

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

**Report of the Trustees and
Financial Statements
for the Year Ended 30 June 2023
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

Contents of the Financial Statements for the year ended 30 June 2023

	Page
Report of the Trustees	1 to 7
Report of the Independent Auditors	8 to 11
Statement of Financial Activities	12
Balance Sheet	13
Cash Flow Statement	14
Notes to the Cash Flow Statement	15
Notes to the Financial Statements	16 to 23

Preston North End Community And Education Trust (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

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 2023. 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 (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

STRATEGIC REPORT

Achievement and performance

Charitable activities

The Trust has had another year of growth and success expanding its programmes across Preston and the surrounding areas. 2023 saw the Trust grow to 45 full time staff investing in excess of £1million into the Preston Community across its three strands of work. The last 12 months have once again been economically hard as a result of the cost of living crisis. Despite this the Trust was able to continue to deliver programmes centred around the needs of our community, which over 17,000 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 2022/23 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 8 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.

Equality Diversity and Inclusion - Working across the EDI landscape this area of work 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.

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.

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 (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

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.

Traineeships - 12 week programme for those economically inactive. Providing the knowledge and tools to help move people closer to employment.

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 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 (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

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 2023, this amounts to approximately £700,000 (2022: £558,000). The balance held at the end of the year of £833,586 (2022: £864,286) meets this target and the Trustees will continue to monitor this position.

The surplus for the year of £61,390 (2022: £187,582) was transferred to reserves and added to the brought forward surplus of £729,602 (2022: £542,020). The total funds carried forward of £790,992 (2022: £729,602) 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 the rising cost of living is having on the charity and the programmes we offer. To date we have been able to revise our delivery by 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 end of 2023 will draw to a close the 2020-2023 Strategy, which has proved to be very successful period for the Charity. Throughout 2023, we have been developing the 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 and we are looking forward to launching this in quarter one of 2024.

The Trust will continue with its ambitions of developing additional facilities, 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 2023.

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 (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

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 - resigned 23 May 2023
Zafar Coupland - appointed 22 September 2022
Paula Wilson - appointed 7 August 2023

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

Company Secretary

KM Abbott

Preston North End Community And Education Trust (Registered number: 06627591)

Report of the Trustees for the year ended 30 June 2023

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
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.

**Preston North End Community And
Education Trust (Registered number: 06627591)**

**Report of the Trustees
for the year ended 30 June 2023**

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 25 January 2024 and signed on the board's behalf by:

A handwritten signature in black ink, appearing to be 'KM Abbott', written in a cursive style.

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 2023 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 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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. 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

25 January 2024

Preston North End Community And Education Trust

Statement of Financial Activities for the year ended 30 June 2023

		Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	54,277	-	54,277	158,065
Charitable activities	3				
Other		343,991	-	343,991	276,907
National Citizen Service		-	115,301	115,301	259,461
Education		-	578,070	578,070	312,113
School sports/Premier League		-	324,899	324,899	262,594
Health and wellbeing		74,516	-	74,516	43,551
Total		472,784	1,018,270	1,491,054	1,312,691
EXPENDITURE ON					
Raising funds	4	19,203	-	19,203	-
Charitable activities	5				
Other		665,068	-	665,068	603,610
National Citizen Service		-	23,146	23,146	19,362
Education		-	479,246	479,246	355,480
School sports/Premier League		100,221	7,909	108,130	88,703
Health and wellbeing		134,871	-	134,871	57,954
Total		919,363	510,301	1,429,664	1,125,109
NET INCOME/(EXPENDITURE)		(446,579)	507,969	61,390	187,582
Transfers between funds	14	507,969	(507,969)	-	-
Net movement in funds		61,390	-	61,390	187,582
RECONCILIATION OF FUNDS					
Total funds brought forward		729,602	-	729,602	542,020
TOTAL FUNDS CARRIED FORWARD		790,992	-	790,992	729,602

The notes form part of these financial statements

**Preston North End Community And
Education Trust (Registered number: 06627591)**

Balance Sheet
30 June 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	11	13,678	-	13,678	15,981
CURRENT ASSETS					
Debtors	12	179,212	-	179,212	109,009
Cash at bank and in hand		833,586	-	833,586	864,286
		<u>1,012,798</u>	<u>-</u>	<u>1,012,798</u>	<u>973,295</u>
CREDITORS					
Amounts falling due within one year	13	(235,484)	-	(235,484)	(259,674)
NET CURRENT ASSETS		<u>777,314</u>	<u>-</u>	<u>777,314</u>	<u>713,621</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>790,992</u>	<u>-</u>	<u>790,992</u>	<u>729,602</u>
NET ASSETS		<u>790,992</u>	<u>-</u>	<u>790,992</u>	<u>729,602</u>
FUNDS	14				
Unrestricted funds				790,992	729,602
TOTAL FUNDS				<u>790,992</u>	<u>729,602</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 25 January 2024 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 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(25,822)</u>	<u>255,957</u>
Net cash (used in)/provided by operating activities		<u>(25,822)</u>	<u>255,957</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(4,878)</u>	<u>(18,030)</u>
Net cash used in investing activities		<u>(4,878)</u>	<u>(18,030)</u>
Change in cash and cash equivalents in the reporting period		<u>(30,700)</u>	<u>237,927</u>
Cash and cash equivalents at the beginning of the reporting period		<u>864,286</u>	<u>626,359</u>
Cash and cash equivalents at the end of the reporting period		<u><u>833,586</u></u>	<u><u>864,286</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 2023

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

	2023 £	2022 £
Net income for the reporting period (as per the Statement of Financial Activities)	61,390	187,582
Adjustments for:		
Depreciation charges	7,181	9,148
Increase in debtors	(70,203)	(53,442)
(Decrease)/increase in creditors	(24,190)	112,669
Net cash (used in)/provided by operations	<u>(25,822)</u>	<u>255,957</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/7/22 £	Cash flow £	At 30/6/23 £
Net cash			
Cash at bank and in hand	864,286	(30,700)	833,586
	<u>864,286</u>	<u>(30,700)</u>	<u>833,586</u>
Total	<u>864,286</u>	<u>(30,700)</u>	<u>833,586</u>

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 2023

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.

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.

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.

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.

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

1. ACCOUNTING POLICIES - continued

Fund accounting

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

	2023	2022
	£	£
Grants	<u>54,277</u>	<u>158,065</u>

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

	2023	2022
	£	£
Other grants	26,869	31,563
Communities United	2,313	9,583
Operation Divert	-	61,731
Holiday Activation Fund	10,320	44,487
Armed Forces/Veterans Fund	14,774	10,700
Other grants	1	1
	<u>54,277</u>	<u>158,065</u>

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Charitable activities	Other	343,991	276,907
Charitable activities	National Citizen Service	115,301	259,461
Charitable activities	Education	578,070	312,113
Charitable activities	School sports/Premier League	324,899	262,594
Charitable activities	Health and wellbeing	74,516	43,551
		<u>1,436,777</u>	<u>1,154,626</u>

4. RAISING FUNDS

Other trading activities

	2023 £	2022 £
Bad debts	<u>19,203</u>	<u>-</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 6) £	Totals £
Other	420,508	244,560	665,068
National Citizen Service	23,146	-	23,146
Education	459,649	19,597	479,246
School sports/Premier League	52,602	55,528	108,130
Health and wellbeing	134,871	-	134,871
	<u>1,090,776</u>	<u>319,685</u>	<u>1,410,461</u>

6. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Other	234,537	2,190	7,833	244,560
Education	19,597	-	-	19,597
School sports/Premier League	55,528	-	-	55,528
	<u>309,662</u>	<u>2,190</u>	<u>7,833</u>	<u>319,685</u>

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

7. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	6,860	7,200
Depreciation - owned assets	7,181	9,148
Hire of plant and machinery	26,343	24,522

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2023 nor for the year ended 30 June 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 June 2023 nor for the year ended 30 June 2022.

9. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,047,100	815,790
	1,047,100	815,790

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

	2023	2022
	45	43

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

	2023	2022
	1	1

£60,001 - £70,000

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	158,065	-	158,065
Charitable activities			
Other	276,907	-	276,907
National Citizen Service	-	259,461	259,461
Education	-	312,113	312,113
School sports/Premier League	-	262,594	262,594
Health and wellbeing	43,551	-	43,551
Total	478,523	834,168	1,312,691
EXPENDITURE ON			
Charitable activities			
Other	603,610	-	603,610
National Citizen Service	-	19,362	19,362
Education	-	355,480	355,480
School sports/Premier League	81,506	7,197	88,703
Health and wellbeing	57,954	-	57,954
Total	743,070	382,039	1,125,109
NET INCOME/(EXPENDITURE)	(264,547)	452,129	187,582
Transfers between funds	452,129	(452,129)	-
Net movement in funds	187,582	-	187,582
RECONCILIATION OF FUNDS			
Total funds brought forward	542,020	-	542,020
TOTAL FUNDS CARRIED FORWARD	729,602	-	729,602

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 July 2022	55,842	80,170	136,012
Additions	4,221	657	4,878
At 30 June 2023	60,063	80,827	140,890
DEPRECIATION			
At 1 July 2022	50,558	69,473	120,031
Charge for year	2,959	4,222	7,181
At 30 June 2023	53,517	73,695	127,212
NET BOOK VALUE			
At 30 June 2023	6,546	7,132	13,678
At 30 June 2022	5,284	10,697	15,981

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	77,973	27,165
Other debtors	64,058	44,294
Prepayments	37,181	37,550
	179,212	109,009

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	24,945	32,847
Social security and other taxes	28,574	29,415
Accruals and deferred income	181,965	197,412
	235,484	259,674

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

14. MOVEMENT IN FUNDS

	At 1/7/22 £	Net movement in funds £	Transfers between funds £	At 30/6/23 £
Unrestricted funds				
General fund	729,602	(446,579)	507,969	790,992
Restricted funds				
National Citizen Service	-	92,155	(92,155)	-
Education	-	98,825	(98,825)	-
School sports/Premier League	-	316,989	(316,989)	-
	-	507,969	(507,969)	-
TOTAL FUNDS	729,602	61,390	-	790,992

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	472,784	(919,363)	(446,579)
Restricted funds			
National Citizen Service	115,301	(23,146)	92,155
Education	578,071	(479,246)	98,825
School sports/Premier League	324,898	(7,909)	316,989
	1,018,270	(510,301)	507,969
TOTAL FUNDS	1,491,054	(1,429,664)	61,390

Comparatives for movement in funds

	At 1/7/21 £	Net movement in funds £	Transfers between funds £	At 30/6/22 £
Unrestricted funds				
General fund	542,020	(264,547)	452,129	729,602
Restricted funds				
National Citizen Service	-	240,099	(240,099)	-
Education	-	(43,367)	43,367	-
School sports/Premier League	-	255,397	(255,397)	-
	-	452,129	(452,129)	-
TOTAL FUNDS	542,020	187,582	-	729,602

Preston North End Community And Education Trust

Notes to the Financial Statements - continued for the year ended 30 June 2023

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	478,523	(743,070)	(264,547)
Restricted funds			
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
	<u>834,168</u>	<u>(382,039)</u>	<u>452,129</u>
TOTAL FUNDS	<u>1,312,691</u>	<u>(1,125,109)</u>	<u>187,582</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.

15. 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 £111,867 (2022: £125,225). These costs were recharged at cost, having been incurred by Preston North End Football Club Limited for administrative purposes only. The balance owed at the year end was £3,364 (2022: £19,113).

The Trust also made payments to Preston North End Limited for rent and associated costs of £47,520 (2022: £32,700). The balance owed at the year end was nil (2022: £3,125).