

Charity registration number 1112944

Company registration number 05513035 (England and Wales)

THE VOCATIONAL LEARNING TRUST
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE VOCATIONAL LEARNING TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr R Morton Miss J O Ritchie Mr A Gilmore Mr K Mitchell Mr M McGarry Mrs M A McDonnell Mr T Stephenson Ms M R Elliott Ms L Ingleby	(Appointed 10 October 2023)
Secretary	Mr A Gilmore	
Charity number	1112944	
Company number	05513035	
Registered office	The Work Place Heighington Lane Aycliffe Business Park Newton Aycliffe Co Durham DL5 6AH	
Independent examiner	Harlands Accountants LLP The Greenhouse Greencroft Industrial Park Stanley England DH9 7XN	
Bankers	The Co-Operative Bank PO Box 250 Skelmesdale WN8 6WT	
Solicitors	DWF LLP Bridgewater Place Water Lane Leeds LS11 5DY	

THE VOCATIONAL LEARNING TRUST

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THE VOCATIONAL LEARNING TRUST

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

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

Durham County Council's Health & Safety Officers carried out the annual Health & Safety audit of The Work Place to ensure compliance with Health & Safety legislation. McGarry & Co were appointed as VOLT's solicitors. The VOLT Board met twice and once with The Work Place (Aycliffe) Ltd Board.

Charitable activities

The companies based at The Work Place are supporting the Aycliffe Business Park Business Safari project during 2023-24 and hosted a visit by pupils at The Work Place.

Plans for the future

The safety flooring in the toilets will be renewed. The IT upgrade is being paid for in instalments. Discussions between the LEA and TWP Manager have been proposed.

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. The £50,000 reserve in the Cardale Asset Management account has been transferred into a savings account with the Co-operative Bank and is now earning interest.

Principal funding sources

The principal funding source for the building is from rental income from the learning centre. The Feed-in-Tariff payments from the photovoltaic panels will provide a funding stream for several more 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.

THE VOCATIONAL LEARNING TRUST

TRUSTEES REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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 Morton

Miss J O Ritchie

Mr A Gilmore

Mr K Mitchell

Mr M McGarry

Mrs M A McDonnell

Mr T Stephenson

Ms M R Elliott

Ms L Ingleby

(Appointed 10 October 2023)

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.

The trustees report was approved by the Board of Trustees.

.....
Miss JO Ritchie

Date:

THE VOCATIONAL LEARNING TRUST

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE VOCATIONAL LEARNING TRUST

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 2023.

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
Greencroft Industrial Park
Stanley
DH9 7XN
England

Dated:

THE VOCATIONAL LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income and endowments from:			
Charitable activities	3	102,492	102,492
Investments	4	86	-
Other income	5	8,755	7,892
Total income		111,333	110,384
Charitable activities	6	95,294	102,680
Net income and movement in funds		16,039	7,704
Reconciliation of funds:			
Fund balances at 1 January 2023		1,518,605	1,510,901
Fund balances at 31 December 2023		1,534,644	1,518,605

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 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	9	1,454,830		1,447,357	
Investments		7,981		7,981	
		<u>1,462,811</u>		<u>1,455,338</u>	
Current assets					
Cash at bank and in hand		82,156		70,033	
Creditors: amounts falling due within one year	10	<u>10,323</u>		<u>6,766</u>	
Net current assets			71,833		63,267
Total assets less current liabilities		<u>1,534,644</u>		<u>1,518,605</u>	
Income funds					
Unrestricted funds		<u>1,534,644</u>		<u>1,518,605</u>	
		<u>1,534,644</u>		<u>1,518,605</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 2023.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 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 2023

1 Accounting policies

Company information

The Vocational Learning Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is The Work Place, Heighington Lane, Aycliffe Business Park, Newton Aycliffe, Co Durham, DL5 6AH.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

1.4 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.

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Resources expended

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

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

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 the statement of financial activities.

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).

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

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.

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

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.

3 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Heading #ac989		
Sale of goods	-	-
Charitable rental income	102,492	102,492

4 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	86	-

5 Other income

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Other income	8,755	7,892

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Charitable activities

	Charitable activities £	Total £	2022 £
Depreciation and impairment	1,032	1,032	594
Accountancy	660	660	2,090
Legal and professional	1,606	1,606	-
	<u>3,298</u>	<u>3,298</u>	<u>2,684</u>
Grant funding of activities (see note)	90,796	90,796	98,796
Share of support costs (see note)	1,200	1,200	1,200
	<u>95,294</u>	<u>95,294</u>	<u>102,680</u>
Analysis by fund			
Unrestricted funds	95,294	95,294	
	<u>95,294</u>	<u>95,294</u>	
For the year ended 31 December 2022			
Unrestricted funds	102,680		102,680
	<u>102,680</u>		<u>102,680</u>

7 Grants payable

	Heading #ac982 2023 £	Heading #ac982 2023 £
Grants to institutions:		
Other	90,796	98,796
	<u>90,796</u>	<u>98,796</u>

-

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-
	<u>-</u>	<u>-</u>

There were no employees whose annual remuneration was more than £60,000.

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

8 Employees

(Continued)

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

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 (2016: £102,500) and recharged expenses of £nil (2016: £nil) from TWP (A) Limited. During the year, The Vocational Learning Trust made grants of £188,800 (2016: £177,800). As at 31 December 2017 The Vocational Learning Trust owed £nil to The Work Place (Aycliffe) Limited.

During 2012, Miss JO Ritchie made a loan to The Vocational Learning Trust of £85,680 for the installation of solar photovoltaic. As at 31 December 2017 the outstanding loan owed to Miss JO Ritchie was £34,185 (2016: £40,676). There are no fixed terms as to repayment or interest.

9 Tangible fixed assets

	Freehold property £	Plant and machinery £	Total £
Cost			
At 1 January 2023	1,447,076	328,128	1,775,204
Additions	2,710	5,394	8,104
	<hr/>	<hr/>	<hr/>
At 31 December 2023	1,449,786	333,522	1,783,308
	<hr/>	<hr/>	<hr/>
Depreciation and impairment			
At 1 January 2023	-	327,846	327,846
Depreciation charged in the year	-	632	632
	<hr/>	<hr/>	<hr/>
At 31 December 2023	-	328,478	328,478
	<hr/>	<hr/>	<hr/>
Carrying amount			
At 31 December 2023	1,449,786	5,044	1,454,830
	<hr/>	<hr/>	<hr/>
At 31 December 2022	1,447,076	281	1,447,357
	<hr/>	<hr/>	<hr/>

Included in cost and valuation of land and buildings is freehold land of £207,360 (2022: 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 (2022: £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.

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	4,907	3,066
Trade creditors	3,146	-
Accruals and deferred income	2,270	3,700
	<u>10,323</u>	<u>6,766</u>

11 Analysis of net assets between funds

	Unrestricted funds 2023 £
Fund balances at 31 December 2023 are represented by:	
Tangible assets	1,454,830
Investments	7,981
Current assets/(liabilities)	71,833
	<u>1,534,644</u>
	Unrestricted funds 2022 £
Fund balances at 31 December 2022 are represented by:	
Tangible assets	1,447,357
Investments	7,981
Current assets/(liabilities)	63,267
	<u>1,518,605</u>

12 Unrestricted funds

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

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	<u>1,518,605</u>	<u>111,333</u>	<u>(95,294)</u>	<u>1,534,644</u>

THE VOCATIONAL LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

12 Unrestricted funds (Continued)

Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	1,510,901	110,384	(102,680)	1,518,605

13

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 £102,492 (2022: £102,500) and recharged expenses of £nil (2022: £nil) from TWP (A) Limited. During the year, The Vocational Learning Trust made grants of £ 90,796 (2022: £98,796). As at 31 December 2023 The Vocational Learning Trust owed £nil to The Work Place (Aycliffe) Limited.

THE VOCATIONAL LEARNING TRUST
MANAGEMENT INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2023

THE VOCATIONAL LEARNING TRUST

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	£	2023 £	£	2022 £
Cost of sales				
	<hr/>		<hr/>	
Total cost of sales		1,534,644		1,518,605
		<hr/> <hr/>		<hr/> <hr/>
