



## **Annual Report and Financial Statements**

**Year ended 31<sup>st</sup> July 2024**

Company Registration Number: 07085396  
Charity Registration Number: 1135863

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## Board of Directors, Executives and Advisors

<p><b>Board of Trustees</b> M J Higgins (Chair) R Wakefield S Elcomb C Keeney T Hart (Vice Chair) J Smith (appointed 25<sup>th</sup> July 2024) K Rudin (appointed 25<sup>th</sup> July 2024) T Kantharia (appointed 25<sup>th</sup> July 2024) M Boland (resigned 6<sup>th</sup> February 2024)</p> <p><b>Company Secretary</b> Craig Garner</p>	<p><b>Advisors</b> <b>Independent Auditor</b> Rushtons Chartered Accountants and Business Advisers Shorrock House 1 Faraday Court Fulwood Preston PR2 9NB</p> <p><b>Bankers</b> Barclays Bank PLC 1<sup>st</sup> Floor 3 Hardman Street Spinningfields Manchester M3 3HF</p>
<p><b>Registration Details</b></p> <p><b>Charity Name:</b> Preston Vocational Centre Ltd</p> <p><b>Registered Office &amp; Principal Office:</b> Preston City Council Services Site, St Paul's Road, Preston, Lancashire, PR1 1PX.</p> <p><b>Charity Registration Number:</b> 1135863</p> <p><b>Company Registration Number:</b> 07085396</p>	

## **Preston Vocational Centre Ltd**

### **Trustees' Report**

The Trustees of Preston Vocational Centre (PVC) present their annual report and audited accounts for the year ended 31 July 2024 and confirm they comply with the requirements of the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Structure Governance and Management**

PVC (Company No. 07085396) was established in February 2009. PVC converted to a charity in May 2010 and became a subsidiary of Community Gateway Association Ltd (CGA) (Company No. IP29838R) following the signing of an intra-group agreement on 1 August 2013.

The Charity draws its trustees from both the public and private sector, including specialist skills from the education sector. Trustees are appointed on a voluntary basis and do not receive remuneration.

Following best practice governance principles, the PVC Board has a range of knowledge, skills, and expertise, including commercial and educational experience. The PVC Board is continually developed using a system of collective and individual appraisals performed annually. This enables PVC to assess both the strengths and skill gaps so appropriate training can be provided. This process also allows for succession planning to the Board which aims to further strengthen governance. Trustees follow an induction process to prepare them for their role.

PVC has a trading subsidiary, Preston Construction Centre Limited, which is currently dormant.

PVC's main focus is on establishing a centre of excellence in construction trades and being regarded as a construction specialist training facility in Preston. The principal objective of PVC is to advance the education of children, young people and adults, especially those living within the Preston area. This will be through the provision of vocational training, supporting their personal development and equipping them for further education, employment and training.

PVC is an inclusive learning environment which aims to provide all young people with suitable skills and qualifications to allow them to progress in their future adult working lives.

## **Trustees' Report (continued)**

The Centre operates under the strap line of “Building Skills - Building Futures” and delivers its activities under three thematic areas which are:

- Pre 16 years old
- Post 16 years old
- Adult learners

## **Our Mission / Values**

PVC is committed to delivering the highest quality construction based vocational training and support to enable young people and adults to gain skills, qualifications and confidence to enhance their potential and build a positive future. In order to achieve the mission, we strive to live the following values:

- Inclusive - We embrace the differences that come from a wide range of backgrounds. We ensure everyone has the opportunity to learn and grow.
- Passionate - We are passionate in our approach to inspire learning and celebrate success.
- Respectful - We encourage and promote positive responses towards people, our activities and most importantly ourselves.
- Integrity - We unconditionally promote being open, honest and transparent in all that we do.
- Empowering - Through training and support we enable people to realise their full potential and improve their futures.
- Quality - We have a commitment to exceed expectations in everything we do.

## **Our Commitment**

We strive to be the first choice for schools, learners and other stakeholders who require vocational training provision leading to a progressive and recognised learning route to continue to the world of work. We continually set high standards and go the extra mile to set us apart from any competitors. We are dedicated to bringing those young people at risk of not entering training, employment or education and equipping them with the confidence and skills to move forward. We work with all our learners to achieve a recognised qualification and where this is not appropriate, get them to a level upon where they can build themselves a positive future.

## **Trustees' Report (continued)**

We have a proven track record and a well-established good reputation for being committed to providing construction vocational training in painting and decorating; joinery and carpentry; building maintenance; brickwork; and plumbing and plastering.

We provide high quality pastoral support to young people, adults and communities of Lancashire. We offer accredited and non-accredited learning and development opportunities that supports positive steps towards achieving personal economic and social potential within an inclusive learning environment that is focused on the needs of participants.

## **Operating Review 2023 / 2024**

### **Aims and Objectives**

2023/24 was the third year of our 2021-26 Business Plan.

### **Operating Review**

The 2021-26 plan is centred around four key themes:

- Schools Performance – we will build on our positive reputation and grow our existing schools and post 16 programme;
- Student Pathways – we will support each student to achieve their preferred positive destination, providing choice and opportunity for a successful future;
- Funded/Community Programmes – we will continue to deliver upon our social purpose and seek to secure grant funding which complements our work and adds value to our learners and the local community;
- Finance and Governance – we will ensure that PVC strengthens its financial resilience and is a well-run organisation.

Each theme has its own suite of Key Performance Indicators (KPIs) that are reported to the Board on a regular basis. The key highlights for 2023/24 are summarised below.

- We delivered specialist vocational provision to a total of 208 students, an decrease of 55 students from the previous year. Although the number of students attending PVC reduced in 2024, the number of sessions attended increased , ensuring the centre operated at full capacity. Students attended from 23 schools across Lancashire of which 38% were from schools that support

## Trustees' Report (continued)

### Operating Review 2023 / 2024 (continued)

behaviour, emotional and social difficulties; 40% were from mainstream schools; and 15% were from schools with special educational needs or disabilities. The remaining 7% of students were post 18 and adult learners.

- 76 of the 102 learners who registered for a City and Guilds Level 1 Construction Qualification achieved it, representing an achievement rate of 75% which is an increase from the previous year (2023:72%)
- We delivered specialist vocational provision to a total of 72 non-school students, with programmes including: -
  - **Post 16 Study Programme** – this was delivered through the UK Shared Prosperity Fund (11 students) and Lancashire County Council (1 student) and has enabled 12 students who are Not in Employment, Education, or Training (NEET) to develop the basic skills in general construction and building maintenance, with 7 of these achieving a City and Guilds Construction level 1 qualification
  - **More Positive Together** – 42 adult students engaged with the European Social Fund More Positive Together provision which provides employment and skills training - this was a 3 year programme which ended 31<sup>st</sup> December 2023
  - **Guild Lodge** – 2 participants attended the centre on a weekly basis working towards a City and Guilds Level 1 qualification
  - **Taster Sessions** – 8 participants received basic living and construction skills training funded through Foster Care Associates to assist with their transition from foster care to supported living
- Our volunteer and work experience programme has supported 4 adult volunteers to develop their workplace skills totalling 1453 hours.
- We operate a safe working environment with no RIDDOR reportable incidents affecting members of staff, students, or other visitors to the centre.

## Trustees' Report (continued)

### Future plans

Looking ahead to year 4 of the 2021–2026 business plan, PVC will continue to follow the aims as set out in the Operating Review above. PVC will continue to deliver specialist vocational training and support its learners to achieve their potential. PVC will continue to seek opportunities to enhance its provision for post 16 learners by obtaining funding for new initiatives alongside its schools provision.

### Financial Review

A surplus for the year of £33,232 is reported which represents 6.6% of turnover exceeding the business plan target of 5%. The focus in 2023/24 was on maximising capacity to ensure sufficient income to cover increased costs driven by inflation in the previous year. This was successfully achieved with income of £501,138 secured during the year, exceeding the £479,510 generated the previous year by 4.5%. This strong level of income combined with tight control of costs ensured that we generated a healthy surplus to add to reserves accumulated in previous years, maintaining a strong financial position. A summary of our Statement of Financial Activities for the past four years is shown below.

	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Total Income	357,316	404,658	479,510	501,138
Total Expenditure	372,612	393,935	447,857	467,906
Surplus/(Deficit)	<b>(15,296)</b>	<b>10,723</b>	<b>31,653</b>	<b>33,232</b>

The 2023/24 surplus of £33,232 shows a steady improvement of £48,528 from 2020/21 and £1,579 from 2022/23.

The majority of our income, £450,252 (89.85%) was received from schools for the delivery of construction courses to 14 to 16-year olds. The remainder of the income £50,886 (10.15%) was received from donations from Patrons who support us combined with successful bids for grants to carry out programmes of work. This included funding received from the UK Shared Prosperity Fund, the European Social Fund 'More Positive Together' initiative, and The Wildlife Trust. This funding enables PVC to carry out its post-16 and community programmes.



## **Trustees' Report (continued)**

### **Financial Review (continued)**

Expenditure for the year is £467,906 compared to a budget of £463,812. The increase relates to inflationary increases on employee costs, course costs and premises costs offset by reduced vehicle running costs.

The Statement of Financial Position shows fixed assets with value of £54,039 which is the carrying value of a) a van (£46,588) purchased in 2022/23 to transport students for work experience, attending site visits, participating in careers events and collecting materials from construction sites; b) a CCTV system (£1,792) purchased in April 2023 to enhance health and safety provision at the centre and c) a suite of computer hardware to enhance the IT infrastructure at the centre (£5,659).

As shown in the Statement of Financial Position (SoFP) PVC's reserves remain substantial at £170,811 as a result of surpluses generated in previous years and the 2023/24 surplus.

The financial position is reviewed monthly by the Management Team and updates are presented to the Board on a bi-monthly basis. Performance is measured against the annual budget, key performance indicators and the business plan. Our Risk Register is also regularly reviewed.

### **Reserves Policy**

As of 31<sup>st</sup> July 2024, reserves were £170,811. All surpluses (when generated) are reinvested back into the business for its further development and to build up adequate reserves. As our financial position continues to improve, we can increase our reserves and assist the company's growth.

The Trustees will continue to monitor fund values to ensure the timely use of donations in accordance with donors' wishes.

We aim to hold cash reserves in the region of £40,000 to £80,000 to allow us to cover our operating costs for two to three months should anticipated income not materialise.

The Trustees' Reserves Policy is to monitor reserve levels on an ongoing basis in light of charitable spending and the level of charitable giving to PVC.

## **Trustees' Report (continued)**

### **Reserves Policy**

We are also supported by volunteer trainers who provide valuable skills and are positive role models for its young people. We concentrate on our young people and therefore do not make any grants to organisations or individuals.

### **Review of Activities**

We look to maximise student numbers wherever possible to achieve our target of a range of income sources.

### **Risk Analysis**

A number of risks have been and continue to be actively considered by the Board. These risks include:

- the current challenging financial environment and the potential impact of Educational Reforms from Central Government could have on school budgets in the future.
- the short-term nature of some of the current income streams; the competition from other providers which could result in loss of potential new income; and
- risks around Health and Safety, Cyber Security, Data Protection, and Safeguarding.

The risks identified and new risks that arise during the year are monitored, reviewed and updated where necessary by the Management Team and Board. Risk Management Action Plans have been developed identifying actions to mitigate the risks. In order to mitigate the financial risks, longer term income streams are being identified. As such, we are looking to spread the financial risk over a number of income sources.

### **Public Benefit**

The trustees confirm that PVC has paid due regard to the Charity guidance on public benefit reporting in deciding what activities the charity should undertake.

This Annual Report explains the charity's work during the year and how it has been carried out for public benefit.

## **Trustees' Report (continued)**

Approved by the Board on 10<sup>th</sup> December 2024 and signed on its behalf by:

*M J Higgins*

10/02/2025

**M Higgins - Chair of the Board of Trustees**

## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd**

### **Opinion**

We have audited the financial statements of Preston Vocational Centre Ltd (the 'charitable company') for the year ended 31 July 2024 which comprise the Statement of Financial Activities (incorporating Income & Expenditure Account), Balance Sheet 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, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (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 31 July 2024, 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 Auditor's 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.

## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd (continued)**

### **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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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.

## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd (continued)**

### **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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

In the light of our 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 directors' report.

We have nothing to report in respect of the following matters in relation to which 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 directors' 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 trustees' responsibilities statement as set out on page 16, 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.

## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd (continued)**

### **Auditor's 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 an auditor's report 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.

Irregularities, including fraud are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outline above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### **Identifying and assessing potential risks related to irregularities**

In identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector, control environment and business performance;
- Enquiring of trustees, including obtaining and reviewing supporting documentation, concerning the charitable company's policies and procedures relating to:
  - o Identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - o Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;

## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd (continued)**

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud, and;
- Obtaining an understanding of the legal and regulatory frameworks that the charitable company operates in, focusing on those laws and regulations that had a direct effect on the financial statements, such as provisions of the UK Companies Act, pensions legislation and tax legislation or that had a fundamental effect on the operations of the company, including the General Data Protection requirements, Anti-bribery and corruption policies.

### **Audit response to risks identified**

As a result of performing the above procedures, we did not identify any key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of trustees, in-house legal counsel concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Reading minutes of meetings of those charged with governance.

In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.



## **Independent Auditor's Report to the Members of Preston Vocational Centre Ltd (continued)**

We also communicated relevant identified laws and regulations and potential fraud risks to all of the engagement team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 auditor's report.

### **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 auditor's 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.

Adam Calvert ACA (Senior Statutory Auditor)

*A. Calvert*

For and on behalf of Rushtons

Chartered Accountants

Statutory Auditors

Shorrocks House

1 Faraday Court

Fulwood, Preston

Lancashire. PR2 9NB

Date: 10/02/2025

## **Statement of Trustees' responsibilities in respect of the trustees' annual report and the financial statements**

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law they have are required to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the excess of expenditure over income for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charitable company and to prevent and detect fraud and other irregularities.

**Preston Vocational Centre Ltd****Statement of Financial Activities for the Year Ended 31 July 2024**

	<b>Note</b>	<b>Unrestricted Total Funds 2024 £</b>	<b>Unrestricted Total Funds 2023 £</b>
<b>Incoming and endowments from</b>			
Donations and legacies	2	8,365	21,451
Charitable activities	3	<u>492,772</u>	<u>458,058</u>
Total		<u>501,138</u>	<u>479,510</u>
<b>Expenditure on</b>			
Charitable activities	4	<u>467,906</u>	<u>447,857</u>
Total		<u>467,906</u>	<u>447,857</u>
Net movements in funds		33,232	31,653
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>137,579</u>	<u>105,926</u>
Total funds carried forward	15	<u><u>170,811</u></u>	<u><u>137,579</u></u>

The notes on pages 21 to 31 form an integral part of these financial statements.

**Preston Vocational Centre Ltd (Registration Number: 07085396)**

**Balance Sheet for the Year Ended 31 July 2024**

		<b>2024</b>		<b>2023</b>	
	<b>Note</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed Assets</b>					
Tangible assets	13		54,039		53,968
Investments	8		<u>1</u>		<u>1</u>
			54,040		53,969
<b>Current assets</b>					
Debtors	9	26,723		43,403	
Cash at bank and in hand		<u>179,818</u>		<u>141,494</u>	
		206,541		184,897	
<b>Creditors: Amounts falling due within one year</b>	10	<u>(89,770)</u>		<u>(101,287)</u>	
<b>Net current (liabilities)/assets</b>			<u>116,771</u>		<u>83,610</u>
<b>Net assets</b>			<u><u>170,811</u></u>		<u><u>137,579</u></u>
<b>The funds of the charity:</b>					
<b>Unrestricted funds</b>					
Unrestricted income funds			<u>170,811</u>		<u>137,579</u>
<b>Total charity funds</b>			<u><u>170,811</u></u>		<u><u>137,579</u></u>

The notes on pages 21 to 31 form an integral part of these financial statements.

These financial statements were approved by the Trustees on 10<sup>th</sup> December 2024 and were signed on its behalf by:

*M J Higgins*

10/02/2025

**M Higgins – Chair of the Board of Trustees**

**Preston Vocational Centre Ltd (Registration Number: 07085396)**

**Statement of Cashflow for the Year Ended 31 July 2024**

<b>Cash flow from operating activities</b>	<b>2024</b>	<b>2023</b>
<b>Net income/(expenditure) for the year</b>	33,232	31,653
Depreciation and impairment of tangible fixed assets	11,624	57,087
(Increase)/decrease in debtors	16,680	8,973
Increase/(decrease) in creditors	(11,517)	(26,024)
<b>Net cash flow from operating activities</b>	<b>50,019</b>	<b>71,689</b>
	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>	50,019	71,689
Interest paid	0	0
<b>Net cash flow from operating activities</b>	<b>50,019</b>	<b>71,689</b>
<b>Cash flows from investing activities</b>		
Payments to acquire tangible fixed assets	(11,695)	(57,087)
<b>Net cash flow from investing activities</b>	<b>38,324</b>	<b>14,602</b>
<b>Cashflow from financing activities</b>		
Interest paid	0	0
<b>Net cashflow from financing activities</b>	<b>38,324</b>	<b>14,602</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>38,324</b>	<b>(8,973)</b>
Cash and cash equivalents at beginning of year	141,494	150,467
<b>Cash and cash equivalents at end of year</b>	<b>179,818</b>	<b>141,494</b>

## **Notes to the Financial Statements for the Year Ended 31 July 2024**

### **1 Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities SORP (FRS 102)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

There are no judgements which have a significant effect on the amounts recognised in the accounts. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date which would have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The functional and presentational currency is Sterling (£) monetary amounts in these financial statements are rounded to the nearest £. The legal form of the charity is limited by guarantee and a private company.

#### **Going Concern**

PVC's Financial Statements have been prepared on a going concern basis which assumes an ability to continue operating for the foreseeable future. The going concern expectation takes into account the current high inflation environment highlighted as a principal risk and uncertainty above.

#### **Fund accounting policy**

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

## **1 Accounting policies (continued)**

### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

### **Fixed assets**

Individual fixed assets costing £1,000 or more are initially recorded at cost.

### **Incoming resources**

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Investment income is recognised on a receivable basis. Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

### **Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

### **Governance**

Under the constitution of the subsidiary the parent has the ability to both remove and appoint all Board Members from the Boards of the Subsidiaries. Board members shall be appointed by the board for a fixed term of three years; however, they may be reappointed thereafter for a maximum of two times with a total duration of nine years. The appointment of board members takes place following a selection exercise as a result of board member appraisals to highlight the skills gaps of the current board, which then results in the specific advertisement to fulfil the board's requirements. These advertisements are placed on free recruitment sites as the role is voluntary. The appointment of a director must not cause the number of directors to exceed the maximum of 10, if the appointment of a director by the Parent causes the number

**Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

**1 Accounting policies (continued)**

**Governance (continued)**

to exceed said maximum the Parent has the right to remove so that the number does not exceed the maximum.

**Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

**Depreciation**

Depreciation is provided on tangible fixed assets to write-off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

- Vehicles - 6 years straight-line basis
- Office – 3 years straight-line basis
- Office Equipment – 5 years straight-line basis
- IT – 3 years straight-line basis

**Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are recognised at their settlement amount after allowing for any trade discounts due.



**Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

**1 Accounting policies (continued)**

**Investments**

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal. Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

**Operating leases**

Rentals payable under operating leases are charged in the statement of financial activities on a straight-line basis over the lease term.

**Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

**2 Donations and legacies**

	<b>Unrestricted Total Funds 2024 £</b>	<b>Total Funds 2023 £</b>
Patronage Package	5,000	14,500
Recycling Materials	2,773	135
Other Donations	593	6,816
Donations Total	<u>8,365</u>	<u>21,451</u>

**Preston Vocational Centre Ltd**

**Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

**3 Charitable activities**

	<b>Unrestricted Total Funds 2024 £</b>	<b>Total Funds 2023 £</b>
<b>Income</b>		
Grant Income	42,521	59,957
Education and Training	450,252	398,101
Other Income	8,365	21,451
	<u>501,138</u>	<u>479,509</u>

**4 Expenditure on Charitable Activities and Governance Costs**

	<b>Education and training £</b>	<b>Governance £</b>	<b>Total £</b>	<b>2023 £</b>
<b>Direct costs</b>				
Employment costs	334,049	-	334,049	319,155
Establishment costs	59,985	-	59,985	57,174
Repairs and maintenance	8,811	-	8,811	13,941
Office expenses	11,740	-	11,740	10,466
Printing, posting and stationery	1,813	-	1,813	1,421
Subscriptions	1,172	-	1,172	964
Sundry and other cost	582	-	582	488
Cleaning	965	-	965	2,345
Travel and subsistence	135	-	135	92
Depreciation	11,624	-	11,624	8,081
Recharge from parent company	-	30,000	30,000	30,000
Audit fees	-	4,680	4,680	3,000
Bank charges	470	-	470	547
	<u>431,346</u>	<u>34,680</u>	<u>466,026</u>	<u>447,674</u>

	<b>Education and training £</b>	<b>Governance £</b>	<b>Total £</b>	<b>2023 £</b>
<b>Other Expenditure</b>				
Community Projects	1,880	-	1,880	183
	<u>1,880</u>	<u>-</u>	<u>1,880</u>	<u>183</u>

## **Preston Vocational Centre Ltd**

### **Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

#### **5 Employees' remuneration**

The average number of persons employed by the charity (excluding trustees) during the year was as follows:

	<b>2024</b>	<b>2023</b>
	<u>13</u>	<u>13</u>
Charitable activities - employee numbers		

All employee benefits fall within the banding £10,000 - £60,000. There are no employees who received employee benefits excluding (employer pension costs) of more than £60,000.

The aggregate payroll costs of these persons were as follows:

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Wages and salaries	288,377	283,368
National Insurance	26,153	22,298
Other pension costs	<u>17,987</u>	<u>13,489</u>
	<u>332,517</u>	<u>319,155</u>

#### **6 Trustee Expenses**

During the year none of the trustees have been paid any remuneration or received any other benefits from an employment with their Preston Vocational Centre or a related entity.

#### **7 Taxation**

The company is a registered charity and is therefore exempt from taxation.

# Preston Vocational Centre Ltd

## Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

### 8 Investments held as fixed assets

	Investments in group and associated undertakings £
Market value As at 1 August 2023 and 31 July 2024	<u>1</u>
Net book value As at 31 July 2024	<u>1</u>
	<u>1</u>

All investment assets were held in the UK.

The charity holds more than 20% of the share capital of the following company:

	Country of incorporation	Principal activity	Class	%
<b>Subsidiary undertakings</b>				
Preston Construction Centre Ltd	England & Wales	Dormant	Ordinary Shares	100
			<b>Capital &amp; reserves £</b>	<b>Profit/(loss) for the period £</b>
<b>Subsidiary undertakings</b>				
Preston Construction Centre Ltd			<u>1</u>	<u>-</u>

## **Preston Vocational Centre Ltd**

### **Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

#### **9 Debtors**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade debtors	21,470	38,970
Prepayments and accrued income	5,253	4,433
	<u>26,723</u>	<u>43,403</u>

#### **10 Creditors: Amounts falling due within one year**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	33,248	35,019
Trade creditors	8,158	9,623
Accruals and deferred income	24,614	28,728
Deferred capital grant	23,750	27,917
	<u>89,770</u>	<u>101,287</u>

#### **11 Members' Liability**

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

## Preston Vocational Centre Ltd

### Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)

#### 12 Operating Lease commitments

As at 31 July 2024 the charity had total future minimum lease payments under non-cancellable operating leases as follows:

	<b>Land and buildings</b>	
	<b>2023/24</b>	<b>2022/23</b>
	<b>£</b>	<b>£</b>
Due within 1 year	22,200	3,200
Due 2 – 5 years	25,900	-
	<u>48,100</u>	<u>3,200</u>
	<b>£</b>	<b>£</b>
Operating lease expenditure	23,500	19,200
	<u>23,500</u>	<u>19,200</u>

#### 13 Fixed assets

	<b>Offices</b>	<b>Equipment</b>	<b>IT</b>	<b>Vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>					
At 1 August 2023	13,740	2,389	-	54,698	70,827
Additions	-	-	6,367	5,328	11,695
Disposals	-	-	-	-	-
<b>At 31 July 2024</b>	<b><u>13,740</u></b>	<b><u>2,389</u></b>	<b><u>6,367</u></b>	<b><u>60,026</u></b>	<b><u>82,522</u></b>
<b>Less: Depreciation</b>					
At 1 August 2023	13,358	119	-	3,382	16,859
Charge for the period	382	478	707	10,057	11,624
	-	-	-	-	-
<b>At 31 July 2024</b>	<b><u>13,740</u></b>	<b><u>597</u></b>	<b><u>707</u></b>	<b><u>13,439</u></b>	<b><u>28,483</u></b>
<b>Book Value as at 31 July 2024</b>	<b><u>-</u></b>	<b><u>1,792</u></b>	<b><u>5,659</u></b>	<b><u>46,587</u></b>	<b><u>54,039</u></b>
<b>Book Value as at 31 July 2023</b>	<b><u>382</u></b>	<b><u>2,270</u></b>	<b><u>-</u></b>	<b><u>51,316</u></b>	<b><u>53,968</u></b>

**Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

**14 Analysis of funds**

	<b>At 1 August 2023</b>	<b>Incoming resources</b>	<b>Resources expended</b>	<b>At 31 July 2024</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>General funds</b>				
Unrestricted income fund	137,579	501,138	(467,906)	170,811

**15 Net assets by fund**

	<b>Unrestricted Total Funds 2024 £</b>	<b>Unrestricted Total Funds 2023 £</b>
Tangible assets	54,038	53,968
Investments	1	1
Current assets	206,542	184,897
Creditors: Amounts falling due within one year	(89,770)	(101,287)
Net assets	<u>170,811</u>	<u>137,579</u>

**16 Pension Scheme**

**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents the contributions payable by the charity to the scheme and amounted to £17,987 (2023 - £13,489).

**Notes to the Financial Statements for the Year Ended 31 July 2024 (continued)**

**17 Related parties**

**Controlling Entity**

On 1 August 2013 PVC became a wholly owned Subsidiary of CGA. The Chief Executive of CGA is a Board Member of PVC.

Maureen Boland resigned from the PVC Board on 6<sup>th</sup> February 2024 and is a Director at Conlon Construction, a company that transacts with PVC and CGA.

Chris Keeney is a member of PVC's board and a Director at JFN Integrated Solutions Limited, a company that transacts with PVC and CGA.

**Related Party Transactions**

During 2023/24 the following transactions included in the Financial Statements took place between CGA and PVC:

- Income of £2,280 from CGA for providing training to CGA employees
- The Statement of Financial Position includes a parent company creditor of £33,248 which represents:
  - payments for goods and services made by CGA on behalf of PVC that have not been repaid by PVC before the end of the financial year;
  - amounts owing to CGA for IT services, repairs and maintenance, staffing and support services provided during the year.

During 2023/24 the following transactions included in the Financial Statements took place between JFN Integrated Solutions and PVC:

- Payments for goods and services from JFN Integrated Solutions Limited totalled £2,213



**PRIVATE & CONFIDENTIAL**

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Preston Vocational Centre Ltd  
Preston City Council Services Site  
St Paul's Road  
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2 December 2024

Dear Sirs

**Report to Management**

During the course of our audit for the year ended 31 July 2024 one matter arose that we consider should be brought to your attention.

This matter was in respect of the "Business Premium" bank account not having had bank interest posted to the nominal ledger, which would suggest that this account was not reconciled at year end. The main current account is reconciled and there were no other issues identified, therefore this is a minor issue.

This matter came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We have complied with the Ethical Standards for Auditors and all threats to our independence, as identified to you, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw your attention to and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the Directors of Preston Vocational Centre Ltd and must not be shown to third parties without our prior consent. No responsibilities are accepted by Rushtons towards any party acting or refraining from action as a result of this report.

Finally, we would like to express our thanks to all members of the company's staff who assisted us in carrying out our work.

Yours faithfully

*Rushtons*

**RUSHTONS**

Also at: Blackpool T: 01253 345444

Rushtons is the trading name of Rushtons (NW) Limited

Registered Office: Shorrock House, 1 Faraday Court, Fulwood, Preston, Lancashire, PR2 9NB

Registered in England Number 07160541 VAT Reg No: 483 2595 21

A list of Directors is available at the Registered Office

Registered to carry on audit work in the UK and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales



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