

**REGISTERED COMPANY NUMBER: 09019610 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1157785**

Audited Financial Statements  
for the period  
1 September 2023 to 31 July 2024

for

Heart of Birmingham Vocational College  
Limited

Nicklin Audit Limited  
Chartered Accountants  
Statutory Auditors  
Church Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

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for the period 1 September 2023 to 31 July 2024

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Report of the Trustees  
for the period 1 September 2023 to 31 July 2024

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 period 1 September 2023 to 31 July 2024. 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).

The accounting period has been shortened to make the accounts period consistent with that used by major providers of income. The comparative amounts provided in the accounts are therefore not entirely comparable. This change is permitted under company law.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

#### **Our mission**

To provide an inspirational learning environment for person centred vocational education in a community-based setting, enabling learners to achieve exceptional outcomes.

#### **Our vision**

To empower our learners to prepare themselves for the next stage of their adult lives by providing them with transferrable skills that enable them to become purposeful independent individuals and to find their place in their community.

#### **Our values**

Openness - we use a simple, open and honest approach

Determination - we are determined to raise expectations and awareness, internally and externally

Excellence - we aim for excellence in all of our teaching and learning

Progress - we strive to develop the skills and knowledge of our learners and staff

Respect - we recognise the value of each individual by promoting equality and diversity for all

Empowerment - we empower our learners to meet their aspirations through learner led teaching and coaching

### **OUR OBJECTIVES**

The charity's objectives are such charitable purposes for the public benefit as are exclusively charitable according to the laws of England and Wales as the Directors may from time to time determine in particular but not exclusively by the provision of education.

- o Promoting social inclusion amongst people who are socially excluded by providing them with opportunities for training, employment or social interaction, in order to relieve their need or assist them to integrate into society. For the purposes of this object, 'socially excluded' means people who are excluded from society, or parts of society, as a result of one or more of the following factors:
  - o Special Educational needs
  - o Disability
  - o Poor Education
  - o Poor skills attainment
- o Advancing health by promoting and protecting the health, moral, confidence, well-being, skills and abilities for people who are deemed vulnerable; and
- o Promoting for the benefit of the inhabitants of Birmingham and the surrounding area the provision of facilities by reason of their age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

## **OBJECTIVES AND ACTIVITIES**

### **Significant activities**

#### **Student numbers**

Our learner numbers have grown year on year since we were established in 2014:

2014/2015: 8 learners  
2015/16: 28 learners  
2016/2017: 39 learners  
2017/2018: 52 learners  
2018/2019: 63 learners  
2019/2020: 72 learners  
2020/2021: 82 learners  
2021/2022: 108 learners  
2022 /2023: 132 learners  
2023 /2024: 144 learners

#### **What we do:**

Heart of Birmingham Vocational College (HBVC) is a specialist college for young people aged 16-25 with additional needs. We offer full-time study programmes and Supported Internships that provide individualised learning experiences, developing key employability and independent living skills for learners with mild, moderate, and severe learning disabilities and Autistic Spectrum Disorder needs. All students have an EHCP and are funded through the ESFA and their Local Authority.

## **ACHIEVEMENT AND PERFORMANCE**

- o The Leadership and Management of the college is strong. Governors, leaders, and managers have established a culture of high expectations and high levels of support for students and staff.
- o The design, structure and sequencing of the curriculum is strong. Leaders have designed a curriculum that focuses on developing students' employability, personal development, and independence in preparation for adulthood.
- o Curriculum planning is effective and includes successful collaboration with employers to develop the curriculum in vocational areas. The delivery of all teaching and learning activities fully supports all students to make good or better progress towards personalised outcomes.
- o Leaders and teachers have established a highly effective relationship and sex education curriculum that builds on students' knowledge of healthy relationships, puberty, personal hygiene, consent, and grooming.
- o Leaders have successfully created a calm, purposeful and respectful environment for students to learn in.
- o The behaviour and attitudes of students are excellent. All staff have very high expectations for students and where there may be challenging behaviours, they are managed highly effectively through a collaborative and timely approach across staff teams. As a result, students demonstrate exceptional behaviours, and all students are highly engaged.
- o Leaders have established highly effective support mechanisms for all students. These include very effective support from the Pastoral and Wellbeing team, impressive support for students to prepare for and whilst attending work placements, and an excellent transport service.
- o Inspiring partnerships with employers lead to excellent employability opportunities for all students including workplace visits, workshops, and work placements. Students in work placements and supported internships access high-quality employer training that extends their understanding of key information relating to their roles and responsibilities.
- o Safeguarding is highly effective and fully embedded into the ethos of the college. The DSL and leadership team are very responsive and proactive in responding to and actioning any safeguarding concerns
- o The management of finances is strong and ensures that the investment in resources and opportunities for students and staff are excellent.

## **FINANCIAL REVIEW**

### **Our Finances**

Most of the college's income is obtained from the ESFA or local authority. The charity does not carry out significant fundraising activities from the public. The use of these funds is not restricted to a particular purpose. During the period to 31 July 2024, the college received total income of £3,660,504 (2023: £3,258,515) and incurred total expenditure of £3,517,574 (2023: £3,422,347). The surplus of income against expenditure was £142,930 (2023: deficit of £163,832).

At 31 July 2024 the net book value of fixed assets was £394,328 (2023: £313,599) and movements in tangible fixed assets are shown in note 11 to the financial statements.

Report of the Trustees  
for the period 1 September 2023 to 31 July 2024

## **FINANCIAL REVIEW**

### **Reserves policy**

The trustees review the level of reserves held by the charity annually. This review encompasses the nature of income and expenditure streams, the need to match commitments and the nature of reserves. The trustees believe they need to have sufficient funds to allow them to meet obligations arising and to cover any future changes in the level of funding received from the ESFA or local authority. As at 31 July 2024 reserves totalled negative £116,269 comprising £278,059 unrestricted funds less £394,328 held as fixed assets (2023: £172,545 negative comprising £141,045 unrestricted funds less £313,599 held as fixed assets). Having carefully considered the expected income and expenditure of the college for the future, the trustees feel that no more than 10% of annual income should be retained as unrestricted funds at the period end. The trustees have reviewed the current level of reserves, which is below (2023: below) the 10% guideline. The trustees expect that developments in the new year will help the charity progress towards meeting the guideline.

A strong overview of the college's financial position has been crucial work for the directors and college leaders. Continuous monitoring of the college finances remains at the forefront for Directors and college leaders.

### **Investments**

HBVC will be investing in ICT and online security throughout 2024/2025, this will include:

- o Security enhancements - Cyber Essentials Certification
- o SharePoint and cloud migration - data cleansing
- o Device investment

## **FUTURE PLANS**

For the current academic year, 2024/2025, we will be going through a period of stabilising the college, financially.

We will consolidate and stabilise our activities at the expanded level of operations that has now been achieved. This will mean that costs are matched by income rather than running in front of income. Therefore, surpluses rather than deficits will be secured. In addition, the value of capital spending on facilities enhancements will be reduced because further major improvements will not be required. This will mean that the bank holding strengthens and the net current asset position improves to become positive.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The charity is controlled by its governing document, its articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. The Trustees of HBVC are also the Directors of the charitable company for the purposes of company law.

### **Members liability**

Each member of the charitable company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Trustees**

Trustees are appointed in accordance with the articles of association of the Charity. Details of the trustees who served throughout the year and the registered office are included in the Reference and Administrative Details section of this report.

Subject to the articles of association, a Trustee appointed by the members shall hold office for a term of up to three years from the date of his or her appointment. One third (or the number nearest to one third) of the Trustee must retire each year, those longest in office retiring first and the choice between any of equal service being made by drawing lots.

A Trustee may serve a maximum of three terms, of up to three years per term. A Trustee who has completed three continuous terms of service as a Trustee will not be eligible to be re-appointed as a Trustee until one year after his/her retirement. In this Article 'year' means the period between one AGM and the next.

Trustee inductions are individually tailored to meet the needs of each Trustee. External Trustee training is offered to all Trustees who are new to such a role covering topics such as duties of Trustees under company and charity law, governance and effective interpersonal relationships. Trustees who have previously undertaken Trustee training are invited to undertake a refresher course. Training needs will be assessed individually on an annual basis going forwards.

The Charity is governed by the Trustees who met for meetings during the year. Decisions are taken collectively with questions arising at meetings decided by a majority of votes. The Chair of Trustees has a second or casting vote in the event of an equality of votes.

### **Financial**

The Trustees give of their time freely, the pay and remuneration of the Principal and Senior Leadership Team is set by the Trustees and is kept under annual review.

### **Organisational structure**

The Directors determine the general policy of HBVC. The day to day running of HBVC is passed on to the Principal, supported by the Senior Leadership Team. The Principal undertakes the key leadership role overseeing educational, pastoral and administrative, including financial, tasks and duties in consultation with the Senior Leadership Team. The Principal oversees the recruitment of all staff. The Principal attends Directors' meetings.

### **Related parties**

HBVC is a member of Natspec, which gives us the opportunity to share expertise, knowledge and experience, and seek advice and guidance across the Independent Specialist College sector.

### **Risk management**

The Directors are responsible for the overseeing of the risks faced by the College. Detailed considerations of risk are delegated to the Senior Leadership Team. Risks are identified, assessed and controls established throughout the year. A formal review of the charity's risk management processes is undertaken on an annual basis. Risk is managed under the headings of financial sustainability, college safety, student welfare, employment, college trips and events and community access. The main risks that the Directors have identified and the plans to manage those risks are:

- o Status - upholding our reputation as a good educational provider
- o Finances - sufficient funds to allow the college to function
- o Core curriculum - a holistic approach to a meaningful and challenging curriculum

### **GOING CONCERN**

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the HBVC has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

### **PUBLIC BENEFIT**

The Directors have considered the Charity Commission's requirement in respect of public benefit. In their view, the charity meets, in full, the criteria to satisfy the test. The Directors' annual report describes the activities undertaken to further its charitable purposes for the public benefit.

Heart of Birmingham Vocational College  
Limited

Report of the Trustees  
for the period 1 September 2023 to 31 July 2024

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
09019610 (England and Wales)

**Registered Charity number**  
1157785

**Registered office**  
328-332 Bromford Lane  
Washwood Heath  
Birmingham  
B8 2SD

**Trustees**  
E A Morgan (resigned 3.10.24)  
J Lawrence  
R J Gowers (resigned 11.1.24)  
Miss C E Hook  
D W Faulkner

**Clerk to the Trustees**  
W Lamb

**Principal**  
E Clark

**Auditors**  
Nicklin Audit Limited  
Chartered Accountants  
Statutory Auditors  
Church Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

**Solicitors**  
Browne Jacobson  
Mowbray House  
Castle Meadow Road  
Nottingham  
NG2 1BJ

**Bankers**  
HSBC  
96 High Street  
Kings Heath  
Birmingham  
B14 7LD

**Insurance Brokers**  
MAIG Insurance  
0121 704 8411

**Website**  
[www.hbvc.ac.uk](http://www.hbvc.ac.uk)

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Heart of Birmingham Vocational College Limited 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).

Report of the Trustees  
for the period 1 September 2023 to 31 July 2024

#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued**

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, Nicklin Audit Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on .....10.10.25..... and signed on its behalf by:

  
.....  
J Lawrence - Trustee

Report of the Independent Auditors to the Trustees of  
Heart of Birmingham Vocational College  
Limited

**Opinion**

We have audited the financial statements of Heart of Birmingham Vocational College Limited (the 'charitable company') for the period ended 31 July 2024 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 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the period 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.

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

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; 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.

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

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

We identify and assess risks of material misstatement of the financial statements, whether due to fraud and error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing 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, control environment and business performance;
- results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- any matters we have identified having reviewed the company's procedures for complying with laws and regulations and whether they were aware of any instances of non-compliance. The key laws and regulations we considered in this context included the Companies Act 2006.

As a result of these procedures we considered the opportunities that may exist within the organisation for fraud resulting in material misstatement in the financial statements. We considered that any such opportunities are mitigated by the fact that the company is under the close control of its directors.

Our procedures to arrive at this conclusion included the following:

- reviewing balance sheet control accounts to ensure properly reconciled;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring with management concerning actual and potential litigation claims.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

Report of the Independent Auditors to the Trustees of  
Heart of Birmingham Vocational College  
Limited

**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Nicklin Audit Limited

Nicklin Audit Limited  
Chartered Accountants  
Statutory Auditors  
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006  
Church Court  
Stourbridge Road  
Halesowen  
West Midlands  
B63 3TT

Date: ..... 24th March 2025

Heart of Birmingham Vocational College  
Limited

Statement of Financial Activities  
(Incorporating an Income and Expenditure Account)  
for the period 1 September 2023 to 31 July 2024

				Period 1.9.23 to 31.7.24 Total funds £	Year Ended 31.8.23 Total funds £
	Notes	Unrestricted fund £	Restricted funds £		
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	36,497	-	36,497	46,898
<b>Charitable activities</b>	4				
Education		3,614,482	9,525	3,624,007	3,211,617
<b>Total</b>		<u>3,650,979</u>	<u>9,525</u>	<u>3,660,504</u>	<u>3,258,515</u>
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>	5				
Education		3,511,407	3,600	3,515,007	3,419,547
Other		2,567	-	2,567	2,800
<b>Total</b>		<u>3,513,974</u>	<u>3,600</u>	<u>3,517,574</u>	<u>3,422,347</u>
<b>NET INCOME/(EXPENDITURE)</b>		137,005	5,925	142,930	(163,832)
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		141,054	3,356	144,410	308,242
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>278,059</u>	<u>9,281</u>	<u>287,340</u>	<u>144,410</u>

The notes form part of these financial statements

Heart of Birmingham Vocational College  
Limited

Balance Sheet  
31 July 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	11	394,328	-	394,328	313,599
<b>CURRENT ASSETS</b>					
Debtors	12	84,068	-	84,068	54,091
Cash at bank and in hand		49,012	9,281	58,293	97,366
		<u>133,080</u>	<u>9,281</u>	<u>142,361</u>	<u>151,457</u>
<b>CREDITORS</b>					
Amounts falling due within one year	13	(236,428)	-	(236,428)	(300,833)
<b>NET CURRENT ASSETS</b>		<u>(103,348)</u>	<u>9,281</u>	<u>(94,067)</u>	<u>(149,376)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		290,980	9,281	300,261	164,223
<b>CREDITORS</b>					
Amounts falling due after more than one year	14	(12,921)	-	(12,921)	(19,813)
<b>NET ASSETS</b>		<u>278,059</u>	<u>9,281</u>	<u>287,340</u>	<u>144,410</u>
<b>FUNDS</b>	17				
Unrestricted funds				278,059	141,054
Restricted funds				<u>9,281</u>	<u>3,356</u>
<b>TOTAL FUNDS</b>				<u>287,340</u>	<u>144,410</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the period ended 31 July 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

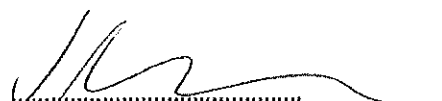
These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

Heart of Birmingham Vocational College  
Limited

Balance Sheet - continued  
31 July 2024

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on .....10.10.25..... and were signed on its behalf by:

A handwritten signature in black ink, appearing to be 'J Lawrence', written over a dotted line.

J Lawrence - Trustee

The notes form part of these financial statements

Heart of Birmingham Vocational College  
Limited

Cash Flow Statement  
for the period 1 September 2023 to 31 July 2024

	Notes	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	103,666	45,092
Interest element of hire purchase payments paid		<u>(2,567)</u>	<u>(2,800)</u>
Net cash provided by operating activities		<u>101,099</u>	<u>42,292</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(133,280)</u>	<u>(41,823)</u>
Net cash used in investing activities		<u>(133,280)</u>	<u>(41,823)</u>
<b>Cash flows from financing activities</b>			
Capital repayments in year		<u>(6,892)</u>	<u>(7,519)</u>
Net cash used in financing activities		<u>(6,892)</u>	<u>(7,519)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>(39,073)</u>	<u>(7,050)</u>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>97,366</u>	<u>104,416</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u><u>58,293</u></u>	<u><u>97,366</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the period 1 September 2023 to 31 July 2024

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

	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
<b>Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)</b>	142,930	(163,832)
<b>Adjustments for:</b>		
Depreciation charges	52,551	57,338
Interest element of hire purchase and finance lease rental payments	2,567	2,800
(Increase)/decrease in debtors	(29,977)	18,258
(Decrease)/increase in creditors	(64,405)	130,528
<b>Net cash provided by operations</b>	<u>103,666</u>	<u>45,092</u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.9.23 £	Cash flow £	At 31.7.24 £
<b>Net cash</b>			
Cash at bank and in hand	<u>97,366</u>	<u>(39,073)</u>	<u>58,293</u>
	<u>97,366</u>	<u>(39,073)</u>	<u>58,293</u>
<b>Debt</b>			
Finance leases	<u>(27,331)</u>	<u>6,892</u>	<u>(20,439)</u>
	<u>(27,331)</u>	<u>6,892</u>	<u>(20,439)</u>
<b>Total</b>	<u>70,035</u>	<u>(32,181)</u>	<u>37,854</u>

The notes form part of these financial statements

## 1. CHARITABLE COMPANY INFORMATION

The Heart of Birmingham Vocational college Limited is a private limited charitable company limited by guarantee not having share capital, incorporated and domiciled in England and Wales. The registered office is 328-332 Bromford Lane, Washwood Heath, Birmingham, England, B8 2SD.

## 2. 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.

### Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The directors do not believe there are any assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 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.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

### Allocation and apportionment of costs

All costs are allocated between expenditure categories in the Statement of Financial Activities on a basis designed to reflect the use of the resource.

### 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	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 20% on cost

### Taxation

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

### Fund accounting

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

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

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

## 2. ACCOUNTING POLICIES - continued

### Pension costs and other post-retirement benefits

Retirement benefits to employees of the charity are provided by the Teachers' Pension Scheme and the Local Government Pension Scheme. These are defined benefit schemes. As stated in Note 17 the Teachers' Pension Scheme is a multi-employer scheme and there is insufficient information to use defined benefit accounting. Only a minority of the charity's employees are in the Local Government Pension Scheme and consequently no formal valuation of the scheme liability has been obtained for these financial statements. Both schemes are therefore treated as defined contribution schemes for accounting purposes and the contributions payable are charged to the Statement of Financial Activities in the period to which they relate.

### Financial instruments

The charity enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade debtors and trade creditors and loans from connected companies. These debt instruments are measured at the amount of the cash or other consideration expected to be received or paid.

### Current asset investment

The current asset investment, being a freehold property awaiting sale, is recognised at the lower of its former depreciated cost and its net realizable value.

## 3. DONATIONS AND LEGACIES

	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
Parental donations	31,649	37,268
Other income	4,848	9,630
	<u>36,497</u>	<u>46,898</u>

## 4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
ESFA Income	Education	1,526,121	1,409,821
Local authority income	Education	1,792,798	1,587,525
Dept of Education	Education	143,616	111,208
Dept for Work & Pensions	Education	31,850	20,990
Solihull council	Education	25,633	18,639
Walsall council	Education	6,867	10,062
Worcestershire council	Education	20,601	13,734
Warwickshire council	Education	10,606	-
Windles income	Education	44,390	25,891
Internship support income	Education	12,000	-
Other restricted income	Education	9,525	13,747
		<u>3,624,007</u>	<u>3,211,617</u>

Notes to the Financial Statements - continued  
for the period 1 September 2023 to 31 July 2024

**5. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £	Support costs (see note 6) £	Totals £
Education	<u>2,761,973</u>	<u>753,034</u>	<u>3,515,007</u>

**6. SUPPORT COSTS**

	Other £
Education	<u>753,034</u>

Support costs, included in the above, are as follows:

**Other**

	Period 1.9.23 to 31.7.24	Year Ended 31.8.23 Total activities £
Catering	64,429	65,551
Marketing	4,280	1,784
Rent and rates	372,820	332,354
Water rates	4,194	3,304
Waste collection	9,073	8,367
Cleaning	44,188	42,674
Gas & electricity	13,917	10,003
Office costs	15,789	17,437
Phone & mobile	15,489	16,629
Subscriptions & memberships	41,100	32,138
Legal & professional fees	13,570	22,263
Insurance	15,713	14,230
Auditors fee	8,853	10,714
Repairs & renewals	9,774	7,555
Health & safety	10,632	31,232
Bank charges & interest	154	162
Depreciation	52,551	57,338
IT expenditure	55,725	57,302
General expenses	783	-
	<u>753,034</u>	<u>731,037</u>

**7. NET INCOME/(EXPENDITURE)**

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

	Period 1.9.23 to 31.7.24	Year Ended 31.8.23 £
Depreciation - owned assets	52,551	57,338
Auditor's fees - statutory audit	<u>6,600</u>	<u>6,600</u>

## 8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the period ended 31 July 2024 nor for the year ended 31 August 2023.

### Trustees' expenses

There were no trustees' expenses paid for the period ended 31 July 2024 nor the year ended 31 August 2023.

## 9. STAFF COSTS

	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
Wages and salaries	2,141,450	2,128,612
Social security costs	199,195	198,649
Other pension costs	195,337	191,642
	<u>2,535,982</u>	<u>2,518,903</u>

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

	Period 1.9.23 to 31.7.24 86	Year Ended 31.8.23 81
Total	<u>86</u>	<u>81</u>

One employee received emoluments in excess of £60,000, receiving emoluments between £70,000 & £80,000 (2023: One).

## 10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Donations and legacies	46,898	-	46,898
<b>Charitable activities</b>			
Education	<u>3,179,975</u>	<u>31,642</u>	<u>3,211,617</u>
<b>Total</b>	<u>3,226,873</u>	<u>31,642</u>	<u>3,258,515</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Education	3,391,260	28,287	3,419,547
Other	<u>2,800</u>	<u>-</u>	<u>2,800</u>
<b>Total</b>	<u>3,394,060</u>	<u>28,287</u>	<u>3,422,347</u>
<b>NET INCOME/(EXPENDITURE)</b>	(167,187)	3,355	(163,832)
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	308,242	-	308,242

Notes to the Financial Statements - continued  
for the period 1 September 2023 to 31 July 2024

**10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued**

	Unrestricted fund £	Restricted funds £	Total funds £
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>141,055</u>	<u>3,355</u>	<u>144,410</u>

**11. TANGIBLE FIXED ASSETS**

	Improvements to property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
<b>COST</b>					
At 1 September 2023	213,613	74,981	97,554	79,905	466,053
Additions	88,129	44,014	-	1,137	133,280
At 31 July 2024	<u>301,742</u>	<u>118,995</u>	<u>97,554</u>	<u>81,042</u>	<u>599,333</u>
<b>DEPRECIATION</b>					
At 1 September 2023	27,678	38,007	37,922	48,847	152,454
Charge for year	13,830	8,069	17,885	12,767	52,551
At 31 July 2024	<u>41,508</u>	<u>46,076</u>	<u>55,807</u>	<u>61,614</u>	<u>205,005</u>
<b>NET BOOK VALUE</b>					
At 31 July 2024	<u>260,234</u>	<u>72,919</u>	<u>41,747</u>	<u>19,428</u>	<u>394,328</u>
At 31 August 2023	<u>185,935</u>	<u>36,974</u>	<u>59,632</u>	<u>31,058</u>	<u>313,599</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Trade debtors	16,347	-
Other debtors	61,100	44,699
Prepayments and accrued income	6,621	9,392
	<u>84,068</u>	<u>54,091</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2024 £	2023 £
Hire purchase (see note 15)	7,518	7,518
Trade creditors	89,683	53,305
Social security and other taxes	95,269	47,396
Other creditors	37,358	17,805
Accruals and deferred income	6,600	174,809
	<u>236,428</u>	<u>300,833</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2024	2023
	£	£
Hire purchase (see note 15)	<u>12,921</u>	<u>19,813</u>

**15. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts 2024	2023
	£	£
Net obligations repayable:		
Within one year	7,518	7,518
Between one and five years	<u>12,921</u>	<u>19,813</u>
	<u>20,439</u>	<u>27,331</u>
	Non-cancellable operating leases	
	2024	2023
	£	£
Within one year	66,393	43,393
Between one and five years	<u>199,016</u>	<u>74,016</u>
	<u>265,409</u>	<u>117,409</u>

**16. SECURED DEBTS**

The following secured debts are included within creditors:

	2024	2023
	£	£
Hire Purchase	<u>20,439</u>	<u>27,331</u>

**17. MOVEMENT IN FUNDS**

	At 1.9.23 £	Net movement in funds £	At 31.7.24 £
<b>Unrestricted funds</b>			
General fund	141,054	137,005	278,059
<b>Restricted funds</b>			
Screwfix Foundation	2,346	(1,480)	866
NNS Seed Sensation	-	6,827	6,827
Food Legends	1,010	(947)	63
Co-op Community	-	1,525	1,525
	<u>3,356</u>	<u>5,925</u>	<u>9,281</u>
<b>TOTAL FUNDS</b>	<u>144,410</u>	<u>142,930</u>	<u>287,340</u>

Notes to the Financial Statements - continued  
for the period 1 September 2023 to 31 July 2024

**17. MOVEMENT IN FUNDS - continued**

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,650,979	(3,513,974)	137,005
<b>Restricted funds</b>			
Windles Community Hub	500	(500)	-
Screwfix Foundation	-	(1,480)	(1,480)
NNS Seed Sensation	7,500	(673)	6,827
Food Legends	-	(947)	(947)
Co-op Community	1,525	-	1,525
	<u>9,525</u>	<u>(3,600)</u>	<u>5,925</u>
<b>TOTAL FUNDS</b>	<u>3,660,504</u>	<u>(3,517,574)</u>	<u>142,930</u>

**Comparatives for movement in funds**

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
<b>Unrestricted funds</b>			
General fund	308,242	(167,188)	141,054
<b>Restricted funds</b>			
Screwfix Foundation	-	2,346	2,346
Food Legends	-	1,010	1,010
	<u>-</u>	<u>3,356</u>	<u>3,356</u>
<b>TOTAL FUNDS</b>	<u>308,242</u>	<u>(163,832)</u>	<u>144,410</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	3,226,873	(3,394,061)	(167,188)
<b>Restricted funds</b>			
Windles Community Hub	17,895	(17,895)	-
Screwfix Foundation	4,400	(2,054)	2,346
NNS Seed Sensation	7,500	(7,500)	-
Food Legends	1,847	(837)	1,010
	<u>31,642</u>	<u>(28,286)</u>	<u>3,356</u>
<b>TOTAL FUNDS</b>	<u>3,258,515</u>	<u>(3,422,347)</u>	<u>(163,832)</u>

Windles Community Hub

**17. MOVEMENT IN FUNDS - continued**

Funding towards pilot of Windles Community Hub to allow young adults to access transferrable skills into adult life. Providing bespoke activities and experiences, and allowing them to explore the local community.

Screwfix Foundation

Re-fit and refurbish toilet block at Blackpit Lane allotments and make this accessible for our learners.

NNS Seed Foundation

To set up a working allotment at Blackpit Lane for our learners to access a Gardening Club for outdoor activities and community engagement. In association with Ward End Gardeners Association.

Food Legends

To build and maintain a fully inclusive, accessible allotment space on-site at their base at Edgbaston Priory Club (EPC).

**18. RELATED PARTY DISCLOSURES**

The key management personnel of the charity comprise the Trustees, the Principal and the Head of Student Services. The total employee benefits of the key management personnel of the charity were £218,231 (2023: £115,385).

**19. PENSION COMMITMENTS**

The charitable company's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

Contributions amounting to £36,950 were payable to the schemes at 31 July 2024 (2023: £16,660) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis - these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2020 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 27 October 2023. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 28.68% of pensionable pay (including 0.08% employer administration charge (currently 23.68%))

**19. PENSION COMMITMENTS - continued**

A copy of the valuation report and supporting documentation is on the Teachers' Pension website.

Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme. The charity has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds.

Due to the fact that only a minority of the charity's employees are in the Local Government Pension Scheme, no formal valuation of the scheme liability has been obtained for these financial statements. The charity has accounted for its contributions to the scheme as if it were a defined contribution scheme.

The total contributions to defined benefit pension schemes recognised as an expense for the year ended 31 July 2024 were £195,337 (2023: £191,642).

Heart of Birmingham Vocational College  
Limited

Detailed Statement of Financial Activities  
for the period 1 September 2023 to 31 July 2024

	Period 1.9.23 to 31.7.24 £	Year Ended 31.8.23 £
<b>INCOME AND ENDOWMENTS</b>		
<b>Donations and legacies</b>		
Parental donations	31,649	37,268
Other income	4,848	9,630
	<u>36,497</u>	<u>46,898</u>
<b>Charitable activities</b>		
ESFA income	1,526,121	1,409,821
Local authority income	1,792,798	1,587,525
Dept of Education	143,616	111,208
Dept for Work & Pensions	31,850	20,990
Solihull council	25,633	18,639
Walsall council	6,867	10,062
Worcestershire council	20,601	13,734
Warwickshire council	10,606	-
Windles income	44,390	25,891
Internship support income	12,000	-
Other restricted income	9,525	13,747
	<u>3,624,007</u>	<u>3,211,617</u>
<b>Total incoming resources</b>	<b>3,660,504</b>	<b>3,258,515</b>
<b>EXPENDITURE</b>		
<b>Charitable activities</b>		
Salary costs	2,141,450	2,128,612
Social security	199,195	198,649
Pensions	195,337	191,642
Agency staff	43,415	19,036
Goods	15,337	15,870
Transport activities	67,402	69,246
Staff training	22,308	15,799
Student support costs	35,085	49,656
Student internship support costs	42,444	-
	<u>2,761,973</u>	<u>2,688,510</u>
<b>Other</b>		
Hire purchase	2,567	2,800
<b>Support costs</b>		
<b>Other</b>		
Catering	64,429	65,551
Marketing	4,280	1,784
Rent and rates	372,820	332,354
Water rates	4,194	3,304
Carried forward	445,723	402,993

This page does not form part of the statutory financial statements

Heart of Birmingham Vocational College  
Limited

Detailed Statement of Financial Activities  
for the period 1 September 2023 to 31 July 2024

	Period 1.9.23 to 31.7.24 £	Year En ded 31.8.23 £
<b>Other</b>		
Brought forward	445,723	402,993
Waste collection	9,073	8,367
Cleaning	44,188	42,674
Gas & electricity	13,917	10,003
Office costs	15,789	17,437
Phone & mobile	15,489	16,629
Subscriptions & memberships	41,100	32,138
Legal & professional fees	13,570	22,263
Insurance	15,713	14,230
Auditors fee	8,853	10,714
Repairs & renewals	9,774	7,555
Health & safety	10,632	31,232
Bank charges & interest	154	162
Depreciation	52,551	57,338
IT expenditure	55,725	57,302
General expenses	783	-
	<u>753,034</u>	<u>731,037</u>
Total resources expended	<u>3,517,574</u>	<u>3,422,347</u>
<b>Net Income/(expenditure)</b>	<u>142,930</u>	<u>(163,832)</u>