

**Report of the Trustees and  
Financial Statements  
for the Year Ended 30 June 2022  
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 2022**

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 2022. 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 the Preston North End brand 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 2022

### STRATEGIC REPORT

#### Achievement and performance

##### Charitable activities

The Trust has had another year of growth and success expanding its reach and footprint in Preston and the surrounding areas. Despite the challenging economic climate of the last 12 months and the challenges we face as a result of the cost of living crisis, the Trust was able to continue to deliver programmes centred around the needs of our community, which over 16,000 people benefited from.

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 2021/22 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 either in custody suites across the county or with statutory agencies who are engaging with those involved in the Criminal Justice System.

**PR1 Community** - Working in partnership with a number of local ethnically diverse community organisations, the PR1 Community programme focuses on delivering initiatives centred on building integration and cohesion within our community.

**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.

**Football Development Centres** - 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.

#### 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 standards of teaching.

**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.



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

## **Report of the Trustees for the year ended 30 June 2022**

**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 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**

**Weight Management** - Our Weight Management programmes take men and women aged 18+ on a health and fitness journey with educational classes and physical activity sessions once a week over a minimum 12-week period.

**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 in an education setting 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.

**Holiday Activity and Food Programme** - This initiative supports children and families who are in receipt of free school meals by providing free activities and food for the children to access during the school holidays.

**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.

### **Other Club Activities**

The Trust currently delivers a number of activities for the Club, including organising all charity requests, matchday ball collectors, 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.

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.

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

## **Report of the Trustees for the year ended 30 June 2022**

### **STRATEGIC REPORT**

#### **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 30 June 2022, this amounts to approximately £558,000 (2021: £405,000). The balance held at the end of the year of £864,286 (2021: £626,359) meets this target and the Trustees will continue to monitor this position.

The surplus for the year of £187,582 (2021: £255,224) was transferred to reserves and added to the brought forward surplus of £542,020 (2021: £286,796). The total funds carried forward of £729,602 (2021: £542,020) 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**

#### **Post COVID-19 and Cost of Living**

We are continuing to monitor the impact of the pandemic on our services, and have been able to revise our delivery where needed to mitigate any potential risks to both the participants and the Trust. We also continue to monitor the current economic challenges society is facing and making suitable and cost effective decisions to ensure our programmes remain accessible. In summary, 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 will enter the final year of its three-year strategy which has proved to be very successful.

Throughout 2023, the Trust will begin the development of their 2024-2027 strategy, engaging with participants, key stakeholders and employees on the aims and objectives of the organisation ensuring we continue to address the needs of our community.

The Trust will continue with its ambitions of developing a new facility at Preston North End FC, which will provide further space to expand our programmes, in turn positively impacting more people from across our community.

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 23 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 2022.

#### **Organisational structure**

The day to day management of the Charity is undertaken by the Chief Executive Officer and the Deputy Chief Executive Officer who are supported by the Senior management team. This is overseen by the Board of Trustees, which is Chaired by Kevin Abbott.

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

## **Report of the Trustees for the year ended 30 June 2022**

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

#### **Induction and training of new trustees**

New Trustees are appointed by resolution of the Trustees, in accordance with the provisions of the Articles of Association. All new Trustees appointed in the year are familiarised with their statutory responsibilities, their role as Board members, the governance framework within the Trust, the work of the Trust and the risk environment. Ongoing training is arranged as and when the need is identified.

#### **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 - Chair  
Doreen Hounslea - Deputy Chair  
Bryan Gray  
Benjamin Rhodes  
Sharon Asquith  
Dr Adrian Hamilton  
Ian Topping  
Zafar Coupland - appointed 22 September 2022

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

#### **Company Secretary**

KM Abbott

#### **Auditors**

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**

## **Report of the Trustees for the year ended 30 June 2022**

### **REFERENCE AND ADMINISTRATIVE DETAILS**

#### **BANKERS**

Barclays Bank Plc  
38 Fishergate  
Preston  
PR1 2AD

### **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.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 26 January 2023 and signed on the board's behalf by:



KM 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 2022 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 2022 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.

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.

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

## **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

26 January 2023



# Preston North End Community And Education Trust

## Statement of Financial Activities for the year ended 30 June 2022

		Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>	Notes				
Donations and legacies	2	158,065	-	158,065	134,694
<b>Charitable activities</b>	3				
Other		276,907	-	276,907	86,600
National Citizen Service		-	259,461	259,461	227,723
Education		-	312,113	312,113	352,130
School sports/Premier League		-	262,594	262,594	192,710
Health and wellbeing		43,551	-	43,551	70,267
Other income		-	-	-	14,737
<b>Total</b>		<b>478,523</b>	<b>834,168</b>	<b>1,312,691</b>	<b>1,078,861</b>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	4				
Other		603,610	-	603,610	468,227
National Citizen Service		-	19,362	19,362	11,502
Education		-	355,480	355,480	270,791
School sports/Premier League		81,506	7,197	88,703	35,870
Health and wellbeing		57,954	-	57,954	37,247
<b>Total</b>		<b>743,070</b>	<b>382,039</b>	<b>1,125,109</b>	<b>823,637</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>(264,547)</b>	<b>452,129</b>	<b>187,582</b>	<b>255,224</b>
<b>Transfers between funds</b>	13	<b>452,129</b>	<b>(452,129)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>		<b>187,582</b>	<b>-</b>	<b>187,582</b>	<b>255,224</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		542,020	-	542,020	286,796
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>729,602</b>	<b>-</b>	<b>729,602</b>	<b>542,020</b>

The notes form part of these financial statements

# Preston North End Community And Education Trust

## Balance Sheet 30 June 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	10	<b>15,981</b>	-	<b>15,981</b>	7,099
<b>CURRENT ASSETS</b>					
Debtors	11	<b>109,009</b>	-	<b>109,009</b>	55,567
Cash at bank and in hand		<b>864,286</b>	-	<b>864,286</b>	626,359
		<b>973,295</b>	-	<b>973,295</b>	681,926
<b>CREDITORS</b>					
Amounts falling due within one year	12	<b>(259,674)</b>	-	<b>(259,674)</b>	(147,005)
<b>NET CURRENT ASSETS</b>		<b>713,621</b>	-	<b>713,621</b>	534,921
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>729,602</b>	-	<b>729,602</b>	542,020
<b>NET ASSETS</b>		<b>729,602</b>	-	<b>729,602</b>	542,020
<b>FUNDS</b>	13				
Unrestricted funds				<b>729,602</b>	542,020
<b>TOTAL FUNDS</b>				<b>729,602</b>	542,020

The financial statements were approved by the Board of Trustees and authorised for issue on 26 January 2023 and were signed on its behalf by:



KM Abbott - Trustee

# Preston North End Community And Education Trust

## Cash Flow Statement for the year ended 30 June 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>255,957</u>	<u>260,558</u>
Net cash provided by operating activities		<u>255,957</u>	<u>260,558</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(18,030)</u>	<u>(2,921)</u>
Net cash used in investing activities		<u>(18,030)</u>	<u>(2,921)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>237,927</u>	<u>257,637</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>626,359</u>	<u>368,722</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>864,286</u></u>	<u><u>626,359</u></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 2022

### 1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>187,582</b>	<b>255,224</b>
<b>Adjustments for:</b>		
Depreciation charges	9,148	13,232
Increase in debtors	(53,442)	(16,259)
Increase in creditors	112,669	8,361
<b>Net cash provided by operations</b>	<b>255,957</b>	<b>260,558</b>

### 2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/21 £	Cash flow £	At 30/6/22 £
<b>Net cash</b>			
Cash at bank and in hand	626,359	237,927	864,286
	<u>626,359</u>	<u>237,927</u>	<u>864,286</u>
<b>Total</b>	<u>626,359</u>	<u>237,927</u>	<u>864,286</u>

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

## **Notes to the Financial Statements for the year ended 30 June 2022**

### **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.

The financial statements are presented using the Pound Sterling (£) and the amounts in the financial statements have been rounded to the nearest £1.

#### **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 2022

### 1. ACCOUNTING POLICIES - continued

#### Tangible fixed assets

Fixtures and fittings	- 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

	2022	2021
	£	£
Grants	158,065	134,694

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 2. DONATIONS AND LEGACIES - continued

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

	2022	2021
	£	£
Other grants	42,263	24,637
SIBF	-	54,094
Communities United	9,583	26,490
Operation Divert	61,731	29,473
Holiday Activation Fund	44,487	-
Other grants	1	-
	<u>158,065</u>	<u>134,694</u>

### 3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
Charitable activities	Other	276,907	86,600
Charitable activities	National Citizen Service	259,461	227,723
Charitable activities	Education	312,113	352,130
Charitable activities	School sports/Premier League	262,594	192,710
Charitable activities	Health and wellbeing	43,551	70,267
		<u>1,154,626</u>	<u>929,430</u>

### 4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Other	383,740	219,870	603,610
National Citizen Service	19,362	-	19,362
Education	338,458	17,022	355,480
School sports/Premier League	41,537	47,166	88,703
Health and wellbeing	57,954	-	57,954
	<u>841,051</u>	<u>284,058</u>	<u>1,125,109</u>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 5. SUPPORT COSTS

	Management	Finance	Governance costs	Totals
	£	£	£	£
Other	206,943	2,114	10,813	219,870
Education	17,022	-	-	17,022
School sports/Premier League	47,166	-	-	47,166
	<u>271,131</u>	<u>2,114</u>	<u>10,813</u>	<u>284,058</u>

### 6. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	7,200	6,000
Depreciation - owned assets	9,148	13,232
Hire of plant and machinery	<u>24,522</u>	<u>8,335</u>

### 7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2022 nor for the year ended 30 June 2021.

#### Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2022 nor for the year ended 30 June 2021.

### 8. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	815,790	620,889
	<u>815,790</u>	<u>620,889</u>

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

	2022	2021
	43	25
Direct staff	<u>43</u>	<u>25</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
	1	-
£60,001 - £70,000	<u>1</u>	<u>-</u>



# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

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

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	134,694	-	134,694
<b>Charitable activities</b>			
Other	86,600	-	86,600
National Citizen Service	-	227,723	227,723
Education	-	352,130	352,130
School sports/Premier League	-	192,710	192,710
Health and wellbeing	70,267	-	70,267
Other income	14,737	-	14,737
<b>Total</b>	<b>306,298</b>	<b>772,563</b>	<b>1,078,861</b>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Other	468,227	-	468,227
National Citizen Service	-	11,502	11,502
Education	-	270,791	270,791
School sports/Premier League	28,163	7,707	35,870
Health and wellbeing	37,247	-	37,247
<b>Total</b>	<b>533,637</b>	<b>290,000</b>	<b>823,637</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>(227,339)</b>	<b>482,563</b>	<b>255,224</b>
<b>Transfers between funds</b>	<b>482,563</b>	<b>(482,563)</b>	<b>-</b>
<b>Net movement in funds</b>	<b>255,224</b>	<b>-</b>	<b>255,224</b>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	286,796	-	286,796
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>542,020</b>	<b>-</b>	<b>542,020</b>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 10. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
<b>COST</b>			
At 1 July 2021	<b>51,571</b>	<b>66,411</b>	<b>117,982</b>
Additions	<b>4,271</b>	<b>13,759</b>	<b>18,030</b>
At 30 June 2022	<b>55,842</b>	<b>80,170</b>	<b>136,012</b>
<b>DEPRECIATION</b>			
At 1 July 2021	<b>47,938</b>	<b>62,945</b>	<b>110,883</b>
Charge for year	<b>2,620</b>	<b>6,528</b>	<b>9,148</b>
At 30 June 2022	<b>50,558</b>	<b>69,473</b>	<b>120,031</b>
<b>NET BOOK VALUE</b>			
At 30 June 2022	<b>5,284</b>	<b>10,697</b>	<b>15,981</b>
At 30 June 2021	<b>3,633</b>	<b>3,466</b>	<b>7,099</b>

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

	2022 £	2021 £
Trade debtors	<b>27,165</b>	27,069
Other debtors	<b>44,294</b>	18,832
Prepayments	<b>37,550</b>	9,666
	<b>109,009</b>	<b>55,567</b>

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

	2022 £	2021 £
Trade creditors	<b>32,846</b>	11,194
Social security and other taxes	<b>29,415</b>	14,024
Accruals and deferred income	<b>197,413</b>	121,787
	<b>259,674</b>	<b>147,005</b>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 13. MOVEMENT IN FUNDS

	At 1/7/21 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
<b>Unrestricted funds</b>				
General fund	542,020	(264,547)	452,129	729,602
<b>Restricted funds</b>				
National Citizen Service	-	240,099	(240,099)	-
Education	-	(43,367)	43,367	-
School sports/Premier League	-	255,397	(255,397)	-
	-	452,129	(452,129)	-
<b>TOTAL FUNDS</b>	<b>542,020</b>	<b>187,582</b>	<b>-</b>	<b>729,602</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	478,523	(743,070)	(264,547)
<b>Restricted funds</b>			
National Citizen Service	259,461	(19,362)	240,099
Education	312,113	(355,480)	(43,367)
School sports/Premier League	262,594	(7,197)	255,397
	834,168	(382,039)	452,129
<b>TOTAL FUNDS</b>	<b>1,312,691</b>	<b>(1,125,109)</b>	<b>187,582</b>

### Comparatives for 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>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 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	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
	<u>772,563</u>	<u>(290,000)</u>	<u>482,563</u>
<b>TOTAL FUNDS</b>	<u>1,078,861</u>	<u>(823,637)</u>	<u>255,224</u>

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

	At 1/7/20 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
<b>Unrestricted funds</b>				
General fund	286,796	(491,886)	934,692	729,602
<b>Restricted funds</b>				
National Citizen Service	-	456,320	(456,320)	-
Education	-	37,972	(37,972)	-
School sports/Premier League	-	440,400	(440,400)	-
	<u>-</u>	<u>934,692</u>	<u>(934,692)</u>	<u>-</u>
<b>TOTAL FUNDS</b>	<u>286,796</u>	<u>442,806</u>	<u>-</u>	<u>729,602</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	784,821	(1,276,707)	(491,886)
<b>Restricted funds</b>			
National Citizen Service	487,184	(30,864)	456,320
Education	664,243	(626,271)	37,972
School sports/Premier League	455,304	(14,904)	440,400
	<u>1,606,731</u>	<u>(672,039)</u>	<u>934,692</u>
<b>TOTAL FUNDS</b>	<u>2,391,552</u>	<u>(1,948,746)</u>	<u>442,806</u>

# Preston North End Community And Education Trust

## Notes to the Financial Statements - continued for the year ended 30 June 2022

### 13. MOVEMENT IN FUNDS - continued

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 £135,510 (2021: £66,860). These costs were recharged at cost, 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 and associated costs of £32,700 (2021: £32,700).