

Federation Skills Trust

Registered Charity No. 1192334

Report of the Trustees and Unaudited Financial Statements

For the Period Ended

31 December 2023

Federation Skills Trust
For the Period Ended 31 December 2023

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Federation Skills Trust Report of the Trustees
For the Period Ended 31 December 2023

Formation

The Federation Skills Trust (FST) was formed and registered as a Charitable Incorporated Organisation (CIO) with the Charity Commission on 13 November 2020 under Part 11 of the Charities Act and it commenced activities in early 2021. This report covers FST's activities for its third year of operation to 31 December 2023.

Objects

The Objects of FST are the advancement of education by promoting, whether directly through financial or other support, the training and teaching of engineering skills and processes and by encouraging and supporting the development and transference of skills appertaining to the repair, maintenance, preservation and renovation of all types of heritage transport, historic vehicle and machinery.

Our Background

The Federation of British Historic Vehicle Clubs was the first organisation to identify that the skills pertinent to maintaining and renovating historic vehicles, were becoming lost as those engineers who worked on such vehicles when they were new, reached retirement age.

The Federation was a prime mover in the establishment of apprentice training aimed specifically at filling the gap. In 2020 it was realised that the scope of the required skills training, particularly when looking at other types of transport and historic machinery, was becoming a substantial and very important activity. Whilst certain aspects are also very important to the Federation's Members (currently over 500 historic vehicle clubs) some of the training activity is on the fringe, or potentially outside of the Federation's core lobbying and legal activities aimed at ensuring we can all drive yesterday's vehicles on tomorrow's roads. As a direct result FST, a registered charity, was formed.

We know from research undertaken by the FBHVC that there are more historic vehicles on the road (those over 30 years old) than ever before, over 1.5 million and there are more enthusiast owners than ever before. We all need our vehicles maintained and, in some cases renovated or restored. We also know from the FBHVC research and from those involved in the industry that there is already a considerable demand for skilled engineers in the historic vehicle industry and beyond, in other established heritage engineering fields.

Typically, with regard to maintenance, repair and renovation of historic vehicles, businesses are busy but finding qualified skilled engineers remains very difficult. There are few highly regarded trainers in the industry and a key part of FST's strategy to achieve its objects stated above is to help qualified and reputable trainers develop and grow to meet the demand for skills training.

Aims, Objectives, Activities and Achievements

The Trustees review the aims, objectives and activities of FST each year. During 2023 FST continued to pursue and develop its primary aims and objectives namely:

To assist training providers, including the Heritage Skills Academy (HSA), in the development of the 'Heritage Engineering Technician Apprenticeship Programme', recruitment of apprentices and acquisition of necessary equipment, by means of advice and financial support;

To carry out sponsorship and promotional activities to raise awareness among potential employers and potential apprentices for the Heritage Engineering Technician Apprenticeship; and

To provide financial support to Brooklands Museum in its partnership with the Southern Science & Engineering School and Bourne Education Trust to inspire young people and provide insight into careers with a STEM focus.

Federation Skills Trust Report of the Trustees
For the Period Ended 31 December 2023

(continued)

By increasing the number of heritage apprentices, the first two of these objectives will boost the numbers of skilled engineers with the ability to work within heritage transport, one of the main objects of FST, and the last of the three objectives mentioned here will further the other main FST object of promoting the teaching and training of engineering skills.

The funding in 2022 to HSA has now allowed for two cohorts of apprentices to be run at the same time at Brooklands delivering the coachwork course and the additional funding for the engineering hub at Bicester has allowed HSA to increase the intake of apprentices for the mechanical course. This resulted in a further increase in apprentice numbers at the end of 2023 to be nearly 200 apprentices, a 30% increase in just over 12 months.

In addition, FST continues to support the heritage engineering sector by making available marketing material about the apprenticeships and the economic effect this can have on restoration businesses. 2023 also saw a new supporter of FST with The Worshipful Company of Carmen wanting to support apprenticeship bursaries. This is a very welcome new supporter and FST have been asked to manage the donation of £5000 and ensure this is used for apprentices that could not join the apprenticeship course without some financial support for staying away from home to attend the course which is block release and is 9 one week training sessions each year at either Bicester or Brooklands.

During 2023 FST has continued to support the Brooklands Museum Innovation Academy in its objective of promoting the training and education of historic engineering amongst young people. A further grant of £5,000 was made to support the teaching of STEM skills through the Brooklands Academy's partnership with Southern Science & Engineering School and Bourne Education Trust. As reported in our 2022 accounts it was announced during 2023 that the learning programme developed by the partnership had won the Museum & Heritage Learning Programme of the Year Award. This was a welcome external endorsement for FST of its decision to support the initiative and we plan to continue our support.

Accordingly, the Trustees have concluded that the grants and donations made have improved training provision and raised the profile of the historic engineering movement, and are content that FST's aims, objectives and activities remain focused on its stated purposes. The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing objectives and in planning future activities and are of the opinion that the activities undertaken during the year provide public benefit in the United Kingdom.

Financial review

At the year end FST had net assets of £49,117 of which £5,000 related to restricted funds and £44,117 to unrestricted funds. Because FST does not currently engage in trading activities and does not make ongoing grant commitments, the policy of the trustees is to hold a low level of reserves only to cover administration and professional costs and this level has been set at £10,000. Additional funds are put on deposit to earn interest with a 32 day notice of withdrawal.

Substantially all the donation income of FST from inception through to the end of this accounting period has been provided by a single source and the continuation of this funding has been confirmed to FST for at least the next year. The Worshipful Company of Carmen are our second funder although this is specifically for bursaries. We are hoping that this level of funding from The Worshipful Company of Carmen will become a yearly commitment. The trustees are seeking further sources of funding including through industry networking. Major businesses in the sector have been approached and although no commitments have yet been entered into, discussions are ongoing. In addition, during 2024, agreement has been reached with an independent charity to provide significant funds to FST for specific purposes and the level of charitable activity through restricted funds will increase accordingly in 2024.

Federation Skills Trust Report of the Trustees

For the Period Ended 31 December 2023

(continued)

Structure, Governance and Management

The charity is run by the Trustees who hold regular ‘online’ meetings and also meet in person at the various shows and events held during the year. Trustees are recruited, as necessary, by the existing trustees on the basis of the skills, knowledge and experience required to implement the objectives of the charity and to ensure proper governance and management of the charity in compliance with applicable rules.

Trustees are not remunerated, although they may have their expenses reimbursed when attending events on behalf of the charity.

The following served as trustees throughout the financial year, except as otherwise stated:

Mr K L Carter

Mr A F R Galashan

Mr J Evans

Mr P C Chasney (resigned 6 June 2023)

Mr D D Whale

Mr D J H Cooke

This report was approved by the trustees on 17 October 2024 and signed on their behalf by:

Karl Carter

Karl Carter (Oct 18, 2024 16:35 GMT+1)

.....
Mr K L Carter – Trustee

**INDEPENDENT EXAMINERS REPORT
TO THE TRUSTEES OF FEDERATION SKILLS TRUST
ON THE UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023**

I report to the trustees on my examination of the accounts of Federation Skills Trust for the year ended 31 December 2023 which are set out on pages 6 to 11.

Responsibilities and basis of report

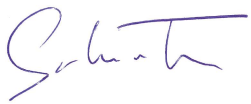
As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Trusts' accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- (1) accounting records were not kept in respect of the Trust as required by section 130 of the 2011 Act or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.
- (4) I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



.....
Mr Graham John BSc FCA

Chartered Accountant

Young & Co

St Ethelbert House Ryelands Street

Hereford

HR4 0LA

Oct 21, 2024
.....

Date

FEDERATION SKILLS TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE PERIOD ENDED 31 DECEMBER 2023

	Note	General £	Unrestricted Designated £	Total	Restricted	Total Funds	
						2023 £	2022 £
Income	3						
Donations and Legacies		50,000	-	50,000	5,000	55,000	100,300
Other Activities		122	-	122		122	50
Total Income		<u>50,122</u>	<u>0</u>	<u>50,122</u>	<u>5,000</u>	<u>55,122</u>	<u>100,350</u>
Expenditure	4						
Cost of Raising Funds		0	-	0	527	527	0
Charitable Activities		12,784	6,684	19,468	0	19,468	119,785
Total Expenditure		<u>12,784</u>	<u>6,684</u>	<u>19,468</u>	<u>527</u>	<u>19,995</u>	<u>119,785</u>
Net Income/Expenditure		37,338	-6,684	30,654	4,473	35,127	-19,435
Transfers		-7,211	6,684	-527	527	0	-
Total Funds Brought Forward		13,990	0	13,990	0	13,990	33,425
Total Funds Carried Forward		<u><u>44,117</u></u>	<u><u>0</u></u>	<u><u>44,117</u></u>	<u><u>5,000</u></u>	<u><u>49,117</u></u>	<u><u>13,990</u></u>

FEDERATION SKILLS TRUST
BALANCE SHEET
AT 31 DECEMBER 2023

	Note	2023	2022
		£	£
Current Assets			
Cash at Bank		50,430	15,361
Prepaid Expenses		332	279
		<u>50,762</u>	<u>15,640</u>
Current Liabilities			
Accrued Expenses		1,645	1,650
		<u>49,117</u>	<u>13,990</u>
Net Current Assets			
Financed by:			
Funds	8		
Unrestricted Income Funds	General	44,117	13,990
	Designated	0	0
		<u>44,117</u>	<u>13,990</u>
Total Unrestricted Funds		44,117	13,990
Restricted Funds		5,000	0
		<u>49,117</u>	<u>13,990</u>
Total Charity Funds		<u>49,117</u>	<u>13,990</u>

The notes on pages 8 to 11 form part of these accounts, which were approved by the trustees and authorised for issue on 17 October 2024.



.....
Mr D Cooke - Trustee

Federation Skills Trust
Notes to the Financial Statements for the Period ended 31 December 2023

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)).

The Federation Skills Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met and it is probable that the income will be received, and the amount can be measured reliably.

c. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:-

- Costs of raising funds and expenditure on charitable activities together with irrecoverable VAT are charged as a cost against the activity for which the expenditure was incurred.
- Administration costs are allocated between the costs of fund raising and charitable activities on a mixture of a time and costs basis.

d. 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.

e. Cash at Bank and in Hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

f. Creditors and Provisions

Creditors and provisions are recognised when 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 normally recognised at their settlement amount after allowing for any trade discounts due.

Federation Skills Trust
Notes to the Financial Statements for the Period ended 31 December 2022
(continued)

1. Accounting Policies (continued)

h. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

i. Taxation

Under exemptions in Part 11 CTA 2010 the charity is exempt from tax on its profits.

j. Funds

As more precisely described in the following notes the charity maintains a restricted fund and an unrestricted fund consisting of a general fund, which is for use in accordance with the objectives of the company at the Trustees discretion and a designated fund where funds have been set aside for specific purposes.

2. Legal Status

FST is a Charitable Incorporated Organisation (CIO); it does not have a share capital.

FEDERATION SKILLS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

	Unrestricted Funds			Restricted Funds			Total Funds	
	General £	Designated £	Total £	Carmen £	Other £	Total £	2023 £	2022 £
3 INCOME								
Donations and Legacies								
Donations	50,000	-	50,000	5,000	-	5,000	55,000	100,300
	<u>50,000</u>	<u>-</u>	<u>50,000</u>	<u>5,000</u>	<u>-</u>	<u>5,000</u>	<u>55,000</u>	<u>100,300</u>

The Federation Skills Trust benefits from the involvement and enthusiastic support of its volunteers. In accordance with the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in these accounts.

Other Activities

Sundry Income	122	-	122	-	-	-	122	50
	<u>122</u>	<u>0</u>	<u>122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>122</u>	<u>50</u>

4 EXPENDITURE

Cost of Raising Funds

Shows and Promotional Activities	-	-	-	527	-	527	527	0
Establishment of Trust	-	-	-	-	-	-	-	0
Administration	-	-	-	-	-	-	-	0
	<u>-</u>	<u>0</u>	<u>0</u>	<u>527</u>	<u>-</u>	<u>527</u>	<u>527</u>	<u>0</u>

Charitable Activities

Shows and Promotional Activities	9,714	-	9,714	-	-	-	9,714	15,555
Education, including Grants	125	6,684	6,809	-	-	-	6,809	100,998
Professional Charges	1,665	-	1,665	-	-	-	1,665	1,650
Administration	1,280	-	1,280	-	-	-	1,280	1,582
	<u>12,784</u>	<u>6,684</u>	<u>19,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,468</u>	<u>119,785</u>

5 STAFF COSTS AND NUMBERS

The company does not employ any staff, nor does it remunerate any trustees in their position as trustee.

Payments to members and officers for expenses, including travel were:

6 trustees	(2022 3 trustees)		1,606	972
			<u>1,606</u>	<u>972</u>

6 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current Assets	50,762	-	50,762	5,000	0	5,000	55,762	15,640
Creditors	-6,645	-	-6,645	0	-	0	-6,645	-1,650
Net Assets	<u>44,117</u>	<u>0</u>	<u>44,117</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>49,117</u>	<u>13,990</u>

7 MOVEMENT IN FUNDS

Brought Forward	13,990	0	13,990	0	0	0	13,990	33,425
Incoming Resources	50,122	0	50,122	5,000	0	5,000	55,122	100,350
Resources Expended	-12,784	-6,684	-19,468	-527	0	-527	-19,995	-119,785
Transfers	-7,211	6,684	-527	527	0	527	0	0
Carried Forward	<u>44,117</u>	<u>0</u>	<u>44,117</u>	<u>5,000</u>	<u>0</u>	<u>5,000</u>	<u>49,117</u>	<u>13,990</u>

FEDERATION SKILLS TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2023

8 PURPOSES OF UNRESTRICTED FUNDS

	2023			
	General	HSA*	BM**	Total
	£	£	£	£
Brought forward	13,990	-	-	13,990
Income	50,122	-	0	50,122
Expenditure	-12,784	-1,684	-5,000	-19,468
Transfers	-7,211	1,684	5,000	-527
Carried forward	<u>44,117</u>	<u>0</u>	<u>0</u>	<u>44,117</u>

*Heritage Skills Academy (HSA) is a major provider of training services for apprentices heritage skills

** Brooklands Museum for the part funding of a teaching post in conjunction with the strategic partnership the Museum has with the Bourne Education Trust

9 PURPOSE OF RESTRICTED FUND

	2023
	Carmen
	£
Brought forward	-
Income	5,000
Expenditure	-527
Transfers	527
Carried forward	<u>5,000</u>

"Carmen" is The Worshipful Company of Carmen, a City Livery Company with the principal aim of development of transport education for public benefit. The donation received from Carmen is to be applied towards the finance of bursaries for apprentices.

10 RELATED PARTIES

The Trustees and their families are considered to be related parties; transactions with them during the financial year were:

	2023	2022
Trustees have been paid travel and other expenses as referred to in note 5.	<u>1,606</u>	<u>972</u>
2023 - 6 Trustees (2022 - 3 Trustees)		

Additionally the financial statements include an accrual for £595 in respect of training, bookkeeping and other related support from the wife of one trustee. This amount includes VAT and will be paid to her Chartered Accountant's practice.