

REGISTERED COMPANY NUMBER: 04896217 (England and Wales)
REGISTERED CHARITY NUMBER: 1101756

Report of the Trustees and
Unaudited Financial Statements for the Year Ended 31 August 2023
for
Central England Proficiency Testing
Limited

A D Accounts (Trusts) Limited
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

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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 August 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 Charity's objectives are the advancement of education and training by means of collaboration with the City and Guilds Network in the administration of schemes of Proficiency Tests, Vocational Qualifications of Competence, Certificates of Qualifications and other such awards in agriculture, horticulture, forestry and other industries within the UK. All charitable activities are undertaken to further charitable purposes for the public benefit.

In recent years CEPT has made this facility available on a limited basis to the Young Farmers Clubs situated in the charities three main Counties - Warwickshire, Worcestershire and Herefordshire. It is hoped that going forward with a more predictable income due to the interest received from our reserves that this free option will be available on a larger scale whilst we still retain our capital reserves.

Public benefit

In drafting this report, the trustees have complied with the duty in Section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENT AND PERFORMANCE

Overall review

Our last trading year has been like other recent years, one of uncertainty and with challenges to face - this next year looking likewise. Total costs have decreased by 7.66% in line with charitable activities decreasing by 7.76%, this has resulted in nett income being reduced by 14.7%. As noted in previous "Report of the Trustees" the prudent management of CEPT by all involved has created a considerable cash reserve - added to again this year, which will secure the charity and its activities for the foreseeable future.

FINANCIAL REVIEW

Investment policy and objectives

The reserves are currently held on deposit with the Nat West Bank. The current level of reserves are in excess of the £85,000 covered by the Governments Bank Guarantee Scheme but the opinion of the Trustees is that as the Nat West is one of the UK's leading banks this is not a reckless decision. With the increase in interest rates and thus deposit rates, we plan to leave one third of our reserves in our Current Account and the other two thirds divided equally between two fixed interest Accounts/Bonds with different maturity dates. The plan is to have the accounts maturing just after our six monthly Board Meeting, this will allow the Directors to discuss CEPT's current financial circumstances, should some or all of the reserves be needed, the money can be transferred back to our Current Account, if the reserves are not required they can be re-invested for a further year. This method will enable CEPT to review its financial situation and re-introduce cash reserves at each Board Meeting, yet if the funds are not required they can be re-invested for a full year gaining a higher rate of interest compared to investing for only six months. This can be done in the safe knowledge that the same option will be available at the next six monthly meeting.

Reserves policy

At 31 August 2023 "free reserves", being unrestricted funds other than fixed assets amounted to £133,776 (2022 - £131,398).

The reserves policy has always been to maintain adequate reserves to cover all outcomes during the UK economic cycles. In recent times with both BREXIT and Covid this policy has proven to be both wise and prudent. Guidance would suggest that capital reserves should be sufficient to cover the charities fixed costs for a period of ten years, with this formula CEPT has reached that benchmark and is continuing to increase its cash reserves all be it at a much slower pace than in previous times.

FUTURE PLANS

The charity will continue to operate in accordance with its charitable activities.

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.

Recruitment and appointment of new trustees

Recruitment is done by personal contacts and if need be, advertising. After approval by the Board of Trustees, the new Trustees' appointment is ratified at the Annual General Meeting.

Organisational structure

Day to day responsibility of the charitable company is delegated to a staff team.

Induction and training of new trustees

After appointment all new Trustees fill in relevant forms for the Charity Commissioners and Companies House, plus conflict of interest, skills audit and acknowledge their responsibilities.

Related parties

Central England Proficiency Testing Limited is part of the City and Guilds Network.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04896217 (England and Wales)

Registered Charity number

1101756

Registered office

Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

Trustees

B M Pipe
L E Goodall Chairman
C W Antrobus
A Baxter
J Everest
A C Gibb
P A Rees

Independent Examiner

A D Accounts (Trusts) Limited
Rural Enterprise Centre
Vincent Carey Road
Rotherwas
Hereford
Herefordshire
HR2 6FE

REFERENCE AND ADMINISTRATIVE DETAILS

Administrator

Pauline Harcourt

Bankers

Natwest Bank
The Round House
2 Bridge Street
Evesham
Worcester
WR11 4RS

Approved by order of the board of trustees on 13 May 2024 and signed on its behalf by:

L E Goodall - Trustee

Independent examiner's report to the trustees of Central England Proficiency Testing Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Allan James Davies F.C.C.A.

A D Accounts (Trusts) Limited
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14 May 2024

Statement of Financial Activities
for the Year Ended 31 August 2023

		2023 Unrestricted fund £	2022 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Charitable activities			
Examinations		172,942	188,017
Investment income	2	508	26
Total		<u>173,450</u>	<u>188,043</u>
EXPENDITURE ON			
Charitable activities	3		
Examinations		<u>171,072</u>	<u>185,255</u>
NET INCOME		2,378	2,788
RECONCILIATION OF FUNDS			
Total funds brought forward		131,398	128,610
TOTAL FUNDS CARRIED FORWARD		<u><u>133,776</u></u>	<u><u>131,398</u></u>

The notes form part of these financial statements

		2023 Unrestricted fund £	2022 Total funds £
	Notes		
CURRENT ASSETS			
Debtors	8	14,960	14,833
Cash at bank		129,626	126,302
		<u>144,586</u>	<u>141,135</u>
CREDITORS			
Amounts falling due within one year	9	(10,810)	(9,737)
		<u>133,776</u>	<u>131,398</u>
NET CURRENT ASSETS			
		<u>133,776</u>	<u>131,398</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>133,776</u>	<u>131,398</u>
NET ASSETS			
		<u>133,776</u>	<u>131,398</u>
FUNDS	10		
Unrestricted funds		<u>133,776</u>	<u>131,398</u>
TOTAL FUNDS		<u>133,776</u>	<u>131,398</u>

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

The members have not required the company to obtain an audit of its financial statements for the year ended 31 August 2023 in accordance with Section 476 of the Companies Act 2006.

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 prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 13 May 2024 and were signed on its behalf by:

L E Goodall - Trustee

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.

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.

2. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	508	26
	<u>508</u>	<u>26</u>

3. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 4) £	Support costs (see note 5) £	Totals £
Examinations	121,206	49,866	171,072

4. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023 £	2022 £
Examiners' fees	112,781	119,429
Examiners' travel expenses	8,425	10,168
	121,206	129,597

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Examinations	47,667	149	2,050	49,866

Support costs, included in the above, are as follows:

	2023 Examinations £	2022 Total activities £
Administrator's fees	41,648	46,436
Insurance	2,054	1,595
Sundries	480	508
Accountancy fees	2,840	2,760
Office equipment	645	338
Bank charges	149	151
Independent examiners' fee	2,050	1,870
Secretarial fees	-	2,000
	49,866	55,658

6. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Independent examiners' fee	2,050	1,870
	<u>2,050</u>	<u>1,870</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

The following trustees received payment of assessment and other fees during the period.

	2023	2022
	£	£
J Everest	277	275
A C Gibb	1,145	968
P Rees	1,450	2,860
	<u>2,872</u>	<u>4,103</u>

B R Lancaster received £NIL (2022 - £2,000) in relation to secretarial fees during the year.

The charity's administrator, who is not directly employed by the charity, was paid £41,648 (2022 - £46,476). Included in the total amount paid was £41,648 (2022 - £46,436) relating to administration fees and £NIL (2022 - £40) for expenses incurred.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2023 nor for the year ended 31 August 2022.

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	13,673	13,443
Prepayments	1,287	1,390
	<u>14,960</u>	<u>14,833</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	5,920	5,087
Accruals and deferred income	4,890	4,650
	<u>10,810</u>	<u>9,737</u>

10. MOVEMENT IN FUNDS

	At 1.9.22	Net movement in funds	At 31.8.23
	£	£	£
Unrestricted funds			
General fund	131,398	2,378	133,776
	<u>131,398</u>	<u>2,378</u>	<u>133,776</u>
TOTAL FUNDS	<u>131,398</u>	<u>2,378</u>	<u>133,776</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	173,450	(171,072)	2,378
	<u>173,450</u>	<u>(171,072)</u>	<u>2,378</u>
TOTAL FUNDS	<u>173,450</u>	<u>(171,072)</u>	<u>2,378</u>

Comparatives for movement in funds

	At 1.9.21	Net movement in funds	At 31.8.22
	£	£	£
Unrestricted funds			
General fund	128,610	2,788	131,398
	<u>128,610</u>	<u>2,788</u>	<u>131,398</u>
TOTAL FUNDS	<u>128,610</u>	<u>2,788</u>	<u>131,398</u>

10. 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	188,043	(185,255)	2,788
TOTAL FUNDS	<u>188,043</u>	<u>(185,255)</u>	<u>2,788</u>

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

	At 1.9.21 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	128,610	5,166	133,776
TOTAL FUNDS	<u>128,610</u>	<u>5,166</u>	<u>133,776</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	361,493	(356,327)	5,166
TOTAL FUNDS	<u>361,493</u>	<u>(356,327)</u>	<u>5,166</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.

Detailed Statement of Financial Activities
for the Year Ended 31 August 2023

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Investment income		
Deposit account interest	508	26
Charitable activities		
Examinations	172,942	188,017
Total incoming resources	173,450	188,043
EXPENDITURE		
Charitable activities		
Examiners' fees	112,781	119,429
Examiners' travel expenses	8,425	10,168
	121,206	129,597
Support costs		
Management		
Administrator's fees	41,648	46,436
Insurance	2,054	1,595
Sundries	480	508
Accountancy fees	2,840	2,760
Office equipment	645	338
	47,667	51,637
Finance		
Bank charges	149	151
Governance costs		
Independent examiners' fee	2,050	1,870
Secretarial fees	-	2,000
	2,050	3,870
Total resources expended	171,072	185,255
Net income	2,378	2,788

This page does not form part of the statutory financial statements