)</u>	<u>835,885</u>
Restricted funds				
YEI ESF Springboard	16,451	5,975	-	22,426
This Ability	5,042	(2,683)	-	2,359
BBO	3,196	(18,096)	14,900	-
Community Grants 5	(37,942)	6,452	-	(31,490)
	<u>(13,253)</u>	<u>(8,352)</u>	<u>14,900</u>	<u>(6,705)</u>
TOTAL FUNDS	<u>793,608</u>	<u>35,572</u>	<u>-</u>	<u>829,180</u>

HUMBER LEARNING CONSORTIUM**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****13. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	18,703	14,228	32,931
AEB	258,115	(267,998)	(9,883)
Youth Hub	176,658	(172,538)	4,120
Barbara Haigh Investment Fund	4,303	(4,303)	-
CLLD	125,391	(102,201)	23,190
Spot Contracts	25,784	(32,100)	(6,316)
Youth Hub 2	71,670	(71,788)	(118)
	680,624	(636,700)	43,924
Restricted funds			
YEI ESF Springboard	1,435,552	(1,429,577)	5,975
This Ability	651,419	(654,102)	(2,683)
BBO	1,168,014	(1,186,110)	(18,096)
Community Grants 5	1,051,527	(1,045,075)	6,452
Springboard 3	31,362	(31,362)	-
	4,337,874	(4,346,226)	(8,352)
TOTAL FUNDS	5,018,498	(4,982,926)	35,572

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	585,746	24,717	(45,255)	565,208
Redundancy reserve	105,114	-	24,935	130,049
AEB	(26,750)	(24,946)	51,696	-
Youth Hub	-	107	-	107
Community Learning Fund	26,330	-	(26,330)	-
ETF Prevent	13,970	-	(13,970)	-
CLLD	100,272	8,451	-	108,723
IAG	7,619	-	(7,619)	-
Spot Contracts	8,710	(5,936)	-	2,774
	<u>821,011</u>	<u>2,393</u>	<u>(16,543)</u>	<u>806,861</u>
Restricted funds				
ESFA Community Grants	(6,282)	-	6,282	-
Talent Match	6	-	(6)	-
Community Grants 4	122	-	(122)	-
YEI ESF Springboard	11,047	5,404	-	16,451
This Ability	-	5,042	-	5,042
BBO	(4,607)	(3,699)	11,502	3,196
Community Grants 5	(19,301)	(18,641)	-	(37,942)
Community Grants 3	-	1,113	(1,113)	-
	<u>(19,015)</u>	<u>(10,781)</u>	<u>16,543</u>	<u>(13,253)</u>
TOTAL FUNDS	<u>801,996</u>	<u>(8,388)</u>	<u>-</u>	<u>793,608</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,944	21,773	24,717
AEB	278,559	(303,505)	(24,946)
Youth Hub	115,400	(115,293)	107
Barbara Haigh Investment Fund	2,500	(2,500)	-
CLLD	121,884	(113,433)	8,451
Spot Contracts	1,190	(7,126)	(5,936)
	<u>522,477</u>	<u>(520,084)</u>	<u>2,393</u>
Restricted funds			
YEI ESF Springboard	1,855,773	(1,850,369)	5,404
This Ability	664,254	(659,212)	5,042
BBO	1,086,407	(1,090,106)	(3,699)
Community Grants 5	685,206	(703,847)	(18,641)
Community Grants 3	13,953	(12,840)	1,113
	<u>4,305,593</u>	<u>(4,316,374)</u>	<u>(10,781)</u>
TOTAL FUNDS	<u><u>4,828,070</u></u>	<u><u>(4,836,458)</u></u>	<u><u>(8,388)</u></u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

13. MOVEMENT IN FUNDS - continued

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

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	585,746	57,648	(83,590)	559,804
Redundancy reserve	105,114	-	34,827	139,941
AEB	(26,750)	(34,829)	61,579	-
Youth Hub	-	4,227	-	4,227
Community Learning Fund	26,330	-	(26,330)	-
ETF Prevent	13,970	-	(13,970)	-
CLLD	100,272	31,641	-	131,913
IAG	7,619	-	(7,619)	-
Spot Contracts	8,710	(12,252)	3,542	-
Youth Hub 2	-	(118)	118	-
	821,011	46,317	(31,443)	835,885
Restricted funds				
ESFA Community Grants	(6,282)	-	6,282	-
Talent Match	6	-	(6)	-
Community Grants 4	122	-	(122)	-
YEI ESF Springboard	11,047	11,379	-	22,426
This Ability	-	2,359	-	2,359
BBO	(4,607)	(21,795)	26,402	-
Community Grants 5	(19,301)	(12,189)	-	(31,490)
Community Grants 3	-	1,113	(1,113)	-
	(19,015)	(19,133)	31,443	(6,705)
TOTAL FUNDS	<u>801,996</u>	<u>27,184</u>	<u>-</u>	<u>829,180</u>

HUMBER LEARNING CONSORTIUM**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022****13. MOVEMENT IN FUNDS - continued**

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 £
Unrestricted funds			
General fund	21,647	36,001	57,648
AEB	536,674	(571,503)	(34,829)
Youth Hub	292,058	(287,831)	4,227
Barbara Haigh Investment Fund	6,803	(6,803)	-
CLLD	247,275	(215,634)	31,641
Spot Contracts	26,974	(39,226)	(12,252)
Youth Hub 2	71,670	(71,788)	(118)
	<u>1,203,101</u>	<u>(1,156,784)</u>	<u>46,317</u>
Restricted funds			
YEI ESF Springboard	3,291,325	(3,279,946)	11,379
This Ability	1,315,673	(1,313,314)	2,359
BBO	2,254,421	(2,276,216)	(21,795)
Community Grants 5	1,736,733	(1,748,922)	(12,189)
Community Grants 3	13,953	(12,840)	1,113
Springboard 3	31,362	(31,362)	-
	<u>8,643,467</u>	<u>(8,662,600)</u>	<u>(19,133)</u>
TOTAL FUNDS	<u><u>9,846,568</u></u>	<u><u>(9,819,384)</u></u>	<u><u>27,184</u></u>

14. RELATED PARTY DISCLOSURES

The charitable company shares a mutual trustee with the Goodwin Development Trust. During the year payments were made by Humber Learning Consortium to Goodwin Development Trust amounting to £504,765 (2021 £570,137).

HUMBER LEARNING CONSORTIUM**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Investment income		
Interest receivable - trading	4	-
Charitable activities		
Service contracts, subcontracted learning and other income	5,018,494	4,828,070
Total incoming resources	5,018,498	4,828,070
EXPENDITURE		
Charitable activities		
Wages	1,066,825	1,020,720
Social security	91,677	85,703
Pensions	108,629	105,016
Insurance	2,549	2,384
Event costs	90	-
External consultants	38,270	27,266
Training and trainers	4,805	4,094
ESFA community grants	943,646	603,028
Learner bursary payments	7,169	7,673
Subcontracted learning	2,572,540	2,833,336
Depreciation	6,907	2,138
	4,843,107	4,691,358
Support costs		
Finance		
Sundries	5,516	8,950
Bank charges	1,045	1,039
Accommodation	49,672	50,522
Communication	34,476	32,626
Equipment and resources	20,015	23,991
Organisational development	10,622	12,320
	121,346	129,448
Other		
Staff expenses	13,998	4,520
Bad debts	(20)	75
	13,978	4,595
Governance costs		
Legal fees	810	7,150
Carried forward	810	7,150

This page does not form part of the statutory financial statements

HUMBER LEARNING CONSORTIUM**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Governance costs		
Brought forward	810	7,150
Auditors' remuneration	3,685	3,907
	<u>4,495</u>	<u>11,057</u>
Total resources expended	<u>4,982,926</u>	<u>4,836,458</u>
Net income/(expenditure)	<u>35,572</u>	<u>(8,388)</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 04383779 (England and Wales)
REGISTERED CHARITY NUMBER: 1097333

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
HUMBER LEARNING CONSORTIUM**

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

HUMBER LEARNING CONSORTIUM

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HUMBER LEARNING CONSORTIUM

CHAIRMAN'S REPORT FOR THE YEAR ENDED 31 MARCH 2021

At the time of my last report, we were just beginning to see the first effects of the COVID-19 pandemic. I doubt we would have anticipated at the time that 12 months later the team and many of our partners would still be working remotely. Most of our contracts are actual cost based (BBO, This-Ability, YEI Springboard, CLLD, Youth Hub) and this enabled us to remain fully operational, avoid any recourse to furlough or government support, and crucially, to maintain a healthy cashflow.

The HLC team responded well to the challenge of working from home and our strategic decision to move entirely to cloud computing and an on-line CRM system a few years ago placed us in a good position to work virtually. I would particularly like to extend my thanks to our IT/MIS team for their hard work in developing an online learning environment for our partners and learners at such short notice. This platform, based on Microsoft Education, enabled us to continue delivering learning opportunities and maintain vital contact with participants during the lockdowns.

This year the organisation reported a small deficit of £8,389. Given the impact that COVID-19 had on deliverability of our output-funded contracts (AEB, Community Grants) and expenditure on IT equipment to enable remote working as well as a monthly home-working allowance for staff a relatively small deficit is both understandable and tolerable. We continue to hold considerable unrestricted reserves of £793,607.

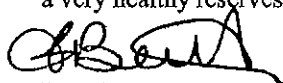
The size of HLC's reserves is critical, not just as a hedge against the uncertain environment, but also because two of our contracts (Springboard YEI and ESF Community Grants) require the organisation to defray staff and project costs and cashflow some partners for several months before we are reimbursed by the funder. This can often involve significant six figure outlays by HLC.

2020-21 was a year when our funders extended various HLC projects - partly in response to the pandemic. These included Springboard YEI (extended to end of 2023), This-Ability (to December 2023), CLLD (to March 2023) and BBO Humber (to June 2023). Our current portfolio remains strong until the latter quarters of 2023, containing a diverse mix of activities and funding streams.

Despite the contract extensions, we have disappointingly lost further funding from the ESFA in the shape of 19+ traineeships and at the time of writing we are awaiting the results of the national ESFA procurement exercise for the Adult Education Budget. Although these represent less than 8% of our overall business, the ESFA programmes enable entry and progression points for learners from other HLC projects and there is a more significant loss in terms added value and routeways than there is in purely financial terms. With the previous loss of ESFA Community Learning Fund in 2018 (now given only to grant-aided local authorities and colleges) and ESFA Apprenticeships in 2017 (new regulations requiring direct delivery) and government antipathy towards sub-contracting (or as we prefer to call it "partnership working") we sense we have been swimming against the tide for several years now. 16-18 Traineeships remains our only guaranteed ESFA mainstream funding going into the 2021-22 academic year.

We continue to seek appropriate business development opportunities (contracts and grants), which enable HLC to fulfil its charitable objects. We are maintaining a close watching brief on LEP and AEB skills devolution developments - especially given our aforementioned ESFA travails - and assessing the likely shape and nature of the UK Shared Prosperity Fund (domestic ESF replacement).

In summary 2020-21 was a challenging year, but I am pleased to report that going forward into 2021-22, HLC maintains a very healthy reserves position and has no external borrowings.



Lynn Benton
Chair of Trustees

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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 31 March 2021. 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charitable objects of HLC are to promote the advancement of education for the public benefit, in particular;

- (a) To improve access to learning opportunities for users, volunteers and employees of voluntary and community organisations in Humber and Yorkshire
- (b) To develop voluntary sector learning providers to meet quality thresholds and stakeholder requirements
- (c) To develop a partnership approach to the delivery and development of learning opportunities and good practice
- (d) To carry out associated activities
- (e) To promote the efficiency and effectiveness of charities, voluntary and community groups based in the Humber and Yorkshire region by providing training and on-going support to increase their ability to access funding and participate in the regeneration of their area.

Public benefit

HLC's activities promote the advancement of education for the public benefit. In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including specific guidance on fee charging.

We work with delivery partners, the majority of which are local not-for-profit organisations, to deliver a wide range of accredited and non-accredited learning opportunities.

HLC's learning provision is targeted at disadvantaged individuals and communities. As a result, where possible, it is provided free of charge, or at the lowest possible cost to encourage access and participation.

From a broader perspective, HLC's activities help adults and young people within the Yorkshire and Humber region to engage on a learning journey that leads to further opportunities, benefiting both the individual and their communities.

Quality assurance and improvement processes are given a high profile across HLC and its partner's networks. Guidance and training are regularly provided to ensure that delivery partners and their staff members meet the quality thresholds of funders and inspection bodies.

HLC is committed to strengthening voluntary and community sector organisations to deliver learning opportunities. Our experience demonstrates that promoting the delivery of learning opportunities in partnership with local and trusted community groups helps to engage those from the most disadvantaged backgrounds.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Achievement and performance

Charitable activities

During 2020-21 HLC has been able to promote and deliver learning opportunities through the following core activities, grants, and contracts:

- Quality and Development
- Adult Education Budget (Traineeships & Classroom Learning)
- ESF Community Grants (Humber, East Riding, York & North Yorkshire)
- National Lottery Community Fund - This-Ability project
- ESF / National Lottery Community Fund - Building Better Opportunities (BBO Humber)
- ESF Springboard YEI (inc. Youth Hub)
- ESIF Hull Community-Led Local Development (under Hull City Council, the accountable body)
- Youth Hub

With our partners we have delivered a wide range of learning opportunities to disadvantaged people. The contracts and projects are summarised below. The letters in brackets demonstrate which of HLC's charitable objects (see above) are being met by a particular area of work, grant, or contract.

Quality and Development (a, b, c, d, e)

Quality assurance and the development of our delivery partners is a driven by our commitment to continuous improvement. Supporting voluntary sector organisations to become high quality learning providers is one of HLC's primary charitable objects as well as one of our 3 strategic priorities. To that end, HLC carries out a range of quality and development activities, including:

- Regular 1-1 quality and support visits to partners
- Observations of teaching, learning, and assessment (including dual observations)
- Quality Improvement Network meetings (typically 5-6 per academic year)
- Continuing professional development events
- Equality & diversity support, inc. E&D diaries and calendars
- Safeguarding & Prevent Duty support and advice
- E-safety audits
- Webinars
- Telephone advice, Zoom meetings, 1-1 support, and virtual networks
- A dedicated quality resources website
- Matrix IAG quality assurance compliance support

These activities help HLC to maintain and strengthen our relationships with partner organisations, in turn helping them to build their own capacity and deliver high quality learning opportunities to our target beneficiaries.

HLC continues to demonstrate a strong commitment to quality improvement, holding an OFSTED Grade 2 (Good) rating, the Matrix information, advice, and guidance quality standard, and Cyber Essentials accreditation.

Adult Education Budget (a, c, d)

This is a mainstream ESFA contract supporting young people and adults via 16-18 and 19+ Traineeships (a package of maths, English, ICT skills provision, employability skills, and structured work placements) and 19+ Community Based Learning. In the 2019-20 academic year HLC's partners were on course to engage 60 participants in Traineeships and 55 on classroom learning programmes.

ESF & ESFA Community Grants Humber, East Riding, York and North Yorkshire (a, b, c, e)

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ESF Community Grants provides grants of up to £20,000 to small and medium sized voluntary, community groups and social enterprises that are normally unable to access mainstream ESFA/ESF funding. The grants are used to help and assist unemployed or economically inactive individuals from deprived communities to move closer to the labour market. The new CG5 Community Grants went live in April 2019. It is expected to support 2,328 participants, progressing 17% into employment and 17% into training or education. It supported 650 participants during 2020/21 with 35% progressing into employment and further education.

National Lottery Community Fund - This-Ability - (a, c, d)

'This-Ability' is a 5-year project (January 2019 to December 2023) in Hull and the East Riding, which will support 500 young people aged 18-29 with hidden disabilities, learning difficulties, physical disabilities, and long-term health conditions. This-Ability is purely an 'into employment' project - aiming to progress at least 200 (40%) into sustained work and provide at least 400 (80%) with an employability passport (validated by the Humber LEP). The project will work with and support Humber employers to become 'disability confident' and is matched to our YEI Springboard programme (see below).

ESF & National Lottery Communities Fund - Building Better Opportunities (BBO Humber) (a, b, c)

BBO was initially a 3-year £3.23m contract (November 2016 - October 2019), which has since been extended twice to June 2023 and provided with an additional £3.87m. Over the whole life of the BBO project, HLC is working with 14 partner organisations across the Humber LEP area, including the 4 local authorities, to support 1882 economically inactive (80%) and unemployed individuals (20%), aged 25+. As of March 2021, 1,445 participants had been enrolled. The aim of BBO is to progress a minimum of 20% of participants into employment. During 20/21 academic year 300 participants had been engaged with over 45% moving into further learning and employment and 20% moving to job seeking.

Springboard YEI (ESF, YEI and Match Funding) (a, c, d)

Springboard YEI is a £16m programme (2016 to Dec 2023) aimed at supporting 4641 economically inactive and unemployed young people (aged 16-29) across the city of Hull. YEI Springboard and This-Ability (see above) are complementary projects from a match funding perspective. Springboard (and This-Ability) are closely linked to the new Youth Hub, which is a partnership between HLC, Hull City Council, Goodwin Development Trust, and Job Centre Plus. YEI engaged 360 participants during 20/21 with 116 leavers, 55% going into further learning/training or employment.

ESF / ERDF Hull Community-Led Local Development (CLLD) (a, b, c, d, e)

CLLD is a £635,000 contract (November 2017 - March 2023). HLC acts as the Programme Management Organisation (PMO) managing a £6.63m programme of ESF and ERDF grants on behalf of Hull City Council (acting as the accountable body). The grants enable applicant organisations (grant recipients) to deliver employability and enterprise support activities to at least 2510 unemployed and economically inactive participants living in 4 'hub areas' of Hull - West & Central, East, North and Orchard Park, and Bransholme. As the PMO, HLC provides community engagement, promotes CLLD grants, coordinates grant rounds, and performance / quality manages the successful grant recipients. As of March 2020, 27 grants worth £6.6m had been awarded. CLLD engaged 350 participants during 20/21 with 60% moving into further education or employment.

Youth Hub (c, d)

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Youth Hub is currently a 1-year project (to December 2021) funded through the DWP Flexible Support Fund. Led by HLC, the partnership which includes Hull City Council, Goodwin Development Trust, and Job Centre Plus provides a physical location in Hull (Goodwin Community Hub, Anlaby Road) where unemployed / economically inactive young people can be referred to a team of mentors and ancillary support (e.g., mental health services). The service provides young people with information advice and guidance about a range of programmes and job opportunities, including Kickstart, This-Ability, and YEI Springboard.

Financial review

Despite the severe challenges of the COVID-19 pandemic, HLC still remains on a very sound financial footing and our unrestricted reserves, carefully built up and protected over preceding years have helped us to maintain stability throughout 2020-21. HLC did not furlough any staff or access government support or business grants in response to the pandemic.

We are pleased that three of our major projects, BBO, YEI Springboard, and This Ability were all extended by our funders this year and will now continue to deliver into or up until the end of 2023. At the time of writing, we are also expecting CLLD to continue for an additional 3 months to March 2023.

The majority of HLC's contracts and grants are "actual costs" models, rather than output funded/payment by results. This means there is greater certainty that HLC will cover its costs, which has been invaluable given the impact that COVID-19 could have had on the organisation. However, it also means that most of our contracts cannot generate a surplus and we are therefore unlikely to strengthen our reserves position in any significant way.

This year HLC is reporting a small deficit of £8,389 which equates to the amount HLC spent on home-working allowances for staff, so that we could maintain our operations via remote working. From a financial health perspective, HLC has robust sustainability and gearing ratings, with an unrestricted cash reserve position of £793,607 and no external borrowings.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC REPORT

Future Developments

The welcome extension this year of our BBO, This-Ability, and Springboard contracts means that HLC's 'order book' remains stable until the middle / end of 2023. This is positive, especially in the face of the COVID-19 pandemic, however with 2 years to that horizon, we are assessing the challenges and scoping future funding opportunities e.g., LEP skills devolution, UK Shared Prosperity Fund, and charitable trusts.

During 2020-21 we continued to develop our CRM system, resulting in learner data and claims management processes that are more efficient and effective. In response to COVID-19 and the necessity to switch rapidly to remote learning, we developed an online learning platform for use by our partners (based on Microsoft Education) and we have no doubt that blended approaches to learning - part classroom, part home-based - will be an enduring feature of HLC's offer in the years to come.

HLC continues maintaining and building partnerships with organisations at a local, national, and international level. This year, with Hull City Council, Goodwin Development Trust, and Job Centre Plus we developed a Youth Hub to help address rising youth unemployment in Hull. The Youth Hub is currently a 1-year project, and we are working with colleagues at DWP to assess whether the concept could be extended to the end of December 2022.

Our This-Ability, Springboard YEI, BBO, and Community Grants managers are active members of networks with similar lead organisations, sharing good practice and issues of common concern. HLC coordinates the Hull & East Yorkshire LEP ESIF Leads Network (a range of organisations delivering employability programmes) to ensure complementarity and we are a member of the York and North Yorkshire LEP's equivalent body.

Despite Brexit, we remain committed to sharing best practice with colleagues across Europe and have been successful in an application to run an ERASMUS+ strategic youth partnership, called "Independent People" with Karlstads Kommun (Sweden) and vzwPart (Belgium). This project, which runs until June 2022 involves partners collaborating on the development of a soft skills framework, passport, and online training manual for youth workers.

In common with many businesses the COVID-19 pandemic has given us pause to consider the way that the team operates and how we can strike a better work-life balance. Positives include the rapid adoption of Zoom and Team meetings and the increased possibility and productivity of performing some tasks from home. On the negative side, staff say they miss the communication and social interaction of the office. We are planning to pilot and evaluate hybrid working from the latter half of 2021. If this proves successful for staff, partners, learners, stakeholders, and the business, we will look to adopt hybrid working on a more permanent basis.

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.

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

A board comprising six trustees is the current the accountable body for policy and oversight within the agreed framework set out in the Memorandum of Association. Members of the trustee board normally serve for a two-year period and may be re-elected for further terms.

The trustees meet quarterly to discuss and approve major decisions. The board of HLC has a Finance & General Purposes sub-group, which meets quarterly in advance of a full board meeting to scrutinise the financial and management accounts. A management team comprising a Chief Executive, Deputy Chief Executive, and Quality Director, oversees the day-to-day operations of the organisation. The Chief Executive also serves as the Company Secretary.

The trustees seek to utilise a partnership approach in the development of strategy, which enables the whole staff team to engage in a consideration of the issues affecting the organisation's direction. We meet as a whole group every January for an away day. This ensures that the staff team remains fully engaged and that strategic decisions of the board benefit from the expertise and operational experience of the employees. Responsibility for the day-to-day operations and implementation is subsequently taken by each individual member of staff, as appropriate to their level of responsibility.

Contractual Partnerships

Humber Learning Consortium utilises contractual partnerships to enable the delivery of a broad range of services in support of learning within the voluntary and community sector (VCS). In this context the organisation has worked very successfully with the Education & Skills Funding Agency, DWP, and National Lottery Community Fund. HLC also has a number of strategic alliances which support VCS learning; partners include Hull & East Yorkshire Local Enterprise Partnership, National Careers Service, Your Consortium Limited, and the 4 local authorities (Hull, East Riding of Yorkshire, North-East Lincolnshire, and North Lincolnshire).

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The Management Team in conjunction with Trustee representatives review the risks faced by the organisation. A risk register is held and reviewed periodically to assess changing risk factors. The main risks to the organisation considered as part of this strategy are as follows:

1. Corporate/Strategic Factors
2. Governance and Management
3. Financial
4. Personnel
5. Teaching, Learning & Assessment
6. Communications, Information Technology and MIS
7. Premises and facilities
8. Marketing
9. Natural disaster

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04383779 (England and Wales)

Registered Charity number

1097333

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Registered office

63-71 Anlaby Road
Hull
England
East Yorkshire
HU3 2LL

Trustees

C A Darnell
G Betts
Mrs L Benton
P Nicholson
A Jonas
M Jennings (appointed 16.4.2020)

Company Secretary

A D Crossland

Auditors

Rackhams Accountants Limited
Statutory Auditors
3 Melton Park
Redcliff Road
Melton
East Yorkshire
HU14 3RS

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records 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.

In so far as the trustees are aware:

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

HUMBER LEARNING CONSORTIUM

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

AUDITORS

Following a procurement exercise Rackhams Accountants Limited were re-appointed by HLC trustees at the 2020 AGM for a 3-year period.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 18/11/2021..... and signed on the board's behalf by:



.....
A D Crossland - Secretary

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

Opinion

We have audited the financial statements of Humber Learning Consortium (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 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.

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. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF HUMBER LEARNING CONSORTIUM

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

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

To identify risks of material misstatement due to fraud (fraud risks) we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of trustees and staff as to whether they have knowledge of any actual, suspected or alleged fraud. We also studied board minutes and used analytical procedures to identify any unusual or unexpected relationships. On this audit we do not believe that the potential for fraud is a significantly high risk.

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. 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 trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



for and on behalf of Rackhams Accountants Limited

Statutory Auditors

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

3 Melton Park

Redcliff Road

Melton

East Yorkshire

HU14 3RS

Date: 18/11/21

HUMBER LEARNING CONSORTIUM

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Subcontracted learning		522,479	4,305,591	4,828,070	4,812,450
Investment income	2	(2)	2	-	1
Total		<u>522,477</u>	<u>4,305,593</u>	<u>4,828,070</u>	<u>4,812,451</u>
 EXPENDITURE ON					
Charitable activities	4				
Subcontracted learning		520,085	4,316,373	4,836,458	4,822,336
NET INCOME/(EXPENDITURE)		<u>2,392</u>	<u>(10,780)</u>	<u>(8,388)</u>	<u>(9,885)</u>
Transfers between funds	13	<u>(16,543)</u>	<u>16,543</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>(14,151)</u>	<u>5,763</u>	<u>(8,388)</u>	<u>(9,885)</u>
 RECONCILIATION OF FUNDS					
Total funds brought forward		821,011	(19,015)	801,996	811,881
 TOTAL FUNDS CARRIED FORWARD		<u><u>806,860</u></u>	<u><u>(13,252)</u></u>	<u><u>793,608</u></u>	<u><u>801,996</u></u>

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET

31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	10	13,482	-	13,482	-
CURRENT ASSETS					
Debtors	11	361,506	-	361,506	51,306
Cash at bank and in hand		1,591,888	24,689	1,616,577	1,439,957
		<u>1,953,394</u>	<u>24,689</u>	<u>1,978,083</u>	<u>1,491,263</u>
CREDITORS					
Amounts falling due within one year	12	(1,160,015)	(37,942)	(1,197,957)	(689,267)
NET CURRENT ASSETS/(LIABILITIES)		<u>793,379</u>	<u>(13,253)</u>	<u>780,126</u>	<u>801,996</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>806,861</u>	<u>(13,253)</u>	<u>793,608</u>	<u>801,996</u>
NET ASSETS		<u>806,861</u>	<u>(13,253)</u>	<u>793,608</u>	<u>801,996</u>
FUNDS	13				
Unrestricted funds				806,861	821,011
Restricted funds				(13,253)	(19,015)
TOTAL FUNDS				<u>793,608</u>	<u>801,996</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue on 18.11.2021 and were signed on its behalf by:

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

BALANCE SHEET - continued

31 MARCH 2021



L Benton - Trustee

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	192,240	787,869
Net cash provided by operating activities		192,240	787,869
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,620)	-
Interest received		-	1
Net cash (used in)/provided by investing activities		(15,620)	1
Change in cash and cash equivalents in the reporting period		176,620	787,870
Cash and cash equivalents at the beginning of the reporting period		1,439,957	652,087
Cash and cash equivalents at the end of the reporting period		1,616,577	1,439,957

The notes form part of these financial statements

HUMBER LEARNING CONSORTIUM

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2021

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(8,388)	(9,885)
Adjustments for:		
Depreciation charges	2,138	-
Interest received	-	(1)
(Increase)/decrease in debtors	(310,200)	965,464
Increase/(decrease) in creditors	508,690	(167,709)
Net cash provided by operations	<u>192,240</u>	<u>787,869</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>1,439,957</u>	<u>176,620</u>	<u>1,616,577</u>
	<u>1,439,957</u>	<u>176,620</u>	<u>1,616,577</u>
Total	<u>1,439,957</u>	<u>176,620</u>	<u>1,616,577</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

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.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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.

Tangible fixed assets

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

Plant and machinery - Straight line over 3 years

Capital grants received are credited to a restricted fund against which the depreciation of the relevant asset is charged.

Items costing below £1,000 individually are not usually capitalised. An annual impairment review is carried out to ensure that all fixed assets still have a useful life.

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.

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.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. INVESTMENT INCOME

	2021 £	2020 £
Interest receivable - trading	-	1

3. INCOME FROM CHARITABLE ACTIVITIES

Activity	2021 £	2020 £
Service contracts, subcontracted learning and other income		
Subcontracted learning	4,828,070	4,812,450

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 5) £	Totals £
Subcontracted learning	4,691,358	145,100	4,836,458

5. SUPPORT COSTS

	Finance £	Other £	Governance costs £	Totals £
Subcontracted learning	129,448	4,595	11,057	145,100

6. NET INCOME/(EXPENDITURE)

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

	2021 £	2020 £
Depreciation - owned assets	2,138	-

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

7. TRUSTEES' REMUNERATION AND BENEFITS - continued

Trustees' expenses

No expenses were paid to trustees in the current or prior year.

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	1,020,720	991,881
Social security costs	85,703	84,240
Other pension costs	105,016	103,194
	<u>1,211,439</u>	<u>1,179,315</u>

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

	2021	2020
CEO	1	1
Senior Management	2	2
Delivery staff	19	20
Administration	19	17
Information Technology	2	2
	<u>43</u>	<u>42</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	<u>1</u>	<u>1</u>

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Subcontracted learning	591,716	4,220,734	4,812,450
Investment income	<u>1</u>	<u>-</u>	<u>1</u>
Total	<u>591,717</u>	<u>4,220,734</u>	<u>4,812,451</u>
EXPENDITURE ON			
Charitable activities			
Subcontracted learning	580,165	4,242,171	4,822,336
NET INCOME/(EXPENDITURE)	<u>11,552</u>	<u>(21,437)</u>	<u>(9,885)</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	809,459	2,422	811,881
TOTAL FUNDS CARRIED FORWARD	<u>821,011</u>	<u>(19,015)</u>	<u>801,996</u>

10. TANGIBLE FIXED ASSETS

	Plant and machinery £
COST	
At 1 April 2020	12,073
Additions	15,620
At 31 March 2021	<u>27,693</u>
DEPRECIATION	
At 1 April 2020	12,073
Charge for year	2,138
At 31 March 2021	<u>14,211</u>
NET BOOK VALUE	
At 31 March 2021	<u>13,482</u>
At 31 March 2020	<u>-</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	30,367	4,481
Other debtors	-	1,747
Accrued income	302,293	38,418
Prepayments	6,613	6,660
Deferred expenses	22,233	-
	<u>361,506</u>	<u>51,306</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	675,431	632,839
Social security and other taxes	22,961	73
VAT	5,101	48,155
Deferred income	420,911	-
Accrued expenses	73,553	8,200
	<u>1,197,957</u>	<u>689,267</u>

13. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	Transfers between funds	At 31.3.21
	£	£	£	£
Unrestricted funds				
General fund	585,746	24,717	(45,255)	565,208
Redundancy reserve	105,114	-	24,935	130,049
ABB	(26,750)	(24,946)	51,696	-
Youth Hub	-	107	-	107
Community Learning Fund	26,330	-	(26,330)	-
ETF Prevent	13,970	-	(13,970)	-
CLLD	100,272	8,451	-	108,723
IAG	7,619	-	(7,619)	-
Spot Contracts	8,710	(5,936)	-	2,774
	<u>821,011</u>	<u>2,393</u>	<u>(16,543)</u>	<u>806,861</u>
Restricted funds				
ESFA Community Grants	(6,282)	-	6,282	-
Talent Match	6	-	(6)	-
Community Grants 4	122	-	(122)	-
YEI ESF Springboard	11,047	5,404	-	16,451
This Ability	-	5,042	-	5,042
BBO	(4,607)	(3,699)	11,502	3,196
Community Grants 5	(19,301)	(18,641)	-	(37,942)
Community Grants 3	-	1,113	(1,113)	-
	<u>(19,015)</u>	<u>(10,781)</u>	<u>16,543</u>	<u>(13,253)</u>
TOTAL FUNDS	<u>801,996</u>	<u>(8,388)</u>	<u>-</u>	<u>793,608</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,944	21,773	24,717
AEB	278,559	(303,505)	(24,946)
Youth Hub	115,400	(115,293)	107
Barbara Haigh Investment Fund	2,500	(2,500)	-
CLLD	121,884	(113,433)	8,451
Spot Contracts	1,190	(7,126)	(5,936)
	<u>522,477</u>	<u>(520,084)</u>	<u>2,393</u>
Restricted funds			
YEI ESF Springboard	1,855,773	(1,850,369)	5,404
This Ability	664,254	(659,212)	5,042
BBO	1,086,407	(1,090,106)	(3,699)
Community Grants 5	685,206	(703,847)	(18,641)
Community Grants 3	13,953	(12,840)	1,113
	<u>4,305,593</u>	<u>(4,316,374)</u>	<u>(10,781)</u>
TOTAL FUNDS	<u><u>4,828,070</u></u>	<u><u>(4,836,458)</u></u>	<u><u>(8,388)</u></u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	675,001	(1,776)	(87,479)	585,746
Redundancy reserve	17,635	-	87,479	105,114
AEB	(21,181)	(5,569)	-	(26,750)
Community Learning Fund	26,330	-	-	26,330
ETF Prevent	13,970	-	-	13,970
CLLD	79,606	20,666	-	100,272
IAG	7,619	-	-	7,619
Spot Contracts	10,479	(1,769)	-	8,710
	809,459	11,552	-	821,011
Restricted funds				
ESFA Community Grants	(6,282)	-	-	(6,282)
Talent Match	3,389	(3,383)	-	6
Community Grants 4	-	122	-	122
YEI ESF Springboard	5,315	5,732	-	11,047
BBO	-	(4,607)	-	(4,607)
Community Grants 5	-	(19,301)	-	(19,301)
	2,422	(21,437)	-	(19,015)
TOTAL FUNDS	811,881	(9,885)	-	801,996

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,821	(4,597)	(1,776)
AEB	449,755	(455,324)	(5,569)
Barbara Haigh Investment Fund	365	(365)	-
CLLD	123,013	(102,347)	20,666
Spot Contracts	15,763	(17,532)	(1,769)
	<u>591,717</u>	<u>(580,165)</u>	<u>11,552</u>
Restricted funds			
Talent Match	-	(3,383)	(3,383)
Community Grants 4	4,730	(4,608)	122
YEI ESF Springboard	1,790,731	(1,784,999)	5,732
This Ability	550,617	(550,617)	-
BBO	1,174,826	(1,179,433)	(4,607)
Community Grants 5	699,830	(719,131)	(19,301)
	<u>4,220,734</u>	<u>(4,242,171)</u>	<u>(21,437)</u>
TOTAL FUNDS	<u><u>4,812,451</u></u>	<u><u>(4,822,336)</u></u>	<u><u>(9,885)</u></u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

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

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	675,001	22,941	(132,734)	565,208
Redundancy reserve	17,635	-	112,414	130,049
AEB	(21,181)	(30,515)	51,696	-
Youth Hub	-	107	-	107
Community Learning Fund	26,330	-	(26,330)	-
ETF Prevent	13,970	-	(13,970)	-
CLLD	79,606	29,117	-	108,723
IAG	7,619	-	(7,619)	-
Spot Contracts	10,479	(7,705)	-	2,774
	<u>809,459</u>	<u>13,945</u>	<u>(16,543)</u>	<u>806,861</u>
Restricted funds				
ESFA Community Grants	(6,282)	-	6,282	-
Talent Match	3,389	(3,383)	(6)	-
Community Grants 4	-	122	(122)	-
YEI ESF Springboard	5,315	11,136	-	16,451
This Ability	-	5,042	-	5,042
BBO	-	(8,306)	11,502	3,196
Community Grants 5	-	(37,942)	-	(37,942)
Community Grants 3	-	1,113	(1,113)	-
	<u>2,422</u>	<u>(32,218)</u>	<u>16,543</u>	<u>(13,253)</u>
TOTAL FUNDS	<u>811,881</u>	<u>(18,273)</u>	<u>-</u>	<u>793,608</u>

HUMBER LEARNING CONSORTIUM

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

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 £
Unrestricted funds			
General fund	5,765	17,176	22,941
AEB	728,314	(758,829)	(30,515)
Youth Hub	115,400	(115,293)	107
Barbara Haigh Investment Fund	2,865	(2,865)	-
CLLD	244,897	(215,780)	29,117
Spot Contracts	16,953	(24,658)	(7,705)
	<u>1,114,194</u>	<u>(1,100,249)</u>	<u>13,945</u>
Restricted funds			
Talent Match	-	(3,383)	(3,383)
Community Grants 4	4,730	(4,608)	122
YEI ESF Springboard	3,646,504	(3,635,368)	11,136
This Ability	1,214,871	(1,209,829)	5,042
BBO	2,261,233	(2,269,539)	(8,306)
Community Grants 5	1,385,036	(1,422,978)	(37,942)
Community Grants 3	13,953	(12,840)	1,113
	<u>8,526,327</u>	<u>(8,558,545)</u>	<u>(32,218)</u>
TOTAL FUNDS	<u><u>9,640,521</u></u>	<u><u>(9,658,794)</u></u>	<u><u>(18,273)</u></u>

14. RELATED PARTY DISCLOSURES

The charitable company shares a mutual trustee with the Goodwin Development Trust. During the year payments were made by Humber Learning Consortium to Goodwin Development Trust amounting to £570,137 (2020 £552,100).

HUMBER LEARNING CONSORTIUM

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Investment income		
Interest receivable - trading	-	1
Charitable activities		
Service contracts, subcontracted learning and other income	4,828,070	4,812,450
Total incoming resources	4,828,070	4,812,451
EXPENDITURE		
Charitable activities		
Wages	1,020,720	991,881
Social security	85,703	84,240
Pensions	105,016	103,194
Rates and water	-	(2,920)
Insurance	2,384	1,895
Event costs	-	895
External consultants	27,266	14,126
Training and trainers	4,094	12,279
Quality Standards	-	1,730
ESFA community grants	603,028	619,756
Learner bursary payments	7,673	15,446
Subcontracted learning	2,833,336	2,771,308
Depreciation	2,138	-
	4,691,358	4,613,830
Support costs		
Finance		
Sundries	8,950	294
Bank charges	1,039	1,057
Accommodation	50,522	59,071
Communication	32,626	33,874
Equipment and resources	23,991	49,197
Organisational development	12,320	28,876
	129,448	172,369
Other		
Staff expenses	4,520	18,765
Bad debts	75	4,608
	4,595	23,373

This page does not form part of the statutory financial statements

HUMBER LEARNING CONSORTIUM

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Other		
Governance costs		
Legal fees	7,150	4,929
Auditors' remuneration	3,907	3,835
Late filing fees	-	4,000
	<u>11,057</u>	<u>12,764</u>
Total resources expended	<u>4,836,458</u>	<u>4,822,336</u>
Net expenditure	<u>(8,388)</u>	<u>(9,885)</u>

This page does not form part of the statutory financial statements