

**REGISTERED COMPANY NUMBER: 06627591 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1130773**

**Report of the Trustees and**  
**Financial Statements**  
**for the Year Ended 30 June 2021**  
**for**  
**Preston North End Community And**  
**Education Trust**

McMillan & Co LLP  
Chartered Accountants and  
Statutory Auditor  
28 Eaton Avenue  
Matrix Office Park  
Buckshaw Village  
Chorley  
Lancashire  
PR7 7NA

# **Preston North End Community And Education Trust**

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# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and aims**

The principal activity of the Charity is to utilise the power of Preston North End and football, situating ourselves at the heart of the Preston Community, providing a high quality service to improve lives.

Our provision is centred around community engagement, education and health and wellbeing.

These services connect people from all walks of life, support them to achieve their goals and make positive changes to create safer, stronger and more resilient communities.

These services include:

**Community Engagement programmes** - Delivering initiatives to create a safer, stronger and more resilient community.

**Education programmes** - To provide an education pathway for all to help people achieve their goals.

**Health and Wellbeing programmes** - Tackling the health inequalities across Preston by supporting people to lead healthier and more active lifestyles.

#### **Public benefit**

The trustees have given due consideration to the Charity Commission guidance on the operation of the Public Benefit requirement. All of our charitable activities enhance people's lives, support mental and physical well-being and provide a "value added" service to the whole community without reference to race, sex, creed or social background and are undertaken to further our charitable purposes for the public benefit.

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

### **STRATEGIC REPORT**

#### **Achievement and performance**

##### **Charitable activities**

The Trust has had another successful year and is growing in its reach and footprint in Preston and the surrounding areas. Given the challenges the pandemic continued to present, the Trust were able to continue to deliver their services to over 13,000 beneficiaries, providing essential support for the most vulnerable, whilst maintaining much of our existing provision.

We are committed to developing a comprehensive and diverse range of programmes, providing the best opportunities for members of the community. We are also committed to inform the public about our services and opportunities available to them. The Trust has continued to expand the numbers of people it delivers services to and to expand the services available.

Our key projects delivered during 2020/21 have been:

#### **Community Engagement**

**Premier League Kicks** - The Premier League Kicks programme is funded by the Premier League and uses the power of football and sport as a whole to provide free diversionary activities for eight to 18-year-olds across Preston.

**National Citizens Service** - The National Citizens Service programme is a government-backed initiative that gives 15 to 17 year-olds the opportunity to build their confidence and independence while developing life-skills on either a summer or autumn programme.

**PNE Forces** - The PNE Forces programme brings together past and present members of the military and their families for a weekly social hour and football sessions, as well as signposting them to local community services where required.

**DIVERT** - The DIVERT programme aims to reduce the reoffending rate in Lancashire amongst 18-25-year-olds by working with Custody Intervention Coaches in custody suites across the county.

**Ramadan/EID** - PNECET worked in partnership with a number of local ethnically diverse community organisations to help build integration and cohesion amongst our community. PNECET delivered over 3,000 Iftar packs throughout Ramadan and 140 cultural food hampers throughout the February half-term to support those families in need.

**Match day Experience** - The Trust facilitates a range of activities on a match day to help fans engage with the football club. These range from a Junior Whites junior supporters club, a family room, half-time entertainment, birthday parties and mascots.

#### **Education**

**School Sport/Premier League Primary Stars** - The School Sport/Premier League Primary Stars programme combines maths and literacy concepts into children's PE Lessons, with PNECET staff involvement improving the quality of lessons and teachers delivery.

**After-School Multi-Sport Club** - Similar to the above, these extra-curricular based sessions deliver a range of engaging and fun sports to local primary school children. Sessions allow children to take part in a variety of activities in addition to those provided in the school curriculum, which has great benefits to physical and mental health.

**Alternative Education** - The Secondary School Provision Programme targets hard-to-reach Key Stage 4 students who may struggle with a lack of confidence or self-esteem in a conventional school environment.

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

**Preston Centre of Sporting Excellence** - A partnership between PNECET and Preston's College, the Preston Centre of Sport Excellence provides high quality further education programmes in sport for 16-19 year-olds, from levels one to three.

**University of South Wales Foundation Degree** - In conjunction with the University of South Wales and the English Football League Trust, PNECET offers a foundation degree course in Community Football Coaching and Development, which can be extended to a full degree qualification.

### **Health and Wellbeing**

**Fit Fans** - Our FIT Fans programme takes men and women aged 35 to 65 on a health and fitness journey with educational classes and physical activity sessions once a week over a 12-week period at Deepdale.

**Walking Football** - An initiative launched to see over 50's re-engage with a sport where the mainstream game is beyond their limitations, due to health or age. A replication of the five-a-side game, but with no running allowed. Walking Football is now an established programme and has really helped us diversify our service and reach the older generation very successfully.

**Sporting Memories** - PNE Sporting Memories programme is an initiative which runs alongside the Sporting Memories Foundation, an organisation open to people over 50 who are living with dementia, depression or suffering from loneliness. The programme aims to help people reminisce about previous memories, experiences or moments in their lives through the power of sport. Sports memorabilia, past sporting events, physical activities, quizzes and guest speakers are used to create discussions around sporting events and memories.

**Mental Health Programmes** - Our mental health programmes support both young people and men who are experiencing challenges with their mental health by providing them with unique opportunities in the club's professional sporting environment and a peer to peer support.

The Trust work in partnership with Lancashire and South Cumbria NHS Foundation Trust Guild Lodge mental health facility, which is a secure mental health facility based on the outskirts of Preston. We deliver football, sports and education provision to those clients based in Guild Lodge.

**Every Player Counts** - The Every Player Counts programme aims to increase participation in football among disabled people with free sessions every week, for both children and adults in Preston.

**Holiday Soccer Camps/Activity Clubs** - The final part of our all year round engagement with primary school children, running the full day during school holidays. Provision is provided at an affordable rate, available to all. Children can attend the football-specific activities or our activity club full of multi-sports, arts and crafts.

**Football Development Centres** - Delivered in the evening (after our after schools programme), our development centres deliver opportunities at a high standard and are linked with Preston North End's Academy. Sessions mirror the Academy's programme and provide talent identification for gifted players and structured development for those not at Academy standard.

### **Other Club Activities**

The Trust currently delivers a number of activities for the Club, including organising all charity requests, matchday ball boys, matchday activities, player requests, PFA (Professional Footballer's Association) responsibility for player engagements in the community and tours of the stadium. These ensure that the football club is considered a family club at the heart of its community.

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

The Trustees appreciate the efforts of the staff of the Trust in their continued hard work and commitment to the various projects. The Trust has grown substantially in recent years and the Club recognises the support the Trust gives to ensure it is well received by its local community.

### **Financial review**

#### **Reserves policy**

The Trustees have considered the Charity's policy in respect of reserves. The Trustees have set a target of retaining at least six months of total expenditure (excluding depreciation) in cash reserves to provide financial security to the Charity in the event of unforeseen reductions in available funding which may arise from time to time. Based on the figures to 30th June 2021, this amounts to approximately £400,000 (2020: £471,000). The balance held at the end of the year of £626,000 (2020: £369,000) meets this target and the Trustees will continue to monitor this position.

The surplus for the year of £255,224 (2020: £28,290 deficit) was transferred to reserves and added to the brought forward surplus of £286,796 (2020: £315,086). The total funds carried forward of £542,020 (2020: £286,796) will be used in future years to meet the objectives of the charity, whilst having due consideration to meeting the stated reserves target above at the discretion of the Trustees.

### **Principal risks and uncertainties**

#### **COVID-19**

We are continuing to monitor the impact of the pandemic on our services, and have been able to revise the delivery of our programmes to a remote platform. We are taking appropriate operational and financial decisions so that we can continue to meet the needs of our beneficiaries whilst ensuring the long term viability of the Trust.

#### **Future plans**

The Trust has prepared a new three year strategy that will provide the Trust with the opportunity to address the needs of the community whilst providing some direction as it continues to develop and grow over the next three years.

The Trust aims to continue to deliver all of the above programmes and try to increase the number of participants in each case and continue to deliver a high quality provision.

In addition, the Trust will continue to look for new funding opportunities to help meet its objective of offering innovative programmes to reach a diverse range of individuals in the local community.

### **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 Company is registered with the Charity Commission. The company is governed by its memorandum and articles of association. The Company was incorporated on 23rd June 2008. The Trustees, who are also directors for the purposes of company law, present their report and financial statements for the year ended 30 June 2021.

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Recruitment and appointment of new trustees**

The first Directors were the subscribers to the memorandum as notified to Companies House as the first Directors of the Charity. A person appointed as a Director thereupon becomes a Member of the Charity and a Director who ceases to hold office for any reason thereupon ceases to be a Member of the Charity.

The Directors have power to appoint, by ordinary resolution, any person to be a Director who is willing to act as such. A person appointed as a Director is also appointed, and registered with the Charity Commission, as a Trustee.

The number of Directors should not be less than three and there is no maximum. At the first Annual General Meeting all Directors must retire and seek re-election. At each subsequent annual general meeting one third of the Directors are required to retire by rotation and seek re-appointment if they wish to continue, The Members of the Charity are its Directors for the time being and the only persons eligible to be Members of the Charity is its Directors.

#### **Organisational structure**

The day to day management of the Charity is undertaken by the Senior management team This is overseen by the Board of Trustees, which is Chaired by Kevin Abbott.

#### **Related parties**

The following companies are considered related parties:

Preston North End Football Club Limited

Preston North End Limited

There are limited transactions between the Trust and these companies, which are disclosed in the notes to these accounts.

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Registered Company number**

06627591 (England and Wales)

#### **Registered Charity number**

1130773

#### **Registered office**

Preston Northend Football Club

Sir Tom Finney Way

Deepdale

Preston

Lancashire

PR1 6RU

#### **Trustees**

Kevin Abbott

Bryan Gray

Benjamin Rhodes

Sharon Asquith

Dr Adrian Hamilton

Doreen Hounslea

Ian Topping

The Trustees act as directors for the purposes of company law.

#### **Company Secretary**

K M Abbott

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **Auditors**

McMillan & Co LLP  
Chartered Accountants and  
Statutory Auditor  
28 Eaton Avenue  
Matrix Office Park  
Buckshaw Village  
Chorley  
Lancashire  
PR7 7NA

#### **BANKERS**

Barclays Bank Plc  
1 Churchill Place  
London  
E14 5HP

### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Preston North End Community And Education Trust for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

#### **AUDITORS**

The auditors, McMillan & Co LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

# **Preston North End Community And Education Trust**

## **Report of the Trustees for the year ended 30 June 2021**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..*20<sup>th</sup> JANUARY 2022*..... and signed on the board's behalf by:



.....  
K M Abbott - Trustee

# **Report of the Independent Auditors to the Members of Preston North End Community And Education Trust**

## **Opinion**

We have audited the financial statements of Preston North End Community And Education Trust (the 'charitable company') for the year ended 30 June 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

## **Report of the Independent Auditors to the Members of Preston North End Community And Education Trust**

### **Matters on which we are required to report by exception**

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- 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; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## **Report of the Independent Auditors to the Members of Preston North End Community And Education Trust**

### **Our responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships; and
- tested journal entries to identify unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

## **Report of the Independent Auditors to the Members of Preston North End Community And Education Trust**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Neil McMillan FCA (Senior Statutory Auditor)  
for and on behalf of McMillan & Co LLP  
Chartered Accountants and  
Statutory Auditor  
28 Eaton Avenue  
Matrix Office Park  
Buckshaw Village  
Chorley  
Lancashire  
PR7 7NA

Date: 20 JANUARY 2022

# Preston North End Community And Education Trust

## Statement of Financial Activities for the year ended 30 June 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	134,694	-	134,694	59,277
<b>Charitable activities</b>	3				
Other		86,600	-	86,600	82,053
National Citizen Service		-	227,723	227,723	260,628
Education		-	352,130	352,130	297,590
School sports/Premier League		-	192,710	192,710	171,903
Health and wellbeing		70,267	-	70,267	-
Other income		14,737	-	14,737	60,697
<b>Total</b>		<b>306,298</b>	<b>772,563</b>	<b>1,078,861</b>	<b>932,148</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Other		468,227	-	468,227	458,695
National Citizen Service		-	11,502	11,502	209,401
Education		-	270,791	270,791	234,720
School sports/Premier League		28,163	7,707	35,870	57,622
Health and wellbeing		37,247	-	37,247	-
<b>Total</b>		<b>533,637</b>	<b>290,000</b>	<b>823,637</b>	<b>960,438</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(227,339)</b>	<b>482,563</b>	<b>255,224</b>	<b>(28,290)</b>
<b>Transfers between funds</b>	13	<b>482,563</b>	<b>(482,563)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>255,224</b>	<b>-</b>	<b>255,224</b>	<b>(28,290)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>286,796</b>	<b>-</b>	<b>286,796</b>	<b>315,086</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>542,020</b>	<b>-</b>	<b>542,020</b>	<b>286,796</b>


The notes form part of these financial statements

# Preston North End Community And Education Trust

## Balance Sheet 30 June 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	7,099	-	7,099	17,410
<b>CURRENT ASSETS</b>					
Debtors	11	55,567	-	55,567	39,308
Cash at bank		626,359	-	626,359	368,722
		<u>681,926</u>	<u>-</u>	<u>681,926</u>	<u>408,030</u>
<b>CREDITORS</b>					
Amounts falling due within one year	12	(147,005)	-	(147,005)	(138,644)
<b>NET CURRENT ASSETS</b>		<u>534,921</u>	<u>-</u>	<u>534,921</u>	<u>269,386</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>542,020</u>	<u>-</u>	<u>542,020</u>	<u>286,796</u>
<b>NET ASSETS</b>		<u>542,020</u>	<u>-</u>	<u>542,020</u>	<u>286,796</u>
<b>FUNDS</b>	13				
Unrestricted funds				542,020	286,796
<b>TOTAL FUNDS</b>				<u>542,020</u>	<u>286,796</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25th JANUARY 2022 and were signed on its behalf by:

  
K M Abbott - Trustee

The notes form part of these financial statements

# Preston North End Community And Education Trust

## Cash Flow Statement for the year ended 30 June 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>260,558</u>	<u>105,656</u>
Net cash provided by operating activities		<u>260,558</u>	<u>105,656</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(2,921)</u>	<u>(2,899)</u>
Net cash used in investing activities		<u>(2,921)</u>	<u>(2,899)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>257,637</u>	<u>102,757</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>368,722</u>	<u>265,965</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>626,359</u>	<u>368,722</u>

The notes form part of these financial statements

# Preston North End Community And Education Trust

## Notes to the Cash Flow Statement for the year ended 30 June 2021

### 1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	255,224	(28,290)
Adjustments for:		
Depreciation charges	13,232	17,499
(Increase)/decrease in debtors	(16,259)	89,550
Increase in creditors	8,361	26,897
<b>Net cash provided by operations</b>	<b>260,558</b>	<b>105,656</b>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/20 £	Cash flow £	At 30/6/21 £
<b>Net cash</b>			
Cash at bank	368,722	257,637	626,359
	368,722	257,637	626,359
<b>Total</b>	<b>368,722</b>	<b>257,637</b>	<b>626,359</b>

The notes form part of these financial statements

# Preston North End Community And Education Trust

## Notes to the Financial Statements for the year ended 30 June 2021

### 1. ACCOUNTING POLICIES

#### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Preston North End Community and Education Trust meets the definition of a public benefit entity under FRS 102. The following accounting policies have been applied consistently in dealing with items which are material in relation to the charitable company's financial statements. The financial statements are filed annually with the Registrar of Companies.

#### **Going concern**

The Trustees have considered the future income of the charitable company and its ability to continue as a going concern. The trustees have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which take account of a revised style of delivering existing charitable programmes remotely for the duration of the COVID-19 pandemic.

In preparing the charitable company's cash flow forecasts and projections the trustees have considered potential changes to existing sources of funding and changes to the format of delivery of existing charitable programmes, which will allow the company to retain its existing income streams. The trustees continue to monitor the impact of the COVID-19 pandemic on the charitable company.

The trustees consider that the Charity has adequate resources to continue in operation for the foreseeable future, and accordingly the financial statements have been prepared on a going concern basis.

#### **Income**

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

#### **Government grants**

The CJRS grant is a government grant accounted for under the accruals model. Where the grant is classed as revenue, it is recognised in income on a systematic basis over the periods in which the company recognises the related costs.

#### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Allocation and apportionment of costs**

Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

#### **Tangible fixed assets**

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

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 1. ACCOUNTING POLICIES - continued

#### Tangible fixed assets

Fixtures and fittings	- 25% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

#### Critical accounting estimates and judgments

In the application of the Charity's accounting policies, the Trustees are required to make judgments, 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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgments or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

### 2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Grants	<u>134,694</u>	<u>59,277</u>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 2. DONATIONS AND LEGACIES - continued

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Other grants	24,637	44,168
SIBF	54,094	-
Communities United	26,490	-
Operation Divert	29,473	15,109
	<u>134,694</u>	<u>59,277</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Charitable activities	Other	86,600	82,053
Charitable activities	National Citizen Service	227,723	260,628
Charitable activities	Education	352,130	297,590
Charitable activities	School sports/Premier League	192,710	171,903
Charitable activities	Health and wellbeing	70,267	-
		<u>929,430</u>	<u>812,174</u>

### 4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Other	313,956	154,271	468,227
National Citizen Service	11,502	-	11,502
Education	263,344	7,447	270,791
School sports/Premier League	8,553	27,317	35,870
Health and wellbeing	37,247	-	37,247
	<u>634,602</u>	<u>189,035</u>	<u>823,637</u>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 5. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Other	138,969	902	14,400	154,271
Education	7,447	-	-	7,447
School sports/Premier League	27,317	-	-	27,317
	<u>173,733</u>	<u>902</u>	<u>14,400</u>	<u>189,035</u>

### 6. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	6,000	6,000
Auditors' remuneration for non audit work	8,400	4,500
Depreciation - owned assets	13,232	17,499
Hire of plant and machinery	<u>8,335</u>	<u>23,463</u>

### 7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2021 nor for the year ended 30 June 2020.

### 8. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	<u>620,889</u>	<u>585,809</u>
	<u>620,889</u>	<u>585,809</u>

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

	2021	2020
	25	30
Direct staff	<u>25</u>	<u>30</u>

No employees received emoluments in excess of £60,000.

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	59,277	-	59,277
<b>Charitable activities</b>			
Other	82,053	-	82,053
National Citizen Service	-	260,628	260,628
Education	-	297,590	297,590
School sports/Premier League	-	171,903	171,903
Other income	60,697	-	60,697
<b>Total</b>	<b>202,027</b>	<b>730,121</b>	<b>932,148</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Other	458,695	-	458,695
National Citizen Service	-	209,401	209,401
Education	-	234,720	234,720
School sports/Premier League	-	57,622	57,622
<b>Total</b>	<b>458,695</b>	<b>501,743</b>	<b>960,438</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(256,668)</b>	<b>228,378</b>	<b>(28,290)</b>
<b>Transfers between funds</b>	<b>260,352</b>	<b>(260,352)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>3,684</b>	<b>(31,974)</b>	<b>(28,290)</b>
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>	<b>283,112</b>	<b>31,974</b>	<b>315,086</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>286,796</b>	<b>-</b>	<b>286,796</b>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>				
At 1 July 2020	50,234	3,615	64,827	118,676
Additions	1,337	-	1,584	2,921
Disposals	-	(3,615)	-	(3,615)
At 30 June 2021	51,571	-	66,411	117,982
<b>DEPRECIATION</b>				
At 1 July 2020	42,925	3,615	54,726	101,266
Charge for year	5,013	-	8,219	13,232
Eliminated on disposal	-	(3,615)	-	(3,615)
At 30 June 2021	47,938	-	62,945	110,883
<b>NET BOOK VALUE</b>				
At 30 June 2021	3,633	-	3,466	7,099
At 30 June 2020	7,309	-	10,101	17,410

### 11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	27,069	23,379
Other debtors	18,832	14,945
Prepayments	9,666	984
	55,567	39,308

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	11,194	7,480
Social security and other taxes	14,024	11,979
Other creditors	-	1,950
Accruals and deferred income	121,787	117,235
	147,005	138,644

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 13. MOVEMENT IN FUNDS

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	286,796	(227,339)	482,563	542,020
<b>Restricted funds</b>				
National Citizen Service	-	216,221	(216,221)	-
Education	-	81,339	(81,339)	-
School sports/Premier League	-	185,003	(185,003)	-
	-	482,563	(482,563)	-
<b>TOTAL FUNDS</b>	<b>286,796</b>	<b>255,224</b>	<b>-</b>	<b>542,020</b>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	306,298	(533,637)	(227,339)
<b>Restricted funds</b>			
National Citizen Service	227,723	(11,502)	216,221
Education	352,130	(270,791)	81,339
School sports/Premier League	192,710	(7,707)	185,003
	772,563	(290,000)	482,563
<b>TOTAL FUNDS</b>	<b>1,078,861</b>	<b>(823,637)</b>	<b>255,224</b>

### Comparatives for movement in funds

	At 1/7/19 £	Net movement in funds £	Transfers between funds £	At 30/6/20 £
<b>Unrestricted funds</b>				
General fund	283,112	(256,668)	260,352	286,796
<b>Restricted funds</b>				
National Citizen Service	31,974	51,227	(83,201)	-
Education	-	62,870	(62,870)	-
School sports/Premier League	-	114,281	(114,281)	-
	31,974	228,378	(260,352)	-
<b>TOTAL FUNDS</b>	<b>315,086</b>	<b>(28,290)</b>	<b>-</b>	<b>286,796</b>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	202,027	(458,695)	(256,668)
<b>Restricted funds</b>			
National Citizen Service	260,628	(209,401)	51,227
Education	297,590	(234,720)	62,870
School sports/Premier League	171,903	(57,622)	114,281
	<u>730,121</u>	<u>(501,743)</u>	<u>228,378</u>
<b>TOTAL FUNDS</b>	<u>932,148</u>	<u>(960,438)</u>	<u>(28,290)</u>

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

	At 1/7/19 £	Net movement in funds £	Transfers between funds £	At 30/6/21 £
<b>Unrestricted funds</b>				
General fund	283,112	(484,007)	742,915	542,020
<b>Restricted funds</b>				
National Citizen Service	31,974	267,448	(299,422)	-
Education	-	144,209	(144,209)	-
School sports/Premier League	-	299,284	(299,284)	-
	<u>31,974</u>	<u>710,941</u>	<u>(742,915)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>315,086</u>	<u>226,934</u>	<u>-</u>	<u>542,020</u>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2021

### 13. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	508,325	(992,332)	(484,007)
<b>Restricted funds</b>			
National Citizen Service	488,351	(220,903)	267,448
Education	649,720	(505,511)	144,209
School sports/Premier League	364,613	(65,329)	299,284
	<u>1,502,684</u>	<u>(791,743)</u>	<u>710,941</u>
<b>TOTAL FUNDS</b>	<u>2,011,009</u>	<u>(1,784,075)</u>	<u>226,934</u>

The restricted funds are as follows:

**National Citizen Service** - this is a national campaign, NCS is a once-in-a-lifetime opportunity open to all 16 and 17 year olds, that helps to build skills for work and life.

**Education** - We offer a post 16 full-time education programme for school leavers to study at the Football Club and earn a Level 2 or 3 Extended Diploma in Sport.

**School sports/Premier League** - These funds cover a range of activities funded by schools and the Premier League to increase engagement and attainment.

Any surplus of the restricted funds can be transferred to general funds once the service has been delivered. Additional information on each fund is set out in the Report of the Trustees.

### 14. RELATED PARTY DISCLOSURES

During the year, the Trust made purchases in relation to IT and facilities costs from Preston North End Football Club Limited of £66,860 (2020: £84,654). These costs were recharged at costs, having been incurred by Preston North End Football Club Limited for administrative purposes only.

The Trust also made payments to Preston North End Limited for rent of £32,700 (2020: £32,700).