

Registered Charity Number - 1105746
Company Registration Number - 4717124

The Voluntary and Community Sector Learning and Skills Consortium

Enable

(A Charitable Company Limited by Guarantee)

Annual Report and Financial Statements

31 July 2023

“To enable the Voluntary and Community Sector to support the sustainable economic development of their communities through services that address local learning, skills and employment needs”

Enable. Floors 1-4. 3-5 Stoney Street.
Nottingham NG1 1LG
Tel: 0115 7100 200 Email: enquiries@enable.uk.net Web: www.enable.uk.net

The Voluntary and Community Sector Learning and Skills Consortium

Charity Reference and Administrative Details

Charity registration number: 1105746

Company registration number: 4717124

Trustees	A S Bunn (Resigned 16/10/2023)
	T A Cullen
	M G Henry
	N Hufton (Resigned 01/03/2023)
	S Azam
	A Birch (Resigned 19/04/2023)
	S Morris (Resigned 02/09/2022)
	I McCann

Interim CEO	C Bartles
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Registered Office	Floors 1-4, 3-5 Stoney Street Nottingham NG1 1LG
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Independent Auditors	PKF Smith Cooper Audit Limited Statutory Auditors 2 Lace Market Square Nottingham NG1 1PB
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Bankers	Unit Trust Bank Nine Brindleyplace Birmingham B1 2BH
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The Voluntary and Community Sector Learning and Skills Consortium

Report from the Chair of Trustees

I am pleased to be able to report on the progress and achievements of ENABLE during 2022 and 2023 and looking forward into 2024-25.

Like a phoenix rising from the ashes ENABLE has survived a catastrophic burn and is proud to still be able to meet our charitable objectives and look forward to a new focus on supporting the voluntary and community learning and skills sector. This is due to the extraordinary hard work and dedication of the Board of Trustees and staff team who would not give up on our mission.

We started our journey through our 2022-23 financial year as a thriving organisation working hard to recover from the ongoing effects of the Covid-19 pandemic, with a lot of confidence having just been one of only 83 providers nationally who secured an Adult Education Budget contract and one of only 23 who were able to deliver the new National Skills Level 3 diplomas. We had also successfully challenged the ESFA's new rule change that would only permit providers to sub-contract out 25% of ESFA contracts because our main charitable objective is winning contracts on behalf of our members in the voluntary sector.

On 31 January 2023 we had an Ofsted inspection which resulted in a grade 4, having previously been grade 2. This was a very big shock to our whole team and we felt strongly that the inspection had been unreasonable and had not taken into account our unique position in the voluntary sector. I was interviewed as Chair of Trustees in both of our previous Ofsted inspections and this one felt entirely different. In preparation for this inspection all Trustees had attended an online training session. Trustees felt our inspector misunderstood the role of Charity Trustees and the additional responsibilities that we have for governance over and above those of a school governor, citing that our minutes reflected detail about financial matters.

Despite our challenge and a formal complaint, in April 2023 we were awarded an Ofsted Grade 4, which resulted in the withdrawal of all of our ESFA funded contracts and the loss of the greater part of our income that funded support for our voluntary sector members. Unfortunately, unlike a school or college, we as a VCS provider were not offered any help with improvements or a chance to be re-inspected once we had rectified the issues that Ofsted highlighted.

I am proud to convey that despite a very turbulent time and a drastically reduced staff team we have been able to implement the required quality improvements, manage our remaining contracts efficiently and start to build a new portfolio of opportunities to support our members. We are fully aware that we still have a challenging time ahead, as the Trustees' report suggests, but we are confident that supporting learning and skills in the VCS for those learners who have the least opportunities is still very much needed and we are the organisation that can do this.

I always end my report by thanking my fellow Trustees and our staff team. This year more than ever, they have shown what grit and determination can achieve and a simple thank you feels inadequate.



Teresa Cullen

Chair of Trustees

Date:

The Voluntary and Community Sector Learning and Skills Consortium

Report of the Board of Trustees For the year ended 31 July 2023 (Incorporating the Directors' report)

The Trustees present their report and the audited financial statements of the charity for the year ended 31 July 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The Trustees who have served during the year and since the year end were as follows:

A S Bunn (Resigned 16/10/2023)
T A Cullen
M G Henry
N Hufton (Resigned 01/03/2023)
S Azam
A Birch (Resigned 19/04/2023)
S Morris (Resigned 02/09/2022)
I McCann

Objectives and Activities of Enable

The objectives of Enable as set out in the Memorandum and Articles of Association are to develop the capacity and skills of the members of the socially and economically disadvantaged communities of England in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society, in particular by:

- Assisting such charities and voluntary organisations to play a full role in the local and national learning and skills agenda and to make the most effective use of funding opportunities.
- Providing support and guidance for charitable purposes by charities and voluntary organisations operating in the area of benefit;
- Providing high quality, vocational and non-vocational, learning opportunities.

Our Mission Statement

- To enable the Voluntary and Community Sector to support the sustainable economic development of their communities through services that address local learning, skills and employment needs

The Voluntary and Community Sector Learning and Skills Consortium

Our Aims

- To promote and facilitate information sharing, consultation and partnership development regarding learning, skills and employment with and within the Voluntary and Community Sector;
- To provide high quality, integrated employment and skills programmes through a consortium of Voluntary and Community Sector providers;
- To meet the capacity building and continuing professional development needs of Voluntary and Community Sector learning and skills providers;
- To meet the Workforce Development needs within the Voluntary and Community Sector;
- To ensure there is effective and sustainable infrastructure support for learning and skills within the Voluntary and Community Sector.

Public Benefit Statement

This report sets out Enable's aims and the priorities and reports on the activity and successes in the year to the 31 July 2023, as well as explaining the plans for the current financial year. Enable's activities benefit:

1. Voluntary sector organisations that provide learning opportunities to local people by partnering with them and enhancing their ability to deliver learning through accessing funding on their behalf and providing training and support to enable them to increase the quality and scope of their provision to their beneficiaries.
2. Individuals in deprived communities' benefit from the provision of free learning opportunities. This increases their levels of skills and knowledge and enables them to access a greater range of employment opportunities.
3. The interaction between the governmental bodies and the voluntary and community sector in the East Midlands.

The Trustees have considered the Charity Commission's Public Benefit guidance and concluded:

1. That the aims of the organisation continue to be charitable.
2. That the aims and the work done give identifiable benefits to the charitable sector and both indirectly and directly to individuals in need.
3. That the benefits are for the public, are not unreasonably restricted in any way and certainly not by ability to pay; and
4. That there is no detriment or harm arising from the aims or activities.

Achievements and performance

During the year in review, in partnership with our delivery partners we achieved success in supporting individuals into learning, achieving qualifications and employment. There were 330 learners and apprentices in learning, either at the provider or learning with one of 11 membership organisations. The vast majority of learners are on adult courses in employability, English and mathematics. Vocational courses include health and social care and warehousing and storage.

The Voluntary and Community Sector Learning and Skills Consortium

During the year in review, we were inspected by Ofsted and awarded a Grade 4 which resulted in a loss of income from ESFA and other funded contracts. Since the OFSTED report, The Board of Trustees have acted on all of the OFSTED findings and are confident that quality measures have been implemented. A full organisation restructure and a refocus on the core charitable aims and objectives have been facilitated by the Board of Trustees and have laid the foundations for the future success and growth of the charity.

Principal risks and uncertainties

The Board of Trustees has reviewed, during the year, the potential risks to which the charity is exposed, particularly business, operational and financial risks. The Trustees are working towards producing procedures and reporting regimes to manage and reduce the significant impact of the Ofsted Grade 4.

The Board acknowledges that because of this and the subsequent loss of significant contracts there are concerns about our financial future and steps have been taken to ensure the future viability of the organisation.

Financial Review

Enable finishes the year with a deficit of £98,598 for the 12 months ending 31 July 2023, resulting in reserves of £172,858 at the end of the year.

At the year end the cash position of £134,320 is higher than the prior year of £27,471. The year end debtors figure of £183,795 is lower than the previous year's figure of £372,249 and in both years mainly relates to accrued income from monies owed to Enable. The year end creditors figure of £147,702 due within one year is higher than last year's figure of £132,229 and includes £30,263 (2022: £36,180) of deferred income on restricted funds. There are no creditors falling due after more than one year.

Enable, in common with other education and training providers, remains vulnerable to the possibility of funds being clawed back by funders at a later date following audit. Enable is not aware at present of any risk in regard to any of its current projects.

Going concern

On 31 January 2023 the Charity had an OFSTED inspection and was rated Inadequate. As a result, a number of contracts were terminated and the Charity suffered a significant loss of income. Other funding contracts have also recently completed and have not been replaced. The Charity has made a deficit in the year ended 31 July 2023 and has continued to report a deficit thereafter.

The Trustees have taken measures to realign the strategic direction of the Charity and therefore restructured operations and costs accordingly. It is the opinion of the Trustees, that notwithstanding the difficulties faced by the Charity, it can be successful in winning and delivering new contracts in the future, albeit on a much-reduced basis.

In preparing the financial statements on a going concern basis, the Board of Trustees have paid due regard to relevant forecast financial information and factored in sensitivities and uncertainties affecting the charity. In the Trustee's opinion, the charity is a going concern for a minimum of twelve months from the date of the approval of the financial statements.

The Voluntary and Community Sector Learning and Skills Consortium

Reserves policy

The Trustees have examined Enable's requirement for available reserves and estimate that £60,000 in general unrestricted reserves would be needed in order to:

- Be able to meet our obligations to vulnerable clients when funding streams are abruptly terminated;
- Cover amounts that would be owed to providers and staff in the event of a termination or reduction of activities;
- Meet arising liabilities that are not covered by project funding;
- Cover short term funding requirements (for instance where an upfront amount of expenditure is needed to start a project);
- Provide cover against termination costs of a project;
- Provide working capital in the event that grant income is delayed;
- Demonstrate financial stability in order to be able to be successful in bidding for large scale projects;
- Pilot development projects.

Enable had £172,858 in general reserves at 31 July 2023 (2022: £271,457).

Plans for future periods

Our priorities for 2023/24 include:

- Securing new sources of funding so that Voluntary and Community Sector organisations are able to increase their contribution to local and national priorities and targets;
- Further enhance quality systems, support to members through workshops and staff training with regards to initial assessment, Individual Learning Plans, learners' progression and monitoring of teaching and learning to enable us to meet the required quality standards of our industry.
- Maintaining a strong network of VCS providers across all counties of the region and reintroduce Members' meetings and an annual conference incorporating our awards ceremony;
- Continue to develop partnerships that enable us to respond to regional funding opportunities that are introduced by the newly elected Mayoral Office.
- Continue to deliver our GAINN project – legacy funding from the Talent Match programme;
- Ensuring the VCS is effectively represented;
- Increasing the number of our members and promote Enable work;
- Increase the number of members delivering accredited programmes;
- Promoting the Enable brand and increasing our social media presence;
- Working with our members to provide routeways for social mobility and inclusive employment through our programmes and partnerships.

The Voluntary and Community Sector Learning and Skills Consortium

Structure, Governance and Management Governing Document

The Nottingham and Nottinghamshire Voluntary and Community Learning and Skills Consortium was incorporated by guarantee on 31 March 2003 (registered company number 4717124). On 8 July 2014, the company changed its name to The Voluntary and Community Sector Learning and Skills Consortium to reflect the wide geographical coverage it now has.

The company operates under the name Enable. It does not have share capital and has obtained exemption under Section 30 of the Companies Act 1985 to dispense with the word Limited as part of the company name. Charitable status was granted on 6 September 2004 (registered charity number 1105746). The guarantee of each member of the Board is limited to £1. The governing document is the Memorandum and Articles of Association of the company, and the members of the Board of Trustees are the Directors of the company. The company is currently based on Floors 1-4, 3-5 Stoney Street, Nottingham, NG1 1LG.

Directors/Trustees

The Trustees also serve as Directors of the company and guarantee £1 each.

Appointment of Trustees

- Up to eight persons elected by and from the membership.
- Up to eight persons elected from Voluntary and Community Sector umbrella or infrastructure bodies or networks and communities of interest.
- Up to four persons, who may be but need not be members of the Company, co-opted by the Board of Trustees for their appropriate skills and experience of benefit to Enable; the number of co-opted members at any time is a maximum of one-third of the total Board.

The current Trustees are as follows:

T A Cullen
M G Henry
S Azam
I McCann

The Board of Trustees shall endeavour to ensure that the Board reflects the diverse needs and interests of the communities it serves. Each Trustee is required to attend equality and diversity training, prevent and safeguarding on a regular basis. Enable seeks to identify areas of under representation on the Board and seeks to remedy this by requesting members to put forward appropriate candidates.

Trustee induction and training

Once appointed the Trustees have a series of induction sessions which includes a discussion with the Chief Executive on Enable's activities, the receiving of information on the roles and responsibilities of company directors and Trustees and a copy of the Trustee handbook.

The Voluntary and Community Sector Learning and Skills Consortium

We are fortunate that the majority of our Trustees are drawn from voluntary sector organisations and do not require an induction to the sector and most of their training needs are met by their employer. Enable is an organisation that provides training through its member organisations and Trustees are actively encouraged to participate in appropriate training.

Organisation and decision making

The Board currently convenes quarterly and holds additional strategic planning days. A finance sub-committee exists to scrutinise accounting and other financial information to be presented to the Board. In addition, other ad hoc committees are set up by Trustees and staff to fulfil changing operational requirements.

Enable Trustees have delegated management of Enable to the Chief Executive Officer who reports on the performance against the strategic and operational plans approved by the Trustees.

Fundraising

Enable does not carry out significant fundraising activities.

Related parties and co-operation with other organisations

During the year there have been transactions with related organisations. Once a year each Trustee completes a register of interests. The Trustees confirm that these transactions are at arm's length and the trustees cannot influence the terms of the transactions. The related party transactions are disclosed within Note 8 to the accounts.

Pay policy for senior staff

The Trustees consider themselves and the senior management team to comprise the key management personnel of Enable, in charge of directing and controlling, running and operation of the charity on a day-to-day basis.

All the Trustees give their time freely and no trustee received remuneration nor claimed expenses in the year.

Enable aligns all senior staff pay to the appropriate National Joint Council salary grade.

Trustees' responsibilities statement

The Trustees (who are also the directors of the charitable company for the purposes 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).

The Voluntary and Community Sector Learning and Skills Consortium

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they 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 charity for that period. 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 judgments and accounting estimates that are reasonable and prudent;
- 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 are sufficient to show and explain the charity's transactions and 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charity's auditors in connection with preparing their report and to establish that the charity's auditors are aware of that information.

This report was approved by the Trustees and signed on their behalf by:



Teresa Cullen
Chair of Trustees

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Date:

The Voluntary and Community Sector Learning and Skills Consortium

Independent Auditors' Report to the members of The Voluntary and Community Sector Learning and Skills Consortium

Qualified Opinion

We have audited the financial statements of The Voluntary and Community Sector Learning and Skills Consortium (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes, 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, 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, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 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 Charities Act 2011.

Basis for qualified opinion

We were unable to obtain adequate corroborative audit assurance in respect of the completeness and accuracy of certain funding income of £852k, in the absence of sufficient appropriate supporting documentation.

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 United Kingdom, including the Financial Reporting Council'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 qualified opinion.

Material uncertainty related to going concern

We draw attention to note 1b in the financial statements, which indicates that conditions have been identified that may cast significant doubt on the charitable company's ability to continue as a going concern. As stated in note 1b, these events or conditions, along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

The Voluntary and Community Sector Learning and Skills Consortium

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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.

As described in the basis of qualified audit opinion section of our report, we were unable to satisfy ourselves concerning the completeness and accuracy of certain funding income, in the absence of sufficient appropriate supporting documentation. We have concluded that where the other information refers to the entity's income, it may be materially misstated for the same reason.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified audit opinion section of our report, in the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

Arising solely from the limitation of scope of our work relating to income, referred to above:

- we have not obtained we have not received all the information and explanations we require for our audit.
- we were unable to determine whether adequate accounting records have been kept or returns adequate for our audit have been received from branches not visited by us.

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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made.

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.

The Voluntary and Community Sector Learning and Skills Consortium

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.

Auditors' 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 of 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. Based on our understanding of the charitable company and industry, we identify the key laws and regulations affecting the charitable company to include compliance with the Charities Act 2011 and Charity Commission 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.

We identified that the principal risk of fraud or non-compliance with laws and regulations related to:

- management bias in respect of accounting estimates and judgements made;
- management override of control;
- posting of unusual journals or transactions.

We focussed on those areas that could give rise to a material misstatement in the financial statements. Our procedures included, but were not limited to:

- enquiry of management and those charged with governance around actual and potential litigation and claims, including instances of non-compliance with laws and regulations and fraud;
- reviewing minutes of meetings of those charged with governance where available;
- reviewing legal expenditure in the year to identify instances of non-compliance with laws and regulations and fraud;
- reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

It is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

The Voluntary and Community Sector Learning and Skills Consortium

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' Report.

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

PKF Smith Cooper Audit Limited

Statutory Auditors
2 Lace Market Square
Nottingham
NG1 1PB

Date:

PKF Smith Cooper Audit Limited are eligible to act as auditors by virtue of section 1212 of the Companies Act 2006.

The Voluntary and Community Sector Learning and Skills Consortium

Statement of Financial Activities (Incorporating the Income & Expenditure Account) Year ended 31 July 2023

	<u>Note</u>	<u>Unrestricted</u> <u>Funds</u> <u>2023</u> <u>£</u>	<u>Restricted</u> <u>Funds</u> <u>2023</u> <u>£</u>	<u>Total</u> <u>2023</u> <u>£</u>	<u>Total</u> <u>2022</u> <u>£</u>
Income					
Charitable Activities	3	1,504,567	90,840	1,595,407	1,714,465
Total Income		1,504,567	90,840	1,595,407	1,714,465
Resources Expended					
Expenditure on charitable activities	4	1,603,165	90,840	1,694,005	1,640,534
Total Expenditure		1,603,165	90,840	1,694,005	1,640,534
Net movement in Funds		(98,598)	-	(98,598)	73,931
Funds b/fwd as at 1st August 2022		271,456	-	271,456	197,526
Funds c/fwd as at 31st July 2023	16	172,858	-	172,858	271,457

The Voluntary and Community Sector Learning and Skills Consortium

Balance Sheet As at 31 July 2023 Company registration no: 4717124

	<u>Note</u>	<u>2023</u>		<u>2022</u>	
		<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Fixed Assets					
Tangible Assets	10	2,445		3,966	
Current Assets					
Debtors	11	183,795		372,249	
Cash at Bank and in Hand		134,320		27,471	
		<u>318,115</u>		<u>399,720</u>	
Liabilities					
Creditors falling due within one year	12	(147,702)		(132,229)	
Net Current Assets		170,413		267,491	
Total Assets less Current Liabilities		172,858		271,457	
Net Assets		<u>172,858</u>		<u>271,457</u>	
Funds of the Charity					
Unrestricted Funds	15	172,858		271,457	
Restricted Funds		-		-	
Total Funds		<u>172,858</u>		<u>271,457</u>	

The financial statements were approved and authorised for issue by the board and signed on its behalf by:



Teresa Cullen
Chair of Trustees

Date:

The Voluntary and Community Sector Learning and Skills Consortium

Statement of Cash Flows Year ended 31 July 2023

	<u>Note</u>	<u>2023</u> £	<u>2022</u> £
Net movement in funds		(98,598)	73,931
Depreciation of tangible assets		1,522	2,675
Decrease/(increase) in debtors		188,452	(47,390)
Increase/(decrease) in creditors		15,473	(30,772)
Cash used in operating activities	18	106,849	(1,556)
Purchase of tangible fixed assets		-	(1,820)
Disposal of tangible fixed assets		-	-
Cash used in investing activities		-	(1,820)
Net increase/(decrease) in cash and cash equivalents		106,849	(3,378)
Cash and cash equivalents at the beginning of the year		27,473	30,849
Cash and cash equivalents at the end of the year		134,320	27,471

The Voluntary and Community Sector Learning and Skills Consortium

Notes to the Financial Statements

1. Summary of significant accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The Voluntary and Community Sector Learning and Skills Consortium is a charitable company, limited by guarantee, incorporated in England within the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information page of these financial statements. The nature of the charity's operations and principal activities are to enable the voluntary and community sector to support the sustainable economic development of their communities through services that address local learning, skills and employment needs.

The financial statements have been prepared in accordance with 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Voluntary and Community Sector Learning and Skills Consortium meets the definition of a public entity under FRS 102.

The financial statements are prepared on a going concern basis under the historical cost convention.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b) Going concern

On 31 January 2023 the Charity had an OFSTED inspection and was rated Inadequate. As a result, a number of contracts were terminated and the Charity suffered a significant loss of income. Other funding contracts have also recently completed and have not been replaced. The Charity has made a deficit in the year ended 31 July 2023 and has continued to report a deficit thereafter.

The Trustees have taken measures to realign the strategic direction of the Charity and therefore restructured operations and costs accordingly. It is the opinion of the Trustees, that notwithstanding the difficulties faced by the Charity, it can be successful in winning and delivering new contracts in the future, albeit on a much-reduced basis.

In preparing the financial statements on a going concern basis, the Board of Trustees have paid due regard to relevant forecast financial information and factored in sensitivities and uncertainties affecting the charity. Further comment has been made in the Trustees' Report. In the Trustee's opinion, the charity is a going concern for a minimum of twelve months from the date of the approval of the financial statements.

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c) Income recognition

Incoming resources from charitable activities included grants for the specific provision of goods and services to be provided as part of Enable's charitable activities to its beneficiaries. Upon receipt, these resources are held in deferred income until the income has been earned. Income is earned as follows:

- Where measurable stages of work have been completed, income is recognised to the value of the completed work.
- Where measurable outputs are specific as a condition of the grant, income is recognised on the basis of the proportion of the outputs completed compared to total outputs to be delivered.
- Where outputs are specified as a condition of the grant, but are not readily measurable, income is recognised on the basis of the staff time needed to deliver those outputs. Here income is recognised on the basis of the proportion of the staff time incurred to date compared to the total staff time necessary to deliver the outputs.
- Where the right to income does not arise until the occurrence of a critical event, income is not recognised until that event occurs.
- Where the grant allows for the Charity to make a surplus, the surplus is recognised in line with the proportion of the project completed.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of Enable. Restricted funds are monies which the donor has specified are to be solely used for particular projects undertaken by Enable.

e) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

f) Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs.

g) Tangible fixed assets

Items of expenditure of less than £250 are expensed to the Statement of Financial Activities in the year in which they are incurred. Enable depreciates its fixed assets over a period of 5 years on a straight-line basis.

h) Debtors

Trade and other debtors are recognised at the settlement amount after any discounts offered. Prepayments are valued at the amount prepaid net of discounts.

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i) Creditors and provisions

Creditors and provisions are recognised where Enable has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

j) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

k) Pensions

Enable contributes up to 5% of gross salary to a money purchase scheme nominated by staff members to match contributions made by them. The pension charge in the accounts represents the amounts payable by Enable in respect of the year.

l) Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. Management considers there to be no significant accounting estimates.

m) Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Legal Status of the Charity

Enable is a company limited by guarantee and has no share capital.

3. Income from Charitable Activities

	<u>Unrestricted Funds 2023</u>	<u>Restricted Funds 2023</u>	<u>Unrestricted Funds 2022</u>	<u>Restricted Funds 2022</u>
Gross income from ESFA Contracts	1,412,766	-	1,624,963	-
Gross income from other funders	91,801	-	-	-
Funding from the Big Lottery – GAINN	-	90,840	-	89,502
	<u>1,504,567</u>	<u>90,840</u>	<u>1,624,963</u>	<u>89,502</u>

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4. Analysis of Expenditure on Charitable Activities

	<u>ESFA</u> <u>Contracts</u>	<u>GAINN</u>	<u>Total</u>	<u>2022</u>
Direct Project Costs	874,075	13,720	887,795	942,815
Support Costs	687,685	67,680	755,365	665,971
Governance Costs	24,875	-	24,875	20,220
Central Premises Cost	16,530	9,440	25,970	11,528
	<u>1,603,165</u>	<u>90,840</u>	<u>1,694,005</u>	<u>1,640,534</u>

Expenditure on charitable activities was £1,694,005 (2022: £1,640,534) of which £1,603,165 (2022: £1,551,032) was unrestricted and £90,840 (2022: £89,502) was restricted.

5. Analysis of Governance and Support Costs

The charity initially identifies the costs of its support functions. It then identifies the costs which relate to the governance function. Having identified its governance cost the remaining costs are disclosed as support costs.

	<u>General Support</u>	<u>Governance</u>	<u>Total</u>	<u>2022</u>
Audit Fees	-	12,875	12,875	8,220
Accountancy Services & Admin Support	18,110	12,000	30,110	33,966
Salaries & Related Costs	645,549	-	645,549	599,726
General Office	45,781	-	45,781	44,279
	<u>709,440</u>	<u>24,875</u>	<u>734,315</u>	<u>686,191</u>

6. Net income/(expenditure) for the year

This is stated after charging:

	<u>2023</u> £	<u>2022</u> £
Auditors' remuneration:		
Audit Fees	12,875	8,220

7. Staff costs

	<u>2023</u>	<u>2022</u>
Average number of employees	23	24
	<u>2023</u>	<u>2022</u>
Salaries	554,324	530,693
Social Security Costs	42,268	40,811
Pension Costs	13,818	19,265
Voluntary redundancy costs	19,461	-
	<u>629,871</u>	<u>590,769</u>

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Staff costs continued

No employees had benefits in excess of £60,000 during the year (2022: £Nil). Pension costs are wholly charged to unrestricted funds.

The Charity Trustees were not paid nor received any other benefits from employment with the Charity, neither were they reimbursed expenses during the year (2022: £Nil).

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the Senior Contract Managers. The total employee benefits of the key management personnel of the charity were £123,738 (2022: £132,077)

8. Related Party Transactions

The charity enjoys a close working relationship with other voluntary sector groups who nominate trustees.

The following is a summary of income given by entities where a trustee is employed:

			<u>2023</u>	<u>2022</u>
Transform Training	Teresa Cullen	Trustee	47,084	41,684

The following is a summary of purchases made from entities where a trustee is employed:

			<u>2023</u>	<u>2022</u>
Precise HR	Nikki Hufton	Trustee	7,780	4,896

Outstanding Balances at 31 July 2023: Within Trade Debtors

			<u>2023</u>	<u>2022</u>
Transform Training	Teresa Cullen	Trustee	7,940	8,806
Mansfield CVS	Steve Morris	Trustee	-	744

9. Taxation

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

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10. Tangible Fixed Assets

		ICT Equipment & Software £
Cost	As at 1st August 2022	19,312
	Additions	-
	Disposals	7,269
	As at 31st July 2023	<u>12,043</u>
Depreciation	As at 1st August 2022	15,346
	Charge for Year	1,522
	Eliminated on disposals	(7,269)
	As at 31st July 2023	<u>9,600</u>
Net Book Value	As at 31st July 2022	3,966
	As at 31st July 2023	<u>2,445</u>

11. Debtors

	<u>2023</u>	<u>2022</u>
<i>Amounts due within one year</i>		
Trade Debtors	87,744	103,422
Accrued Income	95,451	248,639
Prepayments & Other Debtors	600	20,188
	<u>183,795</u>	<u>372,249</u>

12. Creditors

	<u>2023</u>	<u>2022</u>
<i>Amounts due within one year</i>		
Trade Creditors	53,892	54,053
Deferred Income	30,263	36,180
Accruals	49,747	24,223
Short term compensated absences (holiday pay)	3,000	3,000
Other Creditors	10,800	14,773
	<u>147,702</u>	<u>132,229</u>

13. Reconciliation of Deferred Income

	<u>2023</u>	<u>2022</u>
Deferred income 1st August 2022	36,180	40,758
Resources deferred during the year	84,923	84,924
Amounts released during the year	(90,840)	(89,502)
Deferred income 31st July 2023	<u>30,263</u>	<u>36,180</u>

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Reconciliation of Deferred Income Continued

The deferred income relates to restricted GAINN funding, and in 2023, money taken for courses to be run in the next year and is recognised when expended. The funding is closely monitored and reports are submitted quarterly with regard to spending against clear performance criteria within the contract. Furthermore, the contract states any unused element of the grant must be repaid on demand if not used at the end of the contract term.

14. Accounting Treatment of Funds

Unrestricted Funds

These funds are available for the Trustees to apply for the general purpose of the charity as set out in its Memorandum of Association. The Trustees may set aside part, or all of the charities unrestricted funds to be used for particular purposes in the future.

Restricted Funds

Restricted funds can only be used for particular restricted purposes with the objects of the charity. Restrictions arise where funds are provided for particular restricted purposes.

At the year end there was £30,263 (2022: £36,180) of unspent funds in relation to a restricted grant received from the National Lottery Community Fund.

15. Statement of Funds

	<u>Bal C/Fwd at 1st</u> <u>Aug 2022</u>	<u>Incoming</u> <u>Resources</u>	<u>Resources</u> <u>Expended</u>	<u>Bal C/Fwd at</u> <u>31st Jul 2023</u>
General Unrestricted Funds	271,457	1,504,567	(1,603,165)	172,858
Restricted Funds – National Lottery Community Fund GAINN	-	90,840	(90,840)	-
Total Funds	271,457	1,595,407	(1,694,005)	172,858

There are no funds in Enable that are classified as designated unrestricted funds.

16. Analysis of net assets between funds

	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total</u>	<u>2022</u>
Tangible Fixed Assets	2,445	-	2,445	3,966
Debtors	183,795	-	183,795	372,249
Cash at Bank and in hand	134,320	-	134,320	27,471
Creditors	(147,702)	-	(147,702)	(132,229)
	172,858	-	172,858	271,457

17. Contingency

Some funders make payments dependent on detailed submissions made by Enable. The right is reserved to audit these submissions, retrospectively, and insist that information is recorded in particular formats. Every effort is made to comply with funders' requirements and to maintain records but there is a small risk at audit, some grants may be disallowed. Enable is not aware of any known risk in this respect.

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18. Analysis of net assets between funds

	<u>2023</u>	<u>2022</u>
Net movement in funds	(98,598)	73,931
Decrease/(increase) in debtors	188,452	(47,390)
Increase/(decrease) in creditors	15,473	(30,774)
Depreciation	1,522	2,675
	<u>106,849</u>	<u>(1,558)</u>

19. Pension commitments

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £13,818 (2022: £19,265). Contributions of £1,596 (2022: £2,578) were payable to the scheme at the end of the year and are included within other creditors.