

Charity Registration No. 1112944

Company Registration No. 05513035 (England and Wales)

**THE VOCATIONAL LEARNING TRUST**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**  
**PAGES FOR FILING WITH REGISTRAR**

# THE VOCATIONAL LEARNING TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R D Morton Miss J O Ritchie Mr A Gilmore Mr K Mitchell Mr I Kershaw Mr M McGarry Mrs M A McDonnell Mr T Stephenson Ms M R Elliott	(Appointed 12 October 2021)
<b>Secretary</b>	Mr A Gilmore	
<b>Charity number</b>	1112944	
<b>Company number</b>	05513035	
<b>Registered office</b>	The Work Place Heighington Lane Aycliffe Business Park Newton Aycliffe Co Durham DL5 6AH	
<b>Independent examiner</b>	Harlands Accountants LLP The Greenhouse Amos Drive Greencroft Industrial Park Stanley England DH9 7XN	
<b>Bankers</b>	The Co-Operative Bank PO Box 250 Skelmesdale WN8 6WT	
<b>Solicitors</b>	DWF LLP Bridgewater Place Water Lane Leeds LS11 5DY	

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# THE VOCATIONAL LEARNING TRUST

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# THE VOCATIONAL LEARNING TRUST

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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The trustees present their report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

The members have not required the company to obtain an audit.

#### **Objectives and activities**

##### ***Objectives and aims***

The charity's main objective is to set up and oversee the running of the learning centre, the aim of which is to provide education, in particular, but not exclusively, in vocational and applied subjects aimed at young people in the North East with the ultimate goal of enhancing their skills and knowledge required for workplace readiness.

##### ***Public benefit***

The charity's aims and achievements are set out within this report. The activities set out in the report have been undertaken to further the charity's charitable purpose for the public benefit. The trustees have complied, with the duty under section 4 of the Charities Act 2011, to have due regard to public benefit guidance published by the Charities Commission and the trustees have paid due regard to this guidance in deciding what activities the charity should undertake. The Work Place supports learning which is available to schools and colleges across the North East and North Yorkshire.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

#### **Achievements and performance**

##### ***Charitable activities***

The photovoltaic panels continue to contribute to the electricity bills and the interest free loan is on track to be repaid in seven years. Durham County Council's Health & Safety Officers carried out the annual audit of The Work Place (Aycliffe) Ltd's compliance with Health & Safety legislation.

The VOLT Board managed one meeting despite Covid restrictions. Two meetings were held with TWP(A) Ltd Board. Plans for extra car parking spaces and first floor alterations were agreed. The charitable activities were reviewed, and it was agreed the continued use of The Work Place for a range of training met the charitable purpose. However, the world was very different from 1986 and the scope for Education Business partnership activities for mainstream pupils was currently severely restricted due to changes in education practices.

##### ***Plans for the future***

A further expansion of the first floor into a useable space in partnership with Baltic Recruitment was approved for development in 2022. The installation of electrical charging points will be explored. Further air conditioning is being considered and it is hoped the rain water harvesting can be resumed.

#### **Financial review**

##### ***Reserves policy***

It is the policy of the charity that unrestricted funds, which are the free reserves of the charity, remain at a level which will allow maximum flexibility in determining investment policy. There is now a £50,000 reserve in the Carsdale Asset Management account.

# THE VOCATIONAL LEARNING TRUST

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

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### **Principal funding sources**

The principal funding source for the building is from rental income from the learning centre. Now the loan for the photovoltaic panels has been repaid there will be Feed in Tariff payments for a number of years.

#### **Investment policy and objectives**

Restricted funds must be invested in accordance with the terms of the grant or donation. There are no restrictions on the charity's power to invest funds from the general fund.

#### **Structure, governance and management**

##### **Governing document**

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

The Vocational Learning Trust (VOLT) is constituted under a trust deed dated 19 July 2005 and is a registered charity - number 1112944.

##### **Trustees**

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr R D Morton

Miss J O Ritchie

Mr A Gilmore

Mr K Mitchell

Mr I Kershaw

Mr CA Peterson

(Resigned 12 October 2021)

Mr M McGarry

Mrs M A McDonnell

Mr T Stephenson

Ms M R Elliott

(Appointed 12 October 2021)

##### **Organisational structure**

The charity is run by a board of trustees, who make all decisions in relation to the running of the charity. There are currently no employees. The day to day running of the charity is the responsibility of Jane Ritchie, Founding Trustee.

##### **Related parties**

The Work Place (Aycliffe) Limited is a subsidiary company of the Vocational Learning Trust, the purpose of which is to operate the learning centre.

##### **Disabled persons**

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

The trustees report was approved by the Board of Trustees.

**Miss J O Ritchie**

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# **THE VOCATIONAL LEARNING TRUST**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)** ***FOR THE YEAR ENDED 31 DECEMBER 2021***

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Miss JO Ritchie

Dated: 27 May 2022

# THE VOCATIONAL LEARNING TRUST

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF THE VOCATIONAL LEARNING TRUST

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I report to the trustees on my examination of the financial statements of The Vocational Learning Trust (the charity) for the year ended 31 December 2021.

#### **Responsibilities and basis of report**

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Harlands Accountants LLP

The Greenhouse  
Amos Drive  
Greencroft Industrial Park  
Stanley  
DH9 7XN  
England

Dated: 27 May 2022

# THE VOCATIONAL LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	-	85,000
Charitable activities	4	102,492	102,492
Other income	5	10,879	11,912
<b>Total income</b>		<b>113,371</b>	<b>199,404</b>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	113,737	189,797
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		<b>(366)</b>	<b>9,607</b>
Fund balances at 1 January 2021		1,511,267	1,501,660
<b>Fund balances at 31 December 2021</b>		<b>1,510,901</b>	<b>1,511,267</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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



# THE VOCATIONAL LEARNING TRUST

## BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	9	1,427,957		1,428,131	
Investments		7,981		7,981	
		<u>1,435,938</u>		<u>1,436,112</u>	
<b>Current assets</b>					
Cash at bank and in hand		83,180		93,174	
<b>Creditors: amounts falling due within one year</b>	10	<u>8,217</u>		<u>8,617</u>	
Net current assets			74,963		84,557
<b>Total assets less current liabilities</b>		<u>1,510,901</u>		<u>1,520,669</u>	
<b>Creditors: amounts falling due after more than one year</b>	11		-		(9,402)
<b>Net assets</b>		<u>1,510,901</u>		<u>1,511,267</u>	
<b>Income funds</b>					
Unrestricted funds		<u>1,510,901</u>		<u>1,511,267</u>	
		<u>1,510,901</u>		<u>1,511,267</u>	

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 December 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

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 board of directors and authorised for issue on 27 May 2022 and are signed on its behalf by:

Miss J O Ritchie  
Trustee

Company Registration No. 05513035

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements have been prepared in accordance 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)". 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 applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 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 Incoming resources

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.

#### 1.5 Resources expended

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1 Accounting policies

(Continued)

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Grants offered subject to conditions which have not been met at the year end date are noted as commitment but not accrued as expenditure.

#### 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:

Freehold property	Not depreciated
Plant and machinery	25% on straight line

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 net income/(expenditure) for the year.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 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).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/(expenditure) for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

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### 1 Accounting policies

(Continued)

#### 1.9 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.

##### **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.

##### **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 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 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.

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 3 Donations and legacies

	<b>Total</b>	<b>Unrestricted funds</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Donations and gifts	-	85,000

### 4 Charitable activities

	<b>Rent received</b>	<b>Rent received</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Charitable rental income	102,492	102,492

### 5 Other income

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net gain on disposal of tangible fixed assets	1,424	-
Other income	9,455	11,912
	10,879	11,912

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 6 Charitable activities

	Charitable activities £	Total £	2020 £
Depreciation and impairment	174	174	2,751
Accountancy	1,900	1,900	1,750
Legal and professional	400	400	300
	<u>2,474</u>	<u>2,474</u>	<u>4,801</u>
Grant funding of activities (see note)	109,963	109,963	183,796
Share of support costs (see note )	1,300	1,300	1,200
	<u>113,737</u>	<u>113,737</u>	<u>189,797</u>
<b>Analysis by fund</b>			
Unrestricted funds	113,737	113,737	
	<u>113,737</u>	<u>113,737</u>	
<b>For the year ended 31 December 2020</b>			
Unrestricted funds	189,797		189,797
	<u>189,797</u>		<u>189,797</u>

### 7 Grants payable

	Charitable activities 2021 £	Charitable activities 2020 £
Grants to institutions:		
Other	<u>109,963</u>	<u>183,796</u>
-		

### 8 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Total	<u>-</u>	<u>-</u>

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

### 9 Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
<b>Cost</b>			
At 1 January 2021	1,427,582	333,027	1,760,609
Disposals	-	(4,899)	(4,899)
At 31 December 2021	1,427,582	328,128	1,755,710
<b>Depreciation and impairment</b>			
At 1 January 2021	-	332,478	332,478
Depreciation charged in the year	-	174	174
Eliminated in respect of disposals	-	(4,899)	(4,899)
At 31 December 2021	-	327,753	327,753
<b>Carrying amount</b>			
At 31 December 2021	1,427,582	375	1,427,957
At 31 December 2020	1,427,582	549	1,428,131

Included in cost and valuation of land and buildings is freehold land of £207,360 (2020: 207,360).

The freehold property was re-valued to £1,150,000 on 4 July 2008 by an independent agent. The historical costs of the land and buildings is £4,770,456 (2020: £4,770,456). The trustees are of the opinion that this valuation represents a true open value of the property at the balance sheet date.

### 10 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	4,707	5,107
Accruals and deferred income	3,510	3,510
	8,217	8,617

### 11 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Other creditors	-	9,402

# THE VOCATIONAL LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 31 DECEMBER 2021*

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### **Related Party Transactions**

The Work Place (Aycliffe) Limited is a subsidiary company which was set up to lease and operate the learning centre. The trustees of the company include Miss JO Ritchie. During the year, The Vocational Learning Trust received rents of £102,500 (2020: £102,500) and recharged expenses of £nil (2020: £nil) from TWP (A) Limited. During the year, The Vocational Learning Trust made grants of £109,963 (2020: £183,796). As at 31 December 2021 The Vocational Learning Trust owed £nil to The Work Place (Aycliffe) Limited.