PETA LIMITED

England & Wales · Charity number 296065

Details

Other names	PETA LTD
Status	Registered
Legal form	Charitable company
Company number	01653178
Registered	1987-02-13
Register	View on the Charity Commission register

Contact

Address	Peta Ltd Unit 1 Access Point Northarbour Road Cosham PORTSMOU
Phone	02392538700
Email	enquire@peta.co.uk
Website	www.peta.co.uk

Activities

Objects: (A) TO PROMOTE AND ADVANCE THE EDUCATION AND ADEQUATE TRAINING FOR THE PUBLIC BENEFIT OF PERSONS EMPLOYED OR INTENDING TO BE EMPLOYED IN INDUSTRY AND COMMERCE.(B) SUBJECT TO THE FOREGOING OBJECT TO EXTEND SUCH EDUCATION AND TRAINING TO MEMBERS OF THE PUBLIC GENERALLY.

Activities: The Charity provides a comprehensive range of training, advisory and consultancy services. The Charity is also engaged in the delivery of skills training for young people, namely apprenticeships and Work Study programmes.

Downloaded from opencharities.uk/ew/296065

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Dorset
- Hampshire
- Portsmouth City
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£4,389,442	£4,295,231	£5,304,110	75
2024-07-31	£4,387,951	£4,419,725	£5,209,898	74
2023-07-31	£4,178,635	£4,159,661	£5,241,672	70
2022-07-31	£4,043,641	£4,097,840	£5,222,698	67
2021-07-31	£3,654,414	£3,773,574	£5,276,897	64

Trustees

Name	Role	Appointed
ADRIAN MARK WARING		2011-08-22
Alexander Jon Blandford		2023-12-11
Christopher John Roberts		2021-07-23
Elliot John David SEYMOUR		2016-01-27
Ian Stuart Boxall		2024-11-22
Michael John Hawkes		2022-04-16
SIMON PETER ESCOTT		2013-12-05

Downloaded from opencharities.uk/ew/296065

PETA LIMITED

England & Wales - Charity number 296065

Accounts

REGISTERED COMPANY NUMBER: 01653178 (England and Wales)
REGISTERED CHARITY NUMBER: 296065

REPORT OF THE TRUSTEES AND AUDITED GROUP FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2025 FOR PETA LIMITED (A COMPANY LIMITED BY GUARENTEE)

PETA LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2025

	Page
Report of the Trustees	3 to 11
Report of the Independent Auditors	12 to 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18 to 30

REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025

Trustees Annual Report

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 ended 31st July 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered company number
01653178 (England and Wales)

Registered charity number
296065

Registered office
PETA Limited
1 Access Point
Northarbour Road
Portsmouth
PO6 3TE

Trustees
E Seymour (Chair)
C Roberts (Vice Chair)
M Waring
S Escott
I Boxall - appointed 22 November 2024
M Hawkes
A Blandford

Senior Leadership Team
Fiona Stilwell (CEO)
Nick Kalfas (Head of Finance and Company Secretary)
Dawn Halfacre (Head of Operations)
Jamie Garrett (Head of Sales)
Steve Dawe (Head of IT)
Sandra Broad (Head of Engineering)

Auditors
MC Audit Limited
Registered Auditors
Lake House
2 Port Way
Port Solent
Portsmouth
PO6 4TY

Solicitors
Large and Gibson
Kent Road
Southsea
Portsmouth
Hampshire PO5 3EJ

Bankers
National Westminster Bank PLC
130 Commercial Road
Portsmouth
Hampshire PO1 1ES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activity

The principal activity of the Charity continues to be to promote and advance the education and adequate training for the public benefit of persons employed or intending to be employed in industry and commerce. The organisation is registered with the Charity Commission.

Governing Instrument

The organisation is governed by, and restricted in operation by, the terms of its Memorandum and Articles of Association, which were revised and updated at a General Meeting of Members held on 29 April 2022.

Summary of Key Objectives

The Charity operates with two primary funding streams, one covering a broad spectrum of commercial training and the other Government funded apprenticeship program. PETA's objective is to help develop customers' employees so that they enhance their skills and consequently their organisation's business performance. All training programs are designed to ensure the candidates achieve "work readiness" as well as a good education. This approach links directly into the organisation's tag line of "Aspire to Learn, Apply to Advance".

The Charity's aim is to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

Our goal is to be widely recognised as the independent training provider that best understands, serves, and satisfies the training and skills needs of employers and their learners in the Solent Region and surrounding counties. We strive to ensure our customers view training as an investment that helps enhance their company performance.

Recruitment and Appointment of the Board

The election of new Trustees is undertaken at the Annual General Meeting of members in accordance with the Charity's Memorandum and Articles of Association. Where mid-term vacancies occur, the Charity extends invitations to Senior Managers and Directors of member companies who possess the appropriate skills required by the board. The same mid-term appointments are then required to stand for election at the next Annual General Meeting. The Charity aims to ensure that the Board is diversified and consists of Trustees with differing backgrounds and wide-ranging experience of business.

Staff Remuneration and Pay

PETA is part of GTA England who had a salary benchmark survey of its members conducted which was circulated in June 2023. In addition, salary data for college salaries was also reviewed and a blend between these two sets of data has helped set PETA's teaching staff pay levels. On top of this other roles are benchmarked against other local organisations with the objective that salary levels are similar to local mean values.

Related Parties

In accordance with the Memorandum and Articles of Association, the Board contains representatives from member organisations and such organisations are offered training, assessment, and guidance in the general course of business, under normal commercial terms. The Charity, having no share capital, is run by the Board of Trustees and no individual can exercise control of the organisation.

Induction and Training of Trustees
Once identified, potential trustees are invited to become involved with the Charity and learn more about the contribution required of them. The candidate is made fully aware of the formal responsibilities of the position and a Trustees' Handbook is provided detailing the responsibilities, codes of conduct and accountability. The Board has a diverse membership and consists of Trustees with experience covering many fields including Finance, Business Operations, ICT and Human Resources. Support is received by external professionals when required, in areas such as Safeguarding.

Organisational Structure
The day-to-day management of the Charity is under the control of the Chief Executive Officer, Fiona Stilwell, who acts in accordance with the instruction of the elected Board of Directors/Trustees.

Within the organisation there are a number of departments which support customers with dedicated training programs that can be paid for directly or be remunerated through apprenticeship funding schemes. PETA was established as a business-to-business training organisation. This has resulted in the training programs being linked to commercial and compliance activities such as Health and Safety, Engineering, ICT, as well as Management skills. All these activities are supported by a strong team of shared service activities with robust business processes and a culture of continuous improvement.

Risk Management
The Organisation maintains and regularly updates a comprehensive Risk Register. Any major risks to which the organisation is exposed have been reviewed and appropriate arrangements established to mitigate these risks. Comprehensive procedures and systems exist to ensure critical IT business data is backed-up and stored to facilitate reinstatement. These procedures together with the Risk Register are subject to regular auditing as part of our internal auditing schedule and by the Provider Financial Assurance team operating on behalf of the Department for Education (DfE).

Environmental Policy
The Charity is committed to the principles of environmental management and sustainability. Our aim is to minimise the impact our activities have on the environment and ensure all staff and learners are fully aware of their roles and responsibilities with respect to environmental sustainability. As part of PETA's commitment to the environment solar panels were installed at the Cosham site which has reduced electricity costs and consequently CO2 emissions.

We are as an organisation committed to the following:

- The prevention of pollution
- Compliance with environmental legislation relative to our activities
- The achievement of environmental objectives as outlined within the Annual Business Plan
- Identifying cost-effective continual improvement within our processes and activities that will contribute towards the environment and sustainability

OBJECTIVES AND ACTIVITIES

Aims of the Charity

In particular, we aim to:

1. Provide a responsive, flexible, and coherent range of high-quality customer-focused services
2. Deploy appropriate business strategies to influence growth and market penetration and create new business opportunities through building partnerships with customers, key suppliers, colleges, and other training providers
3. Define, implement, and manage procedures and robust measurement processes to ensure we deliver the outstanding quality standards to which we aspire
4. Provide equal access to all learners allowing maximum opportunity for everyone to achieve their full potential
5. Apply stringent and robust practice to managing our financial wellbeing to ensure we can invest in developing our business and facilities to the benefit of learners, employers, stakeholders, and staff
6. Respond to the Government's vocational and educational strategies and grow the Organisation's learner volumes and qualification success rates commensurate with the needs and requirements of employers and the local economy
7, Maintain our identity as a professional and caring organisation combining our commitment to learner wellbeing and safeguarding with our social responsibility for sustainability
8. Maintain a stable work environment for our employees in which their contribution is valued, creativity and innovation skills are encouraged, equality and diversity is respected, and equal opportunity exists for learning and personal development

Main objectives and strategies for the period under review

The main focus of the Charity was placed on strategies for:

- ▲ Developing and expanding its services to member companies
- ▲ Meeting the needs of its customers
- ▲ Responding to the Government's Apprenticeship reform agenda
- ▲ Maintaining the financial well-being of the Charity

To this end, we aimed to implement plans to:

- ▲ To grow the number of learners undertaking a PETA Apprenticeship programme and achieving an overall 'green' status in the DfE accountability framework.
- ▲ Move towards a more balanced income between Government Funded and Commercial income building up the Commercial side of the organisation
- ▲ Improve the longer-term surplus of the Charity to achieve a sustainable surplus on turnover above 10%, to enable increased capital investment in new technologies, modern equipment and improved teaching and training facilities to the benefit of all stakeholders, particularly customers and staff.

Public Benefit

The Organisation has reviewed the main activities undertaken by the Charity to ensure its charitable purposes are for the public benefit and our objectives are fundamental to this aim.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The 2024/25 financial year was marked by significant external challenges that impacted workforce recruitment and apprenticeship engagement within PETAs client base. Market uncertainty, coupled with changes to the employer's National Insurance tax rate and the lowering of the NI threshold, led to a slowdown in the appetite for businesses to recruit new staff. This environment contributed to a reduction in the intake of apprentices across various programmes.

To mitigate the impact of reduced recruitment, PETA shifted its sales strategy to focus on placing existing employees onto apprenticeship programmes. This pivot allowed the organisation to maintain engagement levels and continue delivering value to employer partners despite the challenging market conditions. PETA also increased emphasis on promoting its commercial course offerings to help offset the impact of reduced demand for apprenticeship.

Apprenticeship income declined by 7.4% compared to the previous year. However, commercial income demonstrated strong performance, increasing by 16%. This growth was driven mostly by a large-scale project with a customer that aligned with PETA's strategic objectives. Additional contributions came from continued demand for company-sponsored courses, open enrolment programmes, consultancy services, and full-cost training offerings. The financial resilience shown in commercial operations helped offset the downturn in apprenticeship revenue.

Building on the prior year's investment in digital content creation, PETA successfully designed and launched the Data Technician programme for online delivery. In addition, two new programmes—Process Leader Level 4 and Coaching Level 5—were developed and will be rolled out in the new financial year. These initiatives reflect PETA's commitment to modernising its curriculum and expanding its digital learning portfolio.

PETA partnered with the University of Portsmouth to pursue a Knowledge Transfer Partnership (KTP). The KTP aims to develop a future skills forecasting tool and a systemised approach to immersive curriculum design. This partnership will provide an evidence-based method for identifying emerging sectors and designing programmes that meet future skills needs in the engineering sector.

Despite the external pressures, PETA maintained high standards of delivery. Apprenticeship achievement rates improved from 64% in 2024 to 69 % in 2025. This increase reflects the organisation's ongoing commitment to quality and learner success.

PETA has demonstrated strategic agility and operational resilience in navigating a complex and evolving landscape. The organisation's focus on digital innovation, commercial growth, and strategic partnerships positions it well for future success. Key priorities for the coming year include securing the KTP bid, expanding immersive learning experiences, and continuing to improve apprenticeship outcomes.

FINANCIAL REVIEW

Review of financial position

Despite the market challenges outlined earlier, PETA demonstrated financial resilience during the 2024/25 financial year. Commercial income increased by 16%, helping to offset the 7.4% reduction in apprenticeship income. This shift in income sources reflects the organisation's strategic response to external pressures, including changes in employer National Insurance contributions and recruitment hesitancy.

The organisation achieved an operational surplus of £70,662 for the year. This positive outcome was made possible through strict cost management and improved operational efficiencies, which were enabled by systems implemented in the previous year. These efficiencies contributed to a leaner cost base and more agile financial operations.

Income from charitable activities declined by 9.8% over the year. However, this reduction was effectively balanced by an 8.2% decrease in expenditure on charitable activities. The alignment of income and expenditure in this area ensured that the organisation maintained its financial stability while continuing to

Overall, PETA remains in a stable financial position, with a clear focus on sustainability and strategic investment in areas that support long-term growth and impact.

Review of financial position (continued)
Income from membership fees decreased by 5.6% due to a number of resignations related to the economic pressures experienced by local organisations. Rental income from the leasing of 9 Acorn Business Park totalled £42,100 for the period August 2024 to July 2025 (£42,100 2023-2024).

Results
The results for the period are shown in the Statement of Financial Activities on page 15 and the Balance Sheet on page 16.

Fixed Assets
A formal valuation of the head office premises at 1 Access Point, Northarbour Road, Portsmouth, was completed in July 2019 by Daniels Harrison chartered surveyors; the gain on revaluation and present value are reflected. It has not felt necessary to have a further revaluation at this time. Details of fixed assets are shown in note 12.

Principal Funding Sources
The principal funding sources of the Charity are the Department for Education and fee-paying clients.

Fund Raising
In compliance with the requirements of the Charities (Protection and Social Investment) Act 2016 and the Fundraising Regulator, it is confirmed that the Charity does not undertake fundraising and no professional fundraiser has been involved. The Charity acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Investment Policy
The Board of Trustees reviews and determines the strategy, policy and management of the investments held by the Charity. Currently investments are held as cash balances in four accounts – including the current account which links automatically to a special account whenever the organisation is more than £10,000 in credit. Whenever possible, balances are transferred to an instant access savings account in order to gain a higher rate of interest.

Reserves Policy
The Board of Trustees has considered the adequacy of reserves held by the Charity, in line with the Charity Commission guidance, and ensures that the level of reserves is sufficient to meet the Charity's responsibilities in the short term. Total reserves as at 31 July 2025 were £5,302,110 which is all unrestricted apart from £2,000 related to a grant received in 2019 towards the cost of installing solar panels. Of the total reserves, £3,562,597 is held within tangible assets, consisting mainly of premises from which the Charity is run. The remaining reserves provide adequate funds required for the furtherance of the Charity's objectives. The reserves policy of the Charity is designed to:

- Protect the Charity from the risk of insolvency or serious disruption to its charitable work by holding sufficient surplus funds to cover at least a six-month period
- Provide security against the peaks and troughs of income effected by business downturn or changes in Government policy
- Provide sufficient funds to invest in equipment and new technology for the benefit of adults and young people undertaking training
- Have sufficient funds should the Government Apprenticeship Levy form of funding be withdrawn

The Charity recognises the importance of maintaining sufficient reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. It is PETA's intention to increase the reserves by the generation of annual operating surpluses and to achieve a 10% surplus on turnover within five years to support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to ensure that Commercial business recovers from the effects of the pandemic and grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will strive to make the Organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

PLANS FOR FUTURE PERIODS

While the trading conditions over the last two years have not been ideal with significant market uncertainty and rising costs, the focus heading in to the new financial year will remain on the continued execution of our five-year strategy through the following key areas:

People Strategy: We are dedicated to optimising the entire employee life cycle. Our vision is to foster a culture that values personal and professional development, enabling every individual to reach their full potential within the organisation. We aim to create an environment where talent is nurtured, and diversity is celebrated, ensuring that our people strategy becomes a cornerstone of our success.

Curriculum Design Strategy: We are embracing technology to transform the way we develop skills for the future workforce. By harnessing cutting-edge educational technologies and methodologies, we will create adaptive and personalised learning experiences that equip our workforce, and the workforce of our member companies and partners, with the skills needed to thrive in an ever-evolving landscape.

Employer/Stakeholder Strategy: We understand that the future of business requires a collaborative approach that engages experts spanning all age ranges. Our commitment to developing future skills will extend beyond our organisation, impacting the broader business community. We will actively partner with experts and stakeholders to cultivate a deep understanding of future skills, ensuring our strategies have a

Product Strategy: Our courses will be thoughtfully designed in close collaboration with our member and partner businesses. We will seek to understand the unique challenges and opportunities faced by our member and partners, and our courses will be tailored to have a tangible, practical impact on their operations. Our

Internal Operational Excellence Strategy: In order to support all of the above strategies, we will continuously focus on streamlining our core business processes. Operational excellence is the foundation that empowers us to implement our people, curriculum, employer, and product strategies effectively. By enhancing efficiency and eliminating inefficiencies, we will drive the organisation towards greater agility and competitiveness.

These strategies will continue to guide us in our mission to be at the forefront of innovation, ensuring our workforce is equipped with the skills they need and our products have a meaningful impact on businesses, all while fostering a culture of continuous improvement and excellence. Together, we will navigate the dynamic landscape of the future with confidence and success.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to PETA in the coming year are highlighted as follows:

Government Policy / Regulatory Changes: Changes in government policies, regulations, and funding mechanisms for apprenticeship training could have a significant impact on funding or accreditation requirements that could negatively impact operations and revenue streams. No changes could also have an impact as funding levels have not increased since the introduction of apprenticeship standards in 2017, with rising costs placing significant pressure on these margins.

Technological Disruption: The rapid advancement of technology and e-learning has meant that we need to continue to review traditional training models. In the coming years we will likely need to invest in technology and adapt to changing educational methods to continue to be successful in the future.

Staffing and Skills: Attracting and retaining qualified instructors and support staff is crucial for the success of PETA. In order to mitigate these risks, we will continue to focus on recruitment and the professional development of existing staff.

Cybersecurity: With the increasing use of technology in education, PETA remains vulnerable to data breaches and cyberattacks. Protecting sensitive student and organisational data is a growing concern. We will continue to invest in cyber security to ensure that we remain as secure and accredited with Cyber Essentials

To manage these risks and uncertainties, PETA will conduct regular risk assessments, diversify our offerings, stay informed about regulatory changes, maintain financial resilience, and develop contingency plans to mitigate the potential impacts of these factors. Additionally, building strong relationships with local businesses, industries, and communities will help us adapt to changing demands and maintain stability.

GOING CONCERN

PETA had a operating surplus of £72,212 for the year and has a strong balance sheet with a healthy cash balance as at 31 July 2025.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future.

For this the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CHARITIES CODE

The Organisation has adopted the Charities Governance Code (August 2017) and we are applying and working towards these criteria. The Trustees will address 1 or 2 of the 7 elements in more detail at each meeting.

REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2025

Statement of Trustees Responsibilities

The trustees (who are also the directors of PETA 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).

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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On Behalf of the Board:

E Seymour
Chairman

Date: 23 January 2026

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Opinion

We have audited the financial statements of PETA Limited and its subsidiary for the year ended 31 July 2025, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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 FRS 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 group's and the parent charitable company's affairs as at 31 July 2025 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities set out on page 7, 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the parent charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

P J Underwood

Paul Underwood (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Statutory Auditors
Lake House
2 Port Way
Port Solent
Portsmouth
PO6 4TY
Date: 23 January 2026

PETA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 JULY 2025

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Restated Total 2024 £
INCOME FROM					
Charitable activities					
Government Income	4	2,343,724	-	2,343,724	2,532,017
Commercial Income		5,514		5,514	74,749
Other trading activities					
Other Income	5	55,693	-	55,693	67,671
Investment income	6	41,407	-	41,407	45,221
Membership Fees		72,868		72,868	77,200
Commercial trading operations	3	1,848,236	-	1,848,236	1,590,164
Total		4,367,443	-	4,367,443	4,387,022
EXPENDITURE ON					
Commercial trading operations	3	873,489		873,489	703,082
Charitable activities	7	3,421,742		3,421,742	3,715,713
Total		4,295,231	-	4,295,231	4,418,795
Net income/(expenditure)		72,212	-	72,212	(31,773)
Other recognised gains/(losses)					
Gains on revaulation of fixed assets		22,000	-	22,000	-
Transfers between funds	22				
Unrestricted funds		500			(500)
Restricted funds			(500)		500
Taxation		-	-	-	-
Net movement in funds		94,712	(500)	94,212	(31,773)
RECONCILIATION OF FUNDS					
Total funds brought forward		5,207,398	2,500	5,209,898	5,241,672
TOTAL FUNDS CARRIED FORWARD		5,302,110	2,000	5,304,110	5,209,899

PETA LIMITED

CONSOLIDATED BALANCE SHEET
FOR THE PERIOD ENDED 31 JULY 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Restated Charity 2024 £
FIXED ASSETS					
Tangible assets	12	3,562,597	3,726,094	3,431,784	3,607,547
Intangible assets	13	68,205	-	68,205	-
Investments	14	1	1	101	101
Investment Property	15	522,000	500,000	522,000	500,000
		4,152,802	4,226,095	4,022,090	4,107,648
CURRENT ASSETS					
Stocks	16	84,336	37,317	84,336	37,317
Debtors	17	806,550	824,158	811,981	767,252
Cash at bank and in hand		1,074,003	878,930	832,076	844,592
		1,964,889	1,740,405	1,728,394	1,649,161
CREDITORS					
Amounts falling due within one year	18	(549,156)	(435,677)	(239,438)	(289,885)
NET CURRENT ASSETS		1,415,733	1,304,728	1,488,956	1,359,276
TOTAL ASSETS LESS CURRENT LIABILITIES		5,568,535	5,530,823	5,511,046	5,466,924
CREDITORS					
Amounts falling due in more than one year	19	(183,625)	(240,125)	(183,625)	(240,125)
Provisions for Liabilities	20	(80,800)	(80,800)	(80,800)	(80,800)
NET ASSETS		5,304,110	5,209,898	5,246,621	5,145,999
FUNDS					
Restricted funds	22	2,000	2,500	2,000	2,500
Unrestricted funds	22	4,484,315	4,411,603	4,426,826	4,347,704
Revaluation Reserve	22	817,795	795,795	817,795	795,795
TOTAL FUNDS		5,304,110	5,209,898	5,246,621	5,145,999

The financial statements were approved by the Board of Trustees on 23 January 2026 and were signed on its behalf by:

…… ……

N Kalfas (Company Secretary) E Seymour (Chairman)

PETA Limited, Registered in England and Wales No. 01653178

PETA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 JULY 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Cash flows from operating activities					
Cash generated from operations	27	302,091	(103,208)	59,128	(331,987)
		302,091	(103,208)	59,128	(331,987)
Cash flows from investing activities					
Dividends, Interest and rents from investments		62,057	62,320	62,057	62,320
Purchase of tangible fixed assets		(35,376)	(142,290)	-	(11,649)
Purchase of intangible fixed assets		(77,200)	-	(77,200)	-
Cash provided by (used in) investing activities		(50,519)	(79,970)	(15,143)	50,671
Cash flows from financing activities					
Repayments of borrowing		(56,500)	(56,500)	(56,500)	(56,500)
Cash provided by (used in) investing activities		(56,500)	(56,500)	(56,500)	(56,500)
Change in cash and cash equivalents in the reporting period		195,073	(239,678)	(12,515)	(337,816)
Cash and cash equivalents at the beginning of the reporting period		878,930	1,118,608	844,592	1,118,508
Total cash at the end of the year		**1,074,003**	**878,930**	**832,077**	**780,692**

1 ACCOUNTING POLICIES

Basis of Accounting
The financial statements of PETA Limited ("charitable company") is a public benefit entity under FRS 102, 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)), and the Companies Act 2006.

PETA Business Solutions Limited ("subsidiary") is incorporated as a company limited by shares and registered in England and Wales (company number: 14982254).

Going Concern
The consolidated financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for the 12 months from authorising these financial statements.

The trustees consider that there are no material uncertainties regarding the group's ability to continue as a going concern.

Group financial statements
These financial statements consolidate the results of the charity and its wholly owned subsidiary, on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006.

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.

Investment income is included in the period in which the Charity is entitled to receipt.

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

Membership fees are included in the period on an accruals basis, with fees in advance deferred to the period to which they relate.

Other income relates to the rental income from the leasing of 9 Acorn Business Park and is included in the period in which the Charity is entitled to receipt.

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £2,000 (2024: £2,500).

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

- The costs of charitable activities comprise those costs incurred in delivering the core services of the Charity.

- Governance costs relate to the general running of the Charity as opposed to the direct management inherent in delivery services. The costs reflect the governance infrastructure and are primarily associated with constitutional
- Support costs include central functions. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

1 ACCOUNTING POLICIES - continued

Tangible fixed assets
Leasehold buildings are carried at revalued amounts in accordance with the revaluation model. All other tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes the original purchase price and any costs directly attributable to bringing the asset into use, such as delivery, installation, and professional fees. Subsequent expenditure is capitalised only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. All other repairs and maintenance are expensed as incurred.

All assets are originally recorded at cost. Items below £250 are not capitalised. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold property	- 2% straight line
Leasehold improvements	- 10% straight line
Plant and machinery	- 20% straight line
Office Furniture and equipment	- 20% straight line

At each reporting date, the entity assesses whether there is any indication that a tangible fixed asset may be impaired. If such an indication exists, the recoverable amount of the asset is estimated. The recoverable amount is the higher of fair value less costs to sell and value in use.

Investment property
Investment properties are carried at open market value. A full independent professional valuation is obtained at least every five years, with directors reviewing the valuation annually to ensure that the carrying value remains materially appropriate. Changes in fair value, whether gains or losses, are recognised in the Statement of Financial Activities in the year in which they arise.

Investment properties are not depreciated.

Intangible assets
Intangible assets are initially recognised at cost if they are acquired separately. Internally generated intangible assets are recognised only if the entity can demonstrate the technical feasibility of completing the asset, its intention and ability to complete and use or sell it, how the asset will generate future economic benefits, and the availability of resources to complete the development.

Intangible assets are subsequently carried at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged on a systematic basis over the estimated useful life of the asset, over 3 years

At each reporting date, the entity assesses whether there is any indication that an intangible asset may be impaired. If such an indication exists, the recoverable amount of the asset is estimated, being the higher of fair value less costs to sell and value in use.

Taxation
The charitable company is exempt from corporation tax on income and gains derived from its primary charitable purposes. Any non-charitable trading activities are undertaken through a wholly owned trading subsidiary. The trading company is subject to corporation tax on its taxable profits. Profits generated by the trading subsidiary are generally donated to the charitable parent under Gift Aid, thereby reducing the subsidiary’s corporation tax liability.

Deferred tax
No provision is made for deferred tax in the charitable company as it is exempt from corporation tax on its charitable activities. The trading subsidiary is subject to corporation tax on its taxable profits. However, it is the policy of the trading subsidiary to donate its taxable profits to the parent charity under Gift Aid. As a result, no deferred tax assets or liabilities are expected to arise.

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

1 ACCOUNTING POLICIES - continued

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

Leases
Assets obtained under finance leases are capitalised in the balance sheet. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Investments
Investments in unlisted shares are initially recognised at cost and subsequently measured at fair value where this can be reliably measured. Where fair value cannot be measured reliably, such investments are carried at cost less any provision for impairment. Changes in fair value, or impairment losses, are recognised in the Statement of Financial Activities in the period in which they arise.

Pensions costs
The charitable company operates a defined contribution, salary sacrifice, pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Stocks
Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Financial instruments
The Charity only has financial assets and 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, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Debtors & cash at bank
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. Cash at bank and in hand includes cash held in current accounts and on deposit, together with cash in hand. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

2 FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, PETA Business Solutions Limited (Company Number: 14982254)

A summary of the financial activities undertaken by the charity is set out below:

	2025 £	2024 £
Total income from charitable activities	3,522,365	3,620,969
Total expenditure on charitable activities	(3,421,742)	(3,716,644)
Net incoming/(outgoing) resources	100,623	(95,675)
Total funds brought forward	5,145,997	5,241,672
Total funds carried forward	5,246,620	5,145,997
Represented by:		
Restricted funds	2,000	2,500
Unrestricted funds	5,244,620	5,143,497
	5,246,620	5,145,997

3 INCOME FROM COMMERCIAL TRADING OPERATIONS

The charity's wholly owned trading subsidiary, PETA Business Solutions Limited (Company No: 14982254), which is incorporated in England and Wales, pays all of its profits to the charity. The wholly owned trading subsidiary receives income for the provision of commercial training courses to businesses and individuals. The following is an extract of the financial statements of the wholly owned trading subsidiary for the period ended 31 July 2025:

	2025	2024
	£	£
Turnover and other operating income	1,848,236	1,590,164
Cost of sales and administrative expenses	(873,489)	(703,082)
Profit before tax	974,748	887,082
Corporation tax	-	-
Profit after tax	974,748	887,082
Profits distributed to the charity	(981,159)	(823,183)
Retained in subsidiary	(6,411)	63,899
The assets and liabilities of the subsidiary were:		
Fixed assets	130,812	118,546
Current assets	504,931	342,423
Current liabilities	(578,155)	(396,970)
Net assets	57,588	63,999
Aggregate share capital and reserves	57,588	63,999

4 INCOME FROM CHARITABLE ACTIVITIES

	2025	2024
	£	£
Rendering of services	2,343,724	2,606,766

5 OTHER INCOME

	Group 2025	Group 2024	Charity 2025	Charity 2024
	£	£	£	£
Services rendered	-	540	-	540
LSIF Project	13,593	25,031	13,593	25,031
Rental income	42,100	42,100	42,100	42,100
Profit donation from subsidiary	-	-	981,159	887,082
	55,693	67,671	1,036,852	954,753

6 INVESTMENT INCOME

	2025	2024
	£	£
Interest Received	41,407	45,221

All investment income is derived from cash deposits held within the United Kingdom.

7 CHARITABLE ACTIVITIES COSTS

	Direct expenditure £	Support costs (see note 8) £	Total 2025 £	Total 2024 £
Government services	2,811,416	393,045	3,204,463	3,423,841
Commercial services	147,920	69,361	217,280	291,872
	2,959,336	462,406	3,421,742	3,715,713

8 SUPPORT COSTS

	Management £	Governance £	Total 2025 £	Total 2024 £
Government services				
Administration & Office	415	-	415	5,504
Advertising & Marketing	107	-	107	470
Financial Costs	3,095	-	3,095	3,927
Employee Costs	351,406	-	351,406	365,567
Premises & Operations	6,169	-	6,169	19,193
Professional Services	5,194	3,103	8,297	9,377
Depreciation	23,557	-	23,557	24,024
	389,943	3,103	393,045	428,061
Commercial services				
Administration & Office	73	-	73	971
Advertising & Marketing	19	-	19	83
Financial Costs	546	-	546	693
Employee Costs	62,013	-	62,013	64,512
Premises & Operations	1,089	-	1,089	3,387
Professional Services	917	548	1,464	1,819
Depreciation	4,157	-	4,157	4,239
	68,813	548	69,361	75,704
	458,756	3,650	462,406	503,765

9 NET EXPENDITURE - GROUP

Net resources are stated after charging:

	2025	2024
	£	£
Auditors' remuneration	7,900	7,640
Non audit services - accounts preperation	2,000	-
Other operating leases	54,629	52,472
Depreciation - owned assets	198,873	200,515

10 TRUSTEES' REMUNERATION AND BENEFITS

No trustees' received remuneration or other benefits during the year ended 31 July 2025 nor for the period ended 31 July 2024.

Trustees' Expenses

During the year no trustees (2024: none) were reimbursed for out of pocket expenses.

11 STAFF COSTS

	2025	2024
	£	£
Wages and salaries	2,243,497	2,301,757
Social security costs	260,367	231,405
Employers pension costs	268,301	267,145
	2,772,165	2,800,307

The average monthly number of employees (full time equivalent) during the year was as follows:

	2025	2024
	Number	Number
Management	8	11
Administration	26	26
Field	17	16
Trainers	24	21
	75	74

The Charity operates a defined contribution, salary sacrifice, scheme for the benefit of participating members of staff. The pension costs above have been charged through the Statement of Financial Activities. All costs relate to unrestricted activities. There were unpaid contributions at the end of the year of £22,482 (2024: £29,092).

During the period, remuneration and benefits received by Key management personnel totalled £415,948 (2024: £335,152).

The average number of employees whose annualised gross pay and benefits, excluding employer pension contributions, fell between the following bands:

	2025	2024
	Number	Number
£60,000 - £70,000	2	1
£70,001 - £80,000	-	-
£80,001 - £90,000	1	-
£100,001 - £200,000	1	1

12 TANGIBLE FIXED ASSETS - GROUP

	Plant & Machinery £	Computer Equipment £	Office Equipment £	Leasehold Premises £	Leasehold Improve -ments £	Total £
COST						
At 1 August 2024	578,635	929,661	280,926	3,978,237	490,110	6,257,569
Additions	-	-	1,700	16,290	17,386	35,376
Disposals	-	-	-	-	-	-
At 31 July 2025	578,635	929,661	282,626	3,994,527	507,496	6,292,945
DEPRECIATION						
At 1 August 2024	444,081	827,157	256,226	805,626	198,385	2,531,475
Charge for year	40,371	36,655	7,493	70,916	43,438	198,873
Eliminated on disposals	-	-	-	-	-	-
At 31 July 2025	484,452	863,812	263,719	876,542	241,823	2,730,348
NET BOOK VALUE						
At 31 July 2025	94,183	65,849	18,907	3,117,985	265,673	3,562,597
At 31 July 2024	134,554	102,504	24,700	3,172,611	291,725	3,726,094

TANGIBLE FIXED ASSETS - CHARITY

	Plant & Machinery £	Computer Equipment £	Office Equipment £	Leasehold Premises £	Leasehold Improve -ments £	Total £
COST						
At 1 August 2024	559,977	879,664	273,597	3,978,237	435,453	6,126,928
Additions	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 July 2025	559,977	879,664	273,597	3,978,237	435,453	6,126,928
DEPRECIATION						
At 1 August 2024	442,402	819,815	255,120	805,626	196,418	2,519,381
Charge for year	36,691	24,156	6,027	67,140	41,748	175,763
Eliminated on disposals	-	-	-	-	-	-
At 31 July 2025	479,093	843,971	261,147	872,766	238,166	2,695,144
NET BOOK VALUE						
At 31 July 2025	80,884	35,693	12,450	3,105,471	197,287	3,431,784
At 31 July 2024	154,047	95,261	24,503	3,241,718	268,790	3,607,547

The long leasehold property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, at £3,500,000 creating a revaluation gain of £695,795. Had the assets continued to be valued using the cost model it would have resulted in a net book value of £2,502,405 (2024: £2,558,849)

Included within the above leasehold premises figure is a short leasehold property with a net book value of £5,332 (2024: £6,157) and long leasehold property with a net book value of £3,100,139 (2024: £3,166,454 after revaluation). There are currently no assets acquired under finance/HP agreements. There are no material capital commitments.

NatWest Bank plc hold a legal charge created on 19 November 1996 over the property at 9 Acorn Business Park, Portsmouth and also a legal charge created on 3 March 2008 over the property at 1 Access Point, Northarbour Road, Portsmouth.

Included in leasehold premises is the land at 1 Access Point, Northarbour Road, Portsmouth of £980,000 which is not being depreciated.

13 INTANGIBLE FIXED ASSETS - GROUP

	Course Investment	Total
	£	£
COST		
At 1 August 2024	-	-
Additions	77,200	77,200
Disposals	-	-
At 31 July 2025	77,200	77,200
AMORTISATION		
At 1 August 2024	-	-
Charge for year	8,996	8,996
Eliminated on disposals	-	-
At 31 July 2025	8,996	8,996
NET BOOK VALUE		
At 31 July 2025	68,205	68,205
At 31 July 2024	-	-

INTANGIBLE FIXED ASSETS - CHARITY

	Course Investment	Total
	£	£
COST		
At 1 August 2024	-	-
Additions	77,200	77,200
Disposals	-	-
At 31 July 2025	77,200	77,200
AMORTISATION		
At 1 August 2024	-	-
Charge for year	8,996	8,996
Eliminated on disposals		-
At 31 July 2025	8,996	8,996
NET BOOK VALUE		
At 31 July 2025	68,205	68,205
At 31 July 2024	-	-

14 INVESTMENTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Acorn Business Park (Cosham) Management Charity Limited	1	1	1	1
PETA Business Solutions Limited	-	-	100	100
	1	1	101	101

Acorn Business Park (Cosham) Management Charity Limited
The charitable company owns 0.10% of the shares in Acorn Business Park (Cosham) Management Charity Limited (Company No. 02853763). This is held purely as an investment, as the charitable company has no control or significant influence over the entity. The investment is not included in these financial statements on a consolidated basis.
Registered office: 10 Acorn Business Park, Northarbour Road, Cosham, Portsmouth, Hants, PO6 3TH

PETA Business Solutions Limited
The charitable company owns 100% of the shares in PETA Business Solutions Limited (Company No. 14982254). This entity is a subsidiary and is fully consolidated in these financial statements.
Registered office: 1 Access Point, Northarbour Road, Cosham, Portsmouth, England, PO6 3TE.
Principal activity: Post-secondary non-tertiary education

15 INVESTMENT PROPERTY

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Investment Property	522,000	500,000	522,000	500,000
	522,000	500,000	522,000	500,000

The investment property is unit 9 Acorn Business Park, Portsmouth

A formal valuation was carried out by Holloway Iliffe & Mitchell Chartered Surveyors as at 31 July 2025, and the revaluation gain was reflected.

The historical cost of the property is £441,318.

16 STOCK

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Engineering stock	84,336	37,317	84,336	37,317
	84,336	37,317	84,336	37,317

17 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	466,103	573,457	280,139	372,149
Accrued Income	40,543	13,767	40,543	13,767
Prepayments	299,904	236,934	222,863	166,046
Amounts owed by the subsidiary	-	-	268,437	215,290
	806,550	824,158	811,981	767,252

Amounts owed by the subsidiary are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

18 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade creditors	100,784	132,825	51,638	55,419
Mortgage	56,500	56,500	56,500	56,500
Accruals	37,424	30,144	35,787	36,401
Deferred Income	251,400	108,598	42,222	87,062
Other Taxation and Social Security	103,048	107,610	53,290	54,503
	549,156	435,677	239,438	289,885

Deferred income relates to membership fees, commercial income and apprenticeship employers' contributions invoiced in advance

	Group 2025	Group 2024	Charity 2025	Charity 2024
Brought forward	108,598	136,340	87,062	136,340
Amount released to incoming resources	(108,598)	(122,109)	(87,062)	(110,109)
Amount deferred in the year	251,400	94,367	42,222	60,831
Carried forward	251,400	108,598	42,222	87,062

19 CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Mortgage	183,625	240,125	183,625	240,125
	183,625	240,125	183,625	240,125

The mortgage relates to the property at 1 Access Point and has a loan to value percentage of 6.69% (2024: 8.5%). The mortgage is secured over the property.

The above mortgage is repayable over 20 years at an interest rate fixed at 2.45% above LIBOR. LIBOR was replaced with the new SONIA calculation from December 2021.

20 PROVISIONS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Provision for liabilities	80,800	80,800	80,800	80,800
	80,800	80,800	80,800	80,800

Provisions relate to the estimated amount which may be required for dilapidations relating to the short leasehold property held by the Charity in Havant and which, if not renewed, expires in 2031. The Trustees believe that this is sufficient at this time. The opening balance of £80,800 remained unchanged during the year.

21 OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025 £	2024 £
Not later than one year	55,674	51,217
Later than one year but not later than five years	212,099	205,188
Later than five years	73,172	124,469
	340,945	380,874

The amount of operating leases recognised as an expense during the year was £54,629 (2024: £52,472)

22 MOVEMENT IN FUNDS

	Funds at 1 August 2024 £	Income £	Expenditure £	Transfers £	Funds at 31 July 2025 £
Unrestricted funds	4,411,603	4,367,443	(4,295,231)	500	4,484,315
Unrestricted funds-Property revaluation reserve	795,795	22,000			817,795
Restricted funds	2,500	-		(500)	2,000
	5,209,898	4,389,443	(4,295,231)	-	5,304,110

The property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £3,500,000 creating a revaluation gain of £695,795.

The investment property was revalued in 2019 and again in 2025, to £522,000 creating a revaluation gain of £122,00.

Restricted fund and transfer between funds

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £2,000 (2024: £2,500).

Comparative for movement in funds

	Funds at 1 August 2023 £	Income £	Expenditure £	Transfers £	Funds at 31 July 2024 £
Unrestricted funds	4,442,876	4,387,951	(4,419,725)	500	4,411,603
Unrestricted funds-Property revaluation reserve	795,795	-	-	-	795,795
Restricted funds	3,000	-	-	(500)	2,500
	5,241,671	4,387,951	(4,419,725)	-	5,209,898

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2025 Total funds £
Fixed assets	4,150,802	2,000	4,152,802
Current assets	1,964,889	-	1,964,889
Current liabilities	(813,581)	-	(813,581)
	5,302,110	2,000	5,304,110

24 RELATED PARTY TRANSACTIONS - GROUP

The Charity and its wholly owned subsidiary, PETA Business Solutions Limited (Company Number: 14982254) provides courses and training support in the general course of business, under normal trading terms to the following companies which were represented on the board of directors/trustees. Details of these transactions and the balances outstanding at the balance sheet date are detailed below:

	2025 £	2024 £
Mimtec Limited		
Services provided by the charity or its subsidiary	274	1,552
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
Pall Manufacturing UK Ltd		
Services provided by the charity or its subsidiary	-	26,753
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	793
Portsmouth Aviation Ltd		
Services provided by the charity or its subsidiary	15,467	14,607
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	300
Hamble Aerostructures Ltd		
Services provided by the charity or its subsidiary	40,323	53,710
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	22,993
Geest Line Ltd		
Services provided by the charity or its subsidiary	1,818	612
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
Safran Helicopter Engines UK Ltd		
Services provided by the charity or its subsidiary	41,813	41,813
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	13,507	13,507
GTA England Limited		
Services provided to the charity or its subsidiary	(7,492)	(8,486)
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
ALPS Partnership Limited		
Services provided to the charity or its subsidiary	700	(1,350)
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
Porvair Filtration Group Ltd		
Services provided to the charity or its subsidiary	3,743	-
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
Safran Helicopter Engines UK Ltd		
Services provided to the charity or its subsidiary	31,173	-
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

25 ULTIMATE CONTROLLING PARTY

The charitable group is under the control of its members. No one member has overall control of the charitable company.

26 SHARE CAPITAL AND LIABILITY OF MEMBERS

The charitable group is limited by guarantee and its members have undertaken to contribute to the assets of the company in the event of it being wound up such amount as may be required not exceeding £100.

27 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Net movement in funds	94,212	(31,774)	100,623	(95,675)
Rent receivable	(42,100)	(42,100)	(42,100)	(42,100)
Interest receivable	(41,407)	(45,221)	(41,407)	(45,221)
Interest paid	21,450	25,001	21,450	25,001
Depreciation charge	198,873	200,515	175,763	188,421
Amortisation charge	8,996	-	8,996	-
Revaluation gain	(22,000)	-	(22,000)	-
(Increase)/decrease in stocks	(47,019)	(23,978)	(47,019)	(23,978)
(Increase)/decrease in debtors	17,608	(139,563)	(44,730)	(146,555)
Increase/(decrease) in creditors	113,479	(46,088)	(50,447)	(191,880)
Cash generated from operations	302,091	(103,208)	59,128	(331,987)

28 PRIOR PERIOD ERROR

During the prior financial year, an intercompany donation was not accounted for within the charitable company's standalone financial statements. This omission resulted in a long term liability balance of £607,893 being incorrectly recognised in the prior year.

The correction of this error has resulted in a debtor balance of £215,290 being recognised instead and an associated increase in profit of £823,183.

Impact of the Restatement **Description**	**Previously Stated (£)**	**Adjustment (£)**	**Restated (£)**
Balance sheet - Charity			
Debtors	551,962	215,290	767,252
Amounts falling due in more than one year	(848,018)	(607,893)	(240,125)
Statement of Financial Activities - Charity			
Other income	(26,500)	(823,183)	(849,683)

This error only affects the standalone figures for the charity and does not affect the group figures which was reported in the prior year.

PETA LIMITED

England & Wales - Charity number 296065

Accounts

REGISTERED COMPANY NUMBER: 01653178 (England and Wales)
REGISTERED CHARITY NUMBER: 296065

REPORT OF THE TRUSTEES AND AUDITED GROUP FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 JULY 2024 FOR PETA LIMITED

PETA LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 JULY 2024

	Page
Report of the Trustees	3 to 11
Report of the Independent Auditors	12 to 14
Statement of Financial Activities	15
Balance Sheet	16
Cash Flow Statement	17
Notes to the Financial Statements	18 to 30

REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2024

Trustees Annual Report

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 ended 31st July 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities'.

REFERENCE AND ADMINISTRATIVE INFORMATION

Registered company number
01653178 (England and Wales)

Registered charity number
296065

Registered office
PETA Limited
1 Access Point
Northarbour Road
Portsmouth
PO6 3TE

Trustees

E Seymour (Chair)	
C Roberts (Vice Chair)	
M Waring	
S Escott	
M Parker	- resigned 18 July 2024
M Hawkes	
A Blandford	- appointed 11 December 2023

Senior Leadership Team
Fiona Stilwell (CEO)
Nick Kalfas (Head of Finance and Company Secretary)
Dawn Halfacre (Head of Operations)
Jamie Garrett (Head of Sales)
Steve Dawe (Head of IT)
Sandra Broad (Head of Engineering)

Auditors
Morris Crocker Limited
Chartered Accountants
Registered Auditors
Station House
North Street
Havant
Hampshire PO9 1QU

Solicitors
Large and Gibson
Kent Road
Southsea
Portsmouth
Hampshire PO5 3EJ

Bankers
National Westminster Bank PLC
130 Commercial Road
Portsmouth
Hampshire PO1 1ES

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activity

The principal activity of the Charity continues to be to promote and advance the education and adequate training for the public benefit of persons employed or intending to be employed in industry and commerce. The organisation is registered with the Charity Commission.

Governing Instrument

The organisation is governed by, and restricted in operation by, the terms of its Memorandum and Articles of Association, which were revised and updated at a General Meeting of Members held on 29 April 2022.

Summary of Key Objectives

The Charity operates with two primary funding streams, one covering a broad spectrum of commercial training and the other Government funded apprenticeship program. PETA's objective is to help develop customers' employees so that they enhance their skills and consequently their organisation's business performance. All training programs are designed to ensure the candidates achieve "work readiness" as well as a good education. This approach links directly into the organisation's tag line of "Aspire to Learn, Apply to Advance".

The Charity's aim is to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

Our goal is to be widely recognised as the independent training provider that best understands, serves, and satisfies the training and skills needs of employers and their learners in the Solent Region and surrounding counties. We strive to ensure our customers view training as an investment that helps enhance their company performance.

Recruitment and Appointment of the Board

The election of new Trustees is undertaken at the Annual General Meeting of members in accordance with the Charity's Memorandum and Articles of Association. Where mid-term vacancies occur, the Charity extends invitations to Senior Managers and Directors of member companies who possess the appropriate skills required by the board. The same mid-term appointments are then required to stand for election at the next Annual General Meeting. The Charity aims to ensure that the Board is diversified and consists of Trustees with differing backgrounds and wide-ranging experience of business.

Staff Remuneration and Pay

PETA is part of GTA England who had a salary benchmark survey of its members conducted which was circulated in June 2023. In addition, salary data for college salaries was also reviewed and a blend between these two sets of data has helped set PETA's teaching staff pay levels. On top of this other roles are benchmarked against other local organisations with the objective that salary levels are similar to local mean values.

Related Parties

In accordance with the Memorandum and Articles of Association, the Board contains representatives from member organisations and such organisations are offered training, assessment, and guidance in the general course of business, under normal commercial terms. The Charity, having no share capital, is run by the Board of Trustees and no individual can exercise control of the organisation.

Induction and Training of Trustees
Once identified, potential trustees are invited to become involved with the Charity and learn more about the contribution required of them. The candidate is made fully aware of the formal responsibilities of the position and a Trustees' Handbook is provided detailing the responsibilities, codes of conduct and accountability. The Board has a diverse membership and consists of Trustees with experience covering many fields including Finance, Business Operations, ICT and Human Resources. Support is received by external professionals when required, in areas such as Safeguarding.

Organisational Structure
The day-to-day management of the Charity is under the control of the Chief Executive Officer, Fiona Stilwell, who acts in accordance with the instruction of the elected Board of Directors/Trustees.

Within the organisation there are a number of departments which support customers with dedicated training programs that can be paid for directly or be remunerated through apprenticeship funding schemes. PETA was established as a business-to-business training organisation. This has resulted in the training programs being linked to commercial and compliance activities such as Health and Safety, Engineering, ICT, as well as Management skills. All these activities are supported by a strong team of shared service activities with robust business processes and a culture of continuous improvement.

Risk Management
The Organisation maintains and regularly updates a comprehensive Risk Register. Any major risks to which the organisation is exposed have been reviewed and appropriate arrangements established to mitigate these risks. Comprehensive procedures and systems exist to ensure critical IT business data is backed-up and stored to facilitate reinstatement. These procedures together with the Risk Register are subject to regular auditing as part of our ISO 9001, ISO 45001 and ISO 14001 approvals and by the Provider Financial Assurance team operating on behalf of the Education and Skills Funding Agency (EFSA).

Environmental Policy
The Charity is committed to the principles of environmental management and sustainability and is ISO 14001:15 certified. Our aim is to minimise the impact our activities have on the environment and ensure all staff and learners are fully aware of their roles and responsibilities with respect to environmental sustainability. As part of PETA's commitment to the environment solar panels were installed at the Cosham site which has reduced electricity costs and consequently CO2 emissions.

We are as an organisation committed to the following:

- The prevention of pollution
- Compliance with environmental legislation relative to our activities
- The achievement of environmental objectives as outlined within the Annual Business Plan
- Identifying cost-effective continual improvement within our processes and activities that will contribute towards the environment and sustainability

OBJECTIVES AND ACTIVITIES

Aims of the Charity

In particular, we aim to:

1. Provide a responsive, flexible, and coherent range of high-quality customer-focused services
2. Deploy appropriate business strategies to influence growth and market penetration and create new business opportunities through building partnerships with customers, key suppliers, colleges, and other training providers
3. Define, implement, and manage procedures and robust measurement processes to ensure we deliver the outstanding quality standards to which we aspire
4. Provide equal access to all learners allowing maximum opportunity for everyone to achieve their full potential
5. Apply stringent and robust practice to managing our financial wellbeing to ensure we can invest in developing our business and facilities to the benefit of learners, employers, stakeholders, and staff
6. Respond to the Government's vocational and educational strategies and grow the Organisation's learner volumes and qualification success rates commensurate with the needs and requirements of employers and the local economy
7. Maintain our identity as a professional and caring organisation combining our commitment to learner wellbeing and safeguarding with our social responsibility for sustainability
8. Maintain a stable work environment for our employees in which their contribution is valued, creativity and innovation skills are encouraged, equality and diversity is respected, and equal opportunity exists for learning and personal development

Main objectives and strategies for the period under review

The main focus of the Charity was placed on strategies for:

- Developing and expanding its services to member companies
- Meeting the needs of its customers
- Responding to the Government's Apprenticeship reform agenda
- Maintaining the financial well-being of the Charity

To this end, we aimed to implement plans to:

- To grow the number of learners undertaking a PETA Apprenticeship programme and achieving an overall 'green' status in the ESFA accountability framework.
- Move towards a more balanced income between Government Funded and Commercial income building up the Commercial side of the organisation
- Improve the longer-term surplus of the Charity to achieve a sustainable surplus on turnover above 10%, to enable increased capital investment in new technologies, modern equipment and improved teaching and training facilities to the benefit of all stakeholders, particularly customers and staff.

Public Benefit
The Organisation has reviewed the main activities undertaken by the Charity to ensure its charitable purposes are for the public benefit and our objectives are fundamental to this aim.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The financial year ending 31 July 2024 there remained economic uncertainty which influenced business decisions. Inflation continued to rise, and a general election was called at the tail end of the year resulting in a switch from a conservative government to a labour government.

A modest growth was achieved in the year, with a 4.47% growth from the prior year. This was achieved through the apprenticeship programmes increasing the income by 11.28% demonstrating the quality of delivery through an increase in achievement rates to 64%.

Our commercial income experienced a decline as PETA undertook year one of a five-year strategy to modernise the training & consultancy programmes after many years of focusing on embedding the apprenticeship reforms. Members continued to advise us the apprenticeship programmes remain a key focus for their future workforce, and they also require shorter programmes to upskill & cross train their teams. These programmes were in design phase during FY2024 and resulted in staff costs increasing slightly year on year, due to an investment in digital content creation & a data technician. These roles were implemented to modernise the business and increase productivity in future years.

Throughout the financial year, we concentrated our efforts on a number of key strategic areas, which we believe are crucial for the long-term success and sustainability of our organization. Two of these areas have been:

Recruiting & retaining employees: The employee turnover has reduced by xx % from the previous year and is well below the industry average. Further education teaching teams remains a national priority with shortages in the engineering sector specifically. PETA has continued to delivery academy models with large clients and master classes to enhance our training programmes and provide ways in which member employers can support delivery of the programmes.

Increased data transparency: As we used the year to embed the CRM, financial system & continued with the e-portfolio leaders have more clarity of data to support swifter decision making and interventions. Due to the system implementation taking time the data dashboards have been slower than hoped to implement. The work will continue into FY2025.

As we continued to build on the success of a GOOD rating from Ofsted in the prior year the achievement rates continued to increase with the team well positioned to continued to adapt programmes to meet employer needs.

Membership

PETA has one of the largest memberships of employers amongst the Group Training Associations with 206 employers as of 31 July 2024. The membership has been stable throughout the year and we have seen more members engaging actively within PETA through master classes, design of programmes, and academy delivery.

FINANCIAL REVIEW

Review of financial position

The Financial Statements cover the accounting period from 1 August 2023 to 31 July 2024. At the beginning of this period PETA underwent a restructuring exercise and introduced a wholly owned trading subsidiary, PETA Business Solutions Limited. As part of this restructuring all the commercial income activities were moved into PETA Business Solutions Limited. The comparative figures should be viewed with this restructuring in mind.

The Charity's deficit for the period was £918,855 (August 2022 to July 2023: deficit of £18,974). Commercial income for the financial year decreased by 95.7%, due to the restructure, compared to prior year and Government Funded income increased by 10.6% on prior year.

PETA Business Solutions Limited had a profit of £887,082 for the period, all of which will be paid to the charity.

Consolidated income for the year was 5% higher than the previous year and consolidated expenses were 6.25% higher than the previous year with staff costs accounting for the majority of the increase due to additional staff being employed.

For the period August 2023 to July 2024 the spend on charitable activities decreased by 10.7%. This decrease is attributed to restructuring and introduction of the trading subsidiary, PETA Business Solutions Limited.

Review of financial position (continued)
For the period August 2023 to July 2024 the spend on charitable activities decreased by 10.7%. This decrease is attributed to restructuring and introduction of the trading subsidiary, PETA Business Solutions Limited.

Income from membership fees decreased by 1.5% due to a number of resignations related to the economic pressures experienced by local organisations. Rental income from the sub-leasing of 9 Acorn Business Park totalled £42,100 for the period August 2023 to July 2024 (£42,100 2022-2023).

Results
The results for the period are shown in the Statement of Financial Activities on page 13 and the Balance Sheet on page 14.

Fixed Assets
A formal valuation of the head office premises at 1 Access Point, Northarbour Road, Portsmouth, was completed in July 2019 by Daniels Harrison chartered surveyors; the gain on revaluation and present value are reflected. It has not felt necessary to have a further revaluation at this time. Details of fixed assets are shown in note 10.

Principal Funding Sources
The principal funding sources of the Charity are the Education and Skills Funding Agency, and fee-paying clients.

Fund Raising
In compliance with the requirements of the Charities (Protection and Social Investment) Act 2016 and the Fundraising Regulator, it is confirmed that the Charity does not undertake fundraising and no professional fundraiser has been involved. The Charity acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Investment Policy
The Board of Trustees reviews and determines the strategy, policy and management of the investments held by the Charity. Currently investments are held as cash balances in four accounts – including the current account which links automatically to a special account whenever the organisation is more than £10,000 in credit. Whenever possible, balances are transferred to an instant access savings account in order to gain a higher rate of interest.

Reserves Policy
The Board of Trustees has considered the adequacy of reserves held by the Charity, in line with the Charity Commission guidance, and ensures that the level of reserves is sufficient to meet the Charity's responsibilities in the short term. Total reserves as at 31 July 2023 were £5,241,672 which is all unrestricted apart from £3,000 related to a grant received in 2019 towards the cost of installing solar panels. Of the total reserves, £3,783,959 is held within tangible assets, consisting mainly of premises from which the Charity is run. The remaining reserves provide adequate funds required for the furtherance of the Charity's objectives. The reserves policy of the Charity is designed to:

- Protect the Charity from the risk of insolvency or serious disruption to its charitable work by holding sufficient surplus funds to cover at least a six-month period
- Provide security against the peaks and troughs of income effected by business downturn or changes in Government policy
- Provide sufficient funds to invest in equipment and new technology for the benefit of adults and young people undertaking training
- Have sufficient funds should the Government Apprenticeship Levy form of funding be withdrawn

Reserves Policy (continued)
The Charity recognises the importance of maintaining sufficient reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. It is PETA's intention to increase the reserves by the generation of annual operating surpluses and to achieve a 10% surplus on turnover within five years to support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to ensure that Commercial business recovers from the effects of the pandemic and grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will strive to make the Organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

PLANS FOR FUTURE PERIODS
As the first year of PETAs 5-year strategy concludes. PETA are on track with the implementation of the new systems ahead which were implemented in year one to support growth in FY2025 without additional support employees. Whilst the financials have fallen short of where anticipated the operation efficiencies are on track,

As we head into the year two the teams focus will on the execution of our five-year strategy through the following key areas:

People Strategy: We are dedicated to optimising the entire employee life cycle. Our vision is to foster a culture that values personal and professional development, enabling every individual to reach their full potential within the organisation. We aim to create an environment where talent is nurtured, and diversity is celebrated, ensuring that our people strategy becomes a cornerstone of our success.

Curriculum Design Strategy: We are embracing technology to transform the way we develop skills for the future workforce. By harnessing cutting-edge educational technologies and methodologies, we will create adaptive and personalised learning experiences that equip our workforce, and the workforce of our member companies and partners, with the skills needed to thrive in an ever-evolving landscape.

Employer/Stakeholder Strategy: We understand that the future of business requires a collaborative approach that engages experts spanning all age ranges. Our commitment to developing future skills will extend beyond our organisation, impacting the broader business community. We will actively partner with experts and stakeholders to cultivate a deep understanding of future skills, ensuring our strategies have a

Product Strategy: Our courses will be thoughtfully designed in close collaboration with our member and partner businesses. We will seek to understand the unique challenges and opportunities faced by our member and partners, and our courses will be tailored to have a tangible, practical impact on their operations. Our

Internal Operational Excellence Strategy: In order to support all of the above strategies, we will continuously focus on streamlining our core business processes. Operational excellence is the foundation that empowers us to implement our people, curriculum, employer, and product strategies effectively. By enhancing efficiency and eliminating inefficiencies, we will drive the organisation towards greater agility and competitiveness.

As we look to the future, these strategies will guide us in our mission to be at the forefront of innovation, ensuring our workforce is equipped with the skills they need and our products have a meaningful impact on businesses, all while fostering a culture of continuous improvement and excellence. Together, we will navigate the dynamic landscape of the future with confidence and success.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to PETA in the coming year highlighted as follows:

Government Policy / Regulatory Changes: Changes in government policies, regulations, and funding mechanisms for apprenticeship training could have a significant impact on funding or accreditation requirements that could negatively impact operations and revenue streams. No changes could also have an impact as funding levels have not increased since the introduction of apprenticeship standards in 2017, with rising costs placing significant pressure on these margins.

Technological Disruption: The rapid advancement of technology and e-learning has meant that we need to continue to review traditional training models. In the coming years we will likely need to invest in technology and adapt to changing educational methods to continue to be successful in the future.

Staffing and Skills: Attracting and retaining qualified instructors and support staff is crucial for the success of PETA. In order to mitigate these risks, we will continue to focus on recruitment and the professional development of existing staff.

Cybersecurity: With the increasing use of technology in education, PETA remains vulnerable to data breaches and cyberattacks. Protecting sensitive student and organisational data is a growing concern. We will continue to invest in cyber security to ensure that we remain as secure and accredited with Cyber

To manage these risks and uncertainties, PETA will conduct regular risk assessments, diversify our offerings, stay informed about regulatory changes, maintain financial resilience, and develop contingency plans to mitigate the potential impacts of these factors. Additionally, building strong relationships with local businesses, industries, and communities will help us adapt to changing demands and maintain stability.

GOING CONCERN

PETA had a deficit of £31,774 for the year and has a strong balance sheet with a healthy cash balance as at 31 July 2024.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future.

For this the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CHARITIES CODE

The Organisation has adopted the Charities Governance Code (August 2017) and we are applying and working towards these criteria. The Trustees will address 1 or 2 of the 7 elements in more detail at each meeting.

REPORT OF THE TRUSTEES
FOR THE PERIOD ENDED 31 JULY 2024

Statement of Trustees Responsibilities

The trustees (who are also the directors of PETA 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).

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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware, and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

On Behalf of the Board:

Nick Kalfas
Company Secretary

Date: 31/01/2025

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Opinion

We have audited the financial statements of PETA Limited and its subsidiaries for the period ended 31 July 2024 on pages 11 to 28, which comprise the Consolidated Statement of Financial Activities, the Group and Charity Balance Sheets and Cashflow Statements 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 FRS 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 group's and the parent charitable company's affairs as at 31 July 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees
As explained more fully in the Statement of Trustees Responsibilities set out on page 7, 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 group and parent charity'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 group or parent charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF PETA LIMITED

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the group and the parent charity and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

P J Underwood

Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU
Date: 6th February 2025

PETA LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING A CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT)
FOR THE PERIOD ENDED 31 JULY 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME FROM					
Charitable activities					
Government Income	4	2,532,017	-	2,532,017	2,288,910
Commercial Income	4	74,749		74,749	1,749,217
Other trading activities					
Other Income	5	26,500	-	26,500	-
Investment income	6	45,221	-	45,221	20,067
Membership Fees		77,200		77,200	78,341
Rental Income		42,100		42,100	42,100
Commercial trading operations	3	1,590,164	-	1,590,164	-
Total		4,387,951	-	4,387,951	4,178,635
EXPENDITURE ON					
Commercial trading operations	3	703,083	-	703,083	-
Charitable activities	7	3,716,642	-	3,716,642	4,159,661
Total		4,419,725	-	4,419,725	4,159,661
Net income/(expenditure)		(31,774)	-	(31,774)	18,974
Transfers between funds	23	500	(500)	-	-
Taxation	10	-	-	-	-
Net movement in funds		(31,274)	(500)	(31,774)	18,974
RECONCILIATION OF FUNDS					
Total funds brought forward		5,238,672	3,000	5,241,672	5,222,698
TOTAL FUNDS CARRIED FORWARD		5,207,398	2,500	5,209,898	5,241,672

PETA LIMITED

CONSOLIDATED BALANCE SHEET
FOR THE PERIOD ENDED 31 JULY 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
FIXED ASSETS					
Tangible assets	14	3,726,094	3,784,319	3,607,547	3,784,319
Investments	15	1	1	101	101
Investment Property	16	500,000	500,000	500,000	500,000
		4,226,095	4,284,320	4,107,648	4,284,420
CURRENT ASSETS					
Stocks	17	37,317	13,339	37,317	13,339
Debtors	18	824,158	684,595	551,962	684,595
Cash at bank and in hand		878,930	1,118,608	844,592	1,118,508
		1,740,405	1,816,542	1,433,871	1,816,442
CREDITORS					
Amounts falling due within one year	19	(435,677)	(481,765)	(289,885)	(481,765)
NET CURRENT ASSETS		1,304,728	1,334,777	1,143,986	1,334,677
TOTAL ASSETS LESS CURRENT LIABILITIES		5,530,823	5,619,097	5,251,634	5,619,097
CREDITORS					
Amounts falling due in more than one year	20	(240,125)	(296,625)	(848,018)	(296,625)
Provisions for Liabilities	21	(80,800)	(80,800)	(80,800)	(80,800)
NET ASSETS		5,209,898	5,241,672	4,322,815	5,241,672
FUNDS					
Restricted funds	23	2,500	3,000	2,500	3,000
Unrestricted funds	23	4,411,603	4,442,877	3,524,520	4,442,877
Revaluation Reserve	23	795,795	795,795	795,795	795,795
TOTAL FUNDS		5,209,898	5,241,672	4,322,815	5,241,672

The financial statements were approved by the Board of Trustees on .....31/01/2025..... and were signed on its behalf by:

.....
N Kalfas (Company Secretary)

.....
E Seymour (Chairman)

PETA Limited, Registered in England and Wales No. 01653178

PETA LIMITED

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE PERIOD ENDED 31 JULY 2024

	Notes	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Cash flows from operating activities					
Cash generated from operations	29	(103,208)	25,132	(875,979)	25,132
		(103,208)	25,132	(875,979)	25,132
Cash flows from investing activities					
Dividends, Interest and rents from investments		62,320	62,167	62,320	62,167
Purchase of tangible fixed assets		(142,290)	(213,348)	(11,649)	(213,348)
Purchase of shares in subsidiary		-	-	-	(100)
Cash provided by (used in) investing activities		(79,970)	(151,181)	50,671	(151,281)
Cash flows from financing activities					
Repayments of borrowing		(56,500)	(74,015)	(56,500)	(74,015)
Loans received from subsidiary		-	-	607,894	-
Cash provided by (used in) investing activities		(56,500)	(74,015)	551,394	(74,015)
Change in cash and cash equivalents in the reporting period		(239,678)	(200,064)	(273,913)	(200,164)
Cash and cash equivalents at the beginning of the reporting period		1,118,608	1,318,672	1,118,508	1,318,672
Total cash at the end of the year		**878,930**	**1,118,608**	**844,595**	**1,118,508**

1. ACCOUNTING POLICIES

Basis of Accounting
The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)), and the Companies Act 2006.

Going Concern
The Trustees have assessed the charity's ability to continue as a going concern. This assessment involved reviewing cash flow forecasts, current financial performance, and considering both internal and external factors that may impact future operations. Based on this evaluation, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

We will continue to concentrate efforts to grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern.

Group financial statements
These financial statements consolidate the results of the charity and its wholly owned subsidiary, PETA Business Solutions Limited, on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 408 of the Companies Act 2006.

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.

Investment income is included in the period in which the Charity is entitled to receipt.

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

Membership fees are included in the period on an accruals basis, with fees in advance deferred to the period to which they relate.

Other income relates to the rental income from the leasing of 9 Acorn Business Park and is included in the period in which the Charity is entitled to receipt.

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £2,500 (£3,000: 2023).

1. ACCOUNTING POLICIES - continued

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

- The costs of charitable activities comprise those costs incurred in delivering the core services of the Charity.

- Governance costs relate to the general running of the Charity as opposed to the direct management inherent in delivery services. The costs reflect the governance infrastructure and are primarily associated with
- Support costs include central functions. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

Tangible fixed assets

All assets are originally recorded at cost. Items below £250 are not capitalised. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold property	- 2% straight line
Leasehold improvements	- 10% straight line
Plant and machinery	- 20% straight line
Office Furniture and equipment	- 20% straight line
Sports equipment	- 20% straight line
Motor vehicles	- 25% reducing balance

Leasehold buildings have been revalued using the revaluation model

Taxation

The charity is exempt from corporation tax on its charitable activities. Corporation tax is payable by the trading company on its taxable profits.

Fund accounting

Apart from £2,500 remaining restricted from the grant received in 2019, relating to the installation of solar panels, all other funds of the Charity are deemed to be unrestricted funds as defined under SORP.

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.

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

Investment Property

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the Statement of Financial Activities, in accordance with the provisions of FRS102.

A formal valuation was completed in July 2019, the gain on revaluation is reflected. The Directors have reviewed the investment property value and have concluded that the value is appropriate.

1. ACCOUNTING POLICIES - continued

Leases
Assets obtained under finance leases are capitalised in the balance sheet. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Pensions costs
The charitable company operates a defined contribution, salary sacrifice, pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Stocks
Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Financial instruments
The Charity only has financial assets and 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, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Debtors & cash at bank
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. Cash at bank and in hand includes cash held on deposit or in a current account.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

2. FINANCIAL ACTIVITIES OF THE CHARITY

The financial activities shown in the consolidated statement includes those of the charity's wholly owned subsidiary, PETA Business Solutions Limited (Company Number: 14982254)

A summary of the financial activities undertaken by the charity is set out below:

	2024 £	2023 £
Total income from charitable activities	2,797,787	4,178,635
Total expenditure on charitable activities	(3,716,642)	(4,159,661)
Net outgoing resources	(918,855)	18,974
Total funds brought forward	5,241,672	5,222,698
Total funds carried forward	4,322,817	5,241,672
Represented by:		
Restricted funds	2,500	3,000
Unrestricted funds	4,320,317	5,238,672
	4,322,817	5,241,672

3. INCOME FROM COMMERCIAL TRADING OPERATIONS

The charity's wholly owned trading subsidiary, PETA Business Solutions Limited (Company No: 14982254), which is incorporated in England and Wales, pays all of its profits to the charity. PETA Business Solutions Limited receives income for the provision of commercial training courses to businesses and individuals. The following is an extract of the financial statements of PETA Business Solutions Limited (Company No: 14982254) for the period ended 31 July 2024:

	2024	2023
	£	£
Turnover	1,590,164	-
Cost of sales and administrative expenses	(703,083)	-
Profit before tax	887,081	-
Corporation tax (see note 9)	-	-
Profit after tax	887,081	-
Profits distributed to the charity	(887,082)	-
Retained in subsidiary	-	-
The assets and liabilities of the subsidiary were:		
Fixed assets	726,440	-
Current assets	306,434	-
Current liabilities	(145,792)	-
Net assets	887,082	-
Aggregate share capital and reserves	887,082	-

4. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Rendering of services	2,606,766	4,038,127

5. OTHER INCOME

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Services rendered	540	-	540	-
LSIF Project	25,031	-	25,031	-
Insurance	929	-	929	-
	26,500	-	26,500	-

6. INVESTMENT INCOME

	2024	2023
	£	£
Interest Received	45,221	20,067

All investment income is derived from cash deposits held within the United Kingdom.

7. CHARITABLE ACTIVITIES COSTS

	Direct expenditure £	Support costs (see note 8) £	Total 2024 £	Total 2023 £
Government services	2,959,710	465,060	3,424,770	2,418,950
Commercial services	252,238	39,634	291,872	1,740,711
	3,211,948	504,694	3,716,642	4,159,661

8. SUPPORT COSTS

	Management £	Governance £	Total 2024 £	Total 2023 £
Government services				
Advertising & Marketing	470	-	470	5,654
Bad Debts	286	-	286	-
Bank & Finance Costs	3,641	-	3,641	2,662
Cleaning	925	-	925	6,442
Computer Expenses	3,248	-	3,248	15,681
Depreciation	24,024	-	24,024	27,045
Employee Costs	365,567	-	365,567	349,558
Equipment Leasing	2,310	-	2,310	4,424
Insurance	4,560	-	4,560	3,901
Legal & Professional Fees	-	5,746	5,746	1,525
Premises Costs	14,437	-	14,437	11,166
Printing & Stationery	263	-	263	4,117
Repairs & Renewals	1,523	-	1,523	3,077
Subscriptions	1,326	-	1,326	4,917
Telephone	666	-	666	2,887
	423,244	5,746	428,990	443,055
Commercial services				
Advertising & Marketing	83	-	83	998
Bad Debts	50	-	50	-
Bank & Finance Costs	643	-	643	470
Cleaning	163	-	163	1,137
Computer Expenses	573	-	573	2,767
Depreciation	4,239	-	4,239	4,773
Employee Costs	64,512	-	64,512	61,687
Equipment Leasing	408	-	408	781
Insurance	805	-	805	688
Legal & Professional Fees	-	1,014	1,014	269
Premises Costs	2,548	-	2,548	1,971
Printing & Stationery	46	-	46	727
Repairs & Renewals	269	-	269	543
Subscriptions	234	-	234	868
Telephone	117	-	117	510
	74,690	1,014	75,704	78,186
	497,934	6,760	504,694	521,241

9. NET EXPENDITURE - GROUP

Net resources are stated after charging:

	2024	2023
	£	£
Auditors' remuneration	7,750	7,500
Other operating leases	52,472	43,028
Depreciation - owned assets	200,515	198,394

10. TAXATION

The company is a registered charity and no provision is considered necessary for taxation. The trading subsidiary is registered for income taxation but did not have any profit this year and therefore there is no income tax expense.

11. TRUSTEES' REMUNERATION AND BENEFITS

No trustees' received remuneration or other benefits during the year ended 31 July 2024 nor for the period ended 31 July 2023.

Trustees' Expenses

During the year no trustees (2023: none) were reimbursed for out of pocket expenses.

12. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	2,301,757	2,088,100
Social security costs	231,405	204,513
Employers pension costs	267,145	269,126
	2,800,307	2,561,739

The average monthly number of employees (full time equivalent) during the year was as follows:

	2024	2023
	Number	Number
Management	11	11
Administration	26	27
Field	16	14
Trainers	21	18
	74	70

The Charity operates a defined contribution, salary sacrifice, scheme for the benefit of participating members of staff. The pension costs above have been charged through the Statement of Financial Activities. All costs relate to unrestricted activities. There were unpaid contributions at the end of the year of £29,092 (2023: £21,715).

During the period, remuneration and benefits received by Key management personnel totalled £335,152 (2023: £331,950).

The average number of employees whose annualised gross pay and benefits, excluding employer pension contributions, fell between the following bands:

	2024	2023
	Number	Number
£60,000 - £70,000	1	1
£100,001 - £200,000	1	-

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total 2022 £
INCOME FROM			
Charitable activities			
Government Income	2,288,910	-	2,288,910
Commercial Income	1,749,217	-	1,749,217
Other trading activities			
Other income	-	-	-
Investment income	20,067	-	20,067
Membership fees	78,341	-	78,341
Rental income	42,100	-	42,100
Commercial trading operations	-	-	-
	4,178,635	-	4,178,635
EXPENDITURE ON			
Commercial trading operations	-	-	-
Charitable activities	4,159,661	-	4,159,661
	4,159,661	-	4,159,661
Net income/(expenditure)	18,974	-	18,974
Transfers between funds	500	(500)	-
Taxation (trading subsidiary only)	-	-	-
Net movement in funds	19,474	(500)	18,974
RECONCILIATION OF FUNDS			
Total funds brought forward	5,219,198	3,500	5,222,698
TOTAL FUNDS CARRIED FORWARD	5,238,672	3,000	5,241,672

14. TANGIBLE FIXED ASSETS - GROUP

	Plant & Machinery £	Computer Equipment £	Office Equipment £	Leasehold Premises £	Leasehold Improve-ments £	Total £
COST						
At 1 August 2023	558,354	879,664	273,597	3,978,237	425,427	6,115,279
Additions	20,281	49,997	7,329	-	64,683	142,290
Disposals	-	-	-	-	-	-
At 31 July 2024	578,635	929,661	280,926	3,978,237	490,110	6,257,569
DEPRECIATION						
At 1 August 2023	404,307	784,403	249,094	736,519	156,637	2,330,960
Charge for year	39,774	42,754	7,132	69,107	41,748	200,515
Eliminated on disposals	-	-	-	-	-	-
At 31 July 2024	444,081	827,157	256,226	805,626	198,385	2,531,475
NET BOOK VALUE						
At 31 July 2024	134,554	102,504	24,700	3,172,611	291,725	3,726,094
At 31 July 2023	154,047	95,261	24,503	3,241,718	268,790	3,784,319

TANGIBLE FIXED ASSETS - CHARITY

	Plant & Machinery £	Computer Equipment £	Office Equipment £	Leasehold Premises £	Leasehold Improve-ments £	Total £
COST						
At 1 August 2023	558,354	879,664	273,597	3,978,237	425,427	6,115,279
Additions	1,623	-	-	-	10,026	11,649
Disposals	-	-	-	-	-	-
At 31 July 2024	559,977	879,664	273,597	3,978,237	435,453	6,126,928
DEPRECIATION						
At 1 August 2023	404,307	784,403	249,094	736,519	156,637	2,330,960
Charge for year	38,095	35,412	6,026	69,107	39,781	188,421
Eliminated on disposals	-	-	-	-	-	-
At 31 July 2024	442,402	819,815	255,120	805,626	196,418	2,519,381
NET BOOK VALUE						
At 31 July 2024	117,575	59,849	18,477	3,172,611	239,035	3,607,547
At 31 July 2023	154,047	95,261	24,503	3,241,718	268,790	3,784,319

The long leasehold property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, at £3,500,000 creating a revaluation gain of £695,795. Had the assets continued to be valued using the cost model it would have resulted in a net book value of £2,558,849 (2023: £2,558,849)

Included within the above leasehold premises figure is a short leasehold property with a net book value of £6,157 (2023: £6,981) and long leasehold property with a net book value of £3,166,454 (2023: £3,234,737 after revaluation). There are currently no assets acquired under finance/HP agreements. There are no material capital commitments.

NatWest Bank plc hold a legal charge created on 19 November 1996 over the property at 9 Acorn Business Park, Portsmouth and also a legal charge created on 3 March 2008 over the property at 1 Access Point, Northarbour Road, Portsmouth.

Included in leasehold premises is the land at 1 Access Point, Northarbour Road, Portsmouth of £980,000 which is not being depreciated.

15. INVESTMENTS - CHARITY ONLY

	Group 2024	Group 2023	Charity 2024	Charity 2023
Unlisted Shares	£	£	£	£
Acorn Business Park (Cosham) Management Charity Limited	1	1	1	1
PETA Business Solutions Limited	-	-	100	100
	1	1	101	101

The trustees consider the market value of the share to be the same as the cost figure.

16. INVESTMENT PROPERTY

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Investment Property	500,000	500,000	500,000	500,000
	500,000	500,000	500,000	500,000

Investment property is carried on the fair value method.
A formal valuation was carried out by Daniels Harrison Charetered Surveyors as at 31 July 2019, and the revlaution gain was reflected. The historical cost of the property is £441,318.
The investment property is unit 9 Acorn Business Park, Portsmouth

17. STOCK

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
General stocks	37,317	13,339	37,317	13,339
	37,317	13,339	37,317	13,339

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade debtors	573,457	531,780	372,149	531,780
Accrued Income	13,767	-	13,767	-
Prepayments	236,934	152,815	166,046	152,815
	824,158	684,595	551,962	684,595

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Trade creditors	132,825	44,893	55,419	44,893
Mortgage	56,500	56,500	56,500	56,500
Accruals	30,144	74,029	36,401	74,029
Deferred Income	108,598	136,340	87,062	136,340
Government Agency	-	19,141	-	19,141
Other Taxation and Social Security	107,610	150,862	54,503	150,862
	435,677	481,765	289,885	481,765

Deferred income relates to membership fees, commercial income and apprenticeship employers' contributions invoiced in advance

	Group 2024	Group 2023	Charity 2024	Charity 2023
Brought forward	136,340	134,739	136,340	134,739
Amount released to incoming resources	(122,109)	(97,549)	(110,109)	(97,549)
Amount deferred in the year	94,367	99,150	60,831	99,150
Carried forward	108,598	136,340	87,062	136,340

20. CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Mortgage	240,125	296,625	240,125	296,625
Loan from subsidiary	-	-	607,893	-
	240,125	296,625	848,018	296,625

Included within creditors falling due after one year are amounts, relating to the mortgage, of £14,125 (2023: £70,625) which fall due after more than five years by instalments. The mortgage relates to the property at 1 Access Point and has a loan to value percentage of 8.5% (2023: 8.5%). The mortgage is secured over the property.

The above mortgage is repayable over 20 years at an interest rate fixed at 2.45% above LIBOR. LIBOR was replaced with the new SONIA calculation from December 2021.

21. PROVISIONS

	Group 2024	Group 2023	Charity 2024	Charity 2023
	£	£	£	£
Provision for liabilities	80,800	80,800	80,800	80,800
	80,800	80,800	80,800	80,800

Provisions relate to the estimated amount which may be required for dilapidations relating to the short leasehold property held by the Charity in Havant and which, if not renewed, expires in 2031. The Directors believe that this is sufficient at this time. The opening balance of £80,800 remained unchanged during the year.

22. OPERATING LEASE COMMITMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Not later than one year	51,217	67,420
Later than one year but not later than five years	205,188	222,771
Later than five years	124,469	175,766
	380,874	465,957

The amount of operating leases recognised as an expense during the year was £43,028 (2023: £85,068)

23. MOVEMENT IN FUNDS

	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Unrestricted funds	4,442,877	4,387,951	(4,419,725)	500	4,411,603
Unrestricted funds-Property revaluation reserve	795,795				795,795
Restricted funds	3,000	-	-	(500)	2,500
	5,241,672	4,387,951	(4,419,725)	-	5,209,898

The property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £3,500,000 creating a revaluation gain of £695,795.

The investment property was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £500,000 creating a revaluation gain of £100,000.

Comparative for movement in funds

	Fund balances brought forward £	Income £	Expenditure £	Transfers £	Fund balances carried forward £
Unrestricted funds	4,423,403	4,178,634	(4,159,661)	500	4,442,876
Unrestricted funds-Property revaluation reserve	795,795	-	-	-	795,795 -
Restricted funds	3,500	-	-	(500)	3,000
	5,222,698	4,178,634	(4,159,661)	-	5,241,671

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2024 Total funds £
Fixed assets	4,223,595	2,500	4,226,095
Current assets	1,740,405	-	1,740,405
Current liabilities	(756,602)	-	(756,602)
	5,207,398	2,500	5,209,898

25. RELATED PARTY TRANSACTIONS - GROUP

The Charity and its wholly owned subsidiary, PETA Business Solutions Limited (Company Number: 14982254) provides courses and training support in the general course of business, under normal trading terms to the following companies which were represented on the board of directors/trustees. Details of these transactions and the balances outstanding at the balance sheet date are detailed below:

	2024	2023
	£	£
Mimtec Limited		
Services provided by the charity or its subsidiary	1,552	540
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
Pall Manufacturing UK Ltd		
Services provided by the charity or its subsidiary	26,753	37,912
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	793	-
Portsmouth Aviation Ltd		
Services provided by the charity or its subsidiary	14,607	20,725
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	300	1,221
Hamble Aerostructures Ltd		
Services provided by the charity or its subsidiary	53,710	37,600
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	22,993	21,917
Geestline Ltd		
Services provided by the charity or its subsidiary	612	3,018
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	690
Safran Helicopter Engines UK Ltd		
Services provided by the charity or its subsidiary	41,813	17,720
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	13,507	4,379
GTA England Limited		
Services provided to the charity or its subsidiary	(8,486)	(8,886)
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-
ALPS Partnership Limited		
Services provided to the charity or its subsidiary	(1,350)	-
Amounts owed (by)/to the charity or its subsidiary at the balance sheet date	-	-

26. The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

27. ULTIMATE CONTROLLING PARTY

The charitable company is under the control of its members. No one member has overall control of the charitable company.

28. SHARE CAPITAL AND LIABILITY OF MEMBERS

The charitable company is limited by guarantee and its members have undertaken to contribute to the assets of the company in the event of it being wound up such amount as may be required not exceeding £100.

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

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Net movement in funds	(31,774)	18,974	(918,855)	18,974
Rent receivable	(42,100)	(42,100)	(42,100)	(42,100)
Interest receivable	(45,221)	(20,067)	(45,221)	(20,067)
Interest paid	25,001	16,108	25,001	16,108
Depreciation charge	200,515	199,219	188,421	199,219
(Increase)/decrease in stocks	(23,978)	-	(23,978)	-
(Increase)/decrease in debtors	(139,563)	(159,212)	132,633	(159,212)
Increase/(decrease) in creditors	(46,088)	12,210	(191,880)	12,210
	(103,208)	25,132	(875,979)	25,132

30 COMPARITIVE FIGURES

During the current year, investment property was reclassified from "Investments" to "Investment Property" in accordance with the requirements of FRS 102, Section 16 (Investment Property). This reclassification ensures the accounts are aligned with standard practice under FRS 102.

The reclassification affects only the fixed assets section of the balance sheet and does not impact the prior period profits or any other line items. Comparative figures for 2023 have been restated accordingly.

The impact of the reclassification on the balance sheet is as follows:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Fixed assets				
Investments	-	(500,000)	-	(500,000)
Investment property	-	500,000	-	500,000
	-	-	-	-

Investment property is carried on the fair value method.

PETA LIMITED

England & Wales - Charity number 296065

Accounts

Company Registration Number: 1653178
Charity Registration Number: 296065

PETA Limited

A registered charitable Company limited by guarantee and not having a share capital

Incorporated 22nd July 1982

FINANCIAL STATEMENTS

For the period ended

31st July 2023

PETA
ASPIRE TO LEARN • APPLY TO ADVANCE

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY 2023

Contents

	Page
Trustees Annual Report	1
Independent Auditor's Report to the Members of PETA Limited	10
Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2023	13
Balance Sheet as at 31 July 2023	14
Cash Flow Statement for the period ended 31 July 2023	15
Notes on Financial Statements	16

Trustees Annual Report

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	PETA Limited
Charity Registration Number:	296065
Company Registration Number:	1653178
Date of Incorporation:	22nd July 1982
Registered Office and principal place of business:	1 Access Point Northarbour Road Portsmouth Hampshire PO6 3TE

Trustees

The members of the Council who served the organisation and who are for the purposes of the Companies Act treated as the directors of the organisation were as follows:

E Seymour (Chair)	- Hamble Aerostructures Ltd
C Roberts (Vice Chair)	- Geest Line Ltd
M Waring	- Mimtec Limited
S Escott	- Portsmouth Aviation Ltd
M Parker	- Pall (UK) Ltd
S Patrick	- University of Southampton (resigned 30 September 2022)
M Hawkes	- Safran Helicopter Engines UK Ltd

Senior Management Team

Director (CEO):	Fiona Stilwell (appointed 16 December 2022) Huw Chapman (resigned 16 December 2022)
Head of Finance and Company Secretary:	Nicholas Kalfas
Head of Operations:	Dawn Halfacre
Head of Sales:	James Garrett

Auditors

Morris Crocker Chartered Accountants, Station House, North Street, Havant, PO9 1QU

Bankers

National Westminster Bank Plc, 130 Commercial Road, Portsmouth, Hampshire, PO1 1ES

Solicitors

Large and Gibson, Kent Road, Southsea, Hampshire, PO5 3EJ

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 July 2023. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities

preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activity

The principal activity of the Charity continues to be to promote and advance the education and adequate training for the public benefit of persons employed or intending to be employed in industry and commerce. The organisation is registered with the Charity Commission.

Governing Instrument

The organisation is governed by, and restricted in operation by, the terms of its Memorandum and Articles of Association, which were revised and updated at a General Meeting of Members held on 29 April 2022.

Summary of Key Objectives

The Charity operates with two primary funding streams, one covering a broad spectrum of commercial training and the other Government funded apprenticeship program. PETA's objective is to help develop customers' employees so that they enhance their skills and consequently their organisation's business performance. All training programs are designed to ensure the candidates achieve "work readiness" as well as a good education. This approach links directly into the organisation's tag line of "Aspire to Learn, Apply to Advance".

The Charity's aim is to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

Our goal is to be widely recognised as the independent training provider that best understands, serves, and satisfies the training and skills needs of employers and their learners in the Solent Region and surrounding counties. We strive to ensure our customers view training as an investment that helps enhance their company performance.

Recruitment and Appointment to the Board (Council)

The election of new Trustees is undertaken at the Annual General Meeting of members in accordance with the Charity's Memorandum and Articles of Association. Where mid-term vacancies occur, the Charity extends invitations to Senior Managers and Directors of member companies who possess the appropriate skills required by Council. The same mid-term appointments are then required to stand for election at the next Annual General Meeting. The Charity aims to ensure that the Council is diversified and consists of Trustees with differing backgrounds and wide-ranging experience of business.

Staff Remuneration and Pay

PETA is part of GTA England who had a salary benchmark survey of its members conducted which was circulated in June 2023. In addition, salary data for college salaries was also reviewed and a blend between these two sets of data has helped set PETA's teaching staff pay levels. On top of this other roles are benchmarked against other local organisations with the objective that salary levels are similar to local mean values.

Related Parties

In accordance with the Memorandum and Articles of Association, the Council contains representatives from member organisations and such organisations are offered training, assessment, and guidance in the general course of business, under normal commercial terms. The Charity, having no share capital, is run by the Council of Trustees and no individual can exercise control of the organisation.

Induction and Training of Trustees

Once identified, potential trustees are invited to become involved with the Charity and learn more about the contribution required of them. The candidate is made fully aware of the formal responsibilities of the position and a Trustees' Handbook is provided detailing the responsibilities, codes of conduct and accountability. The Board has a diverse membership and consists of Trustees with experience covering many fields including Finance, Business Operations, ICT and Human Resources. Support is received by external professionals when required, in areas such as Safeguarding.

Organisational Structure

The day-to-day management of the Charity is under the control of the Chief Executive Officer, Fiona Stilwell, who acts in accordance with the instruction of the elected Council (Board of Directors/Trustees).

Within the organisation there are a number of departments which support customers with dedicated training programs that can be paid for directly or be remunerated through apprenticeship funding schemes. PETA was established as a business-to-business training organisation. This has resulted in the training programs being linked to commercial and compliance activities such as Health and Safety, Engineering, ICT, as well as Management skills. All these activities are supported by a strong team of shared service activities with robust business processes and a culture of continuous improvement.

Risk Management

The Organisation maintains and regularly updates a comprehensive Risk Register. Any major risks to which the organisation is exposed have been reviewed and appropriate arrangements established to mitigate these risks. Comprehensive procedures and systems exist to ensure critical IT business data is backed-up and stored to facilitate reinstatement. These procedures together with the Risk Register are subject to regular auditing as part of our ISO 9001, ISO 45001 and ISO 14001 approvals and by the Provider Financial Assurance team operating on behalf of the Education and Skills Funding Agency (EFSA).

Environmental Policy

The Charity is committed to the principles of environmental management and sustainability and is ISO 14001:15 certified. Our aim is to minimise the impact our activities have on the environment and ensure all staff and learners are fully aware of their roles and responsibilities with respect to environmental sustainability. As part of PETA's commitment to the environment solar panels were installed at the Cosham site which has reduced electricity costs and consequently CO_2 emissions.

We are as an organisation committed to the following:

- The prevention of pollution
- Compliance with environmental legislation relative to our activities
- The achievement of environmental objectives as outlined within the Annual Business Plan
- Identifying cost-effective continual improvement within our processes and activities that will contribute towards the environment and sustainability

OBJECTIVES AND ACTIVITIES

Aims of the Charity

In particular, we aim to:

1. Provide a responsive, flexible, and coherent range of high-quality customer-focused services
2. Deploy appropriate business strategies to influence growth and market penetration and create new business opportunities through building partnerships with customers, key suppliers, colleges, and other training providers
3. Define, implement, and manage procedures and robust measurement processes to ensure we deliver the outstanding quality standards to which we aspire
4. Provide equal access to all learners allowing maximum opportunity for everyone to achieve their full potential
5. Apply stringent and robust practice to managing our financial wellbeing to ensure we can invest in developing our business and facilities to the benefit of learners, employers, stakeholders, and staff
6. Respond to the Government's vocational and educational strategies and grow the Organisation's learner volumes and qualification success rates commensurate with the needs and requirements of employers and the local economy
7. Maintain our identity as a professional and caring organisation combining our commitment to learner wellbeing and safeguarding with our social responsibility for sustainability
8. Maintain a stable work environment for our employees in which their contribution is valued, creativity and innovation skills are encouraged, equality and diversity is respected, and equal opportunity exists for learning and personal development

Main objectives and strategies for the period under review

The main focus of the Charity was placed on strategies for:

- Developing and expanding its services to member companies
- Meeting the needs of its customers
- Responding to the Government's Apprenticeship reform agenda
- Maintaining the financial well-being of the Charity

To this end, we aimed to implement plans to:

- To grow the number of learners undertaking a PETA Apprenticeship programme and achieving an overall 'green' status in the ESFA accountability framework.
- Move towards a more balanced income between Government Funded and Commercial income building up the Commercial side of the organisation
- Improve the longer-term surplus of the Charity to achieve a sustainable surplus on turnover above 10%, to enable increased capital investment in new technologies, modern equipment and improved teaching and training facilities to the benefit of all stakeholders, particularly customers and staff.

Public Benefit

The Organisation has reviewed the main activities undertaken by the Charity to ensure its charitable purposes are for the public benefit and our objectives are fundamental to this aim.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

The financial year ending 31 July 2023 brought with it a more challenging economic landscape due to rising inflation across the UK economy and shortages in labour resources due to COVID-19 and Brexit.

Despite these challenges we were able to achieve a 12.78% growth in commercial income from the prior year helping to solidify our position in the market and reflect our dedication to delivering value to our commercial partners.

While our commercial income experienced positive growth, it is essential to address the challenges faced in the realm of Government Funded Income. This segment saw a 3.3% decline, attributable to the complex interplay of economic pressures and resource shortages. The economic pressures mentioned have resulted in a reduction in the number of apprentices taken on by companies, while a scarcity of trainer resources, particularly within the Engineering sector, further contributed to this decline. We have recognised the need to adapt to these changing circumstances and have actively been strategising to mitigate these challenges moving forward.

Throughout the financial year, we concentrated our efforts on a number of key strategic areas, which we believe are crucial for the long-term success and sustainability of our organization. Two of these areas have been:

Recruitment of Engineering Staff: Recognising the importance of a skilled and dedicated workforce in our field, we made significant strides in the recruitment of engineering staff. This investment in human capital ensures that we continue to deliver high-quality services and meet the evolving needs of our partners and clients.

Implementation of New ERP and CRM Systems: In a bid to enhance operational efficiency, streamline processes, and provide better customer service, we initiated the implementation of new Enterprise Resource Planning (ERP) and Customer Relationship Management (CRM) systems. This technological upgrade is pivotal in our commitment to delivering top-notch services. These systems went live on 1 August 2023.

We are also thrilled to announce that during the financial year, PETA underwent an OFSTED inspection and received a "GOOD" rating, showcasing our commitment to maintaining high standards in education and training. This accomplishment underscores our dedication to providing quality education and services to our learners.

In conclusion, the achievements and performance of our organization during this reporting period reflect our resilience in the face of challenges, our strategic vision, and our unwavering commitment to excellence. We are confident that our continued focus on growth, adaptability, and delivering value to our stakeholders will drive future success.

Membership

PETA has one of the largest memberships of employers amongst the Group Training Associations with 245 employers as of 31 July 2023. There were more than anticipated resignations during the previous financial year linked to the effects of COVID-19 on local businesses but that appears to have stabilised in the current financial year.

To aid the retention and growth in membership the member benefits will continue to be reviewed during the year and the effectiveness of Account Management continue to be audited to ascertain whether there are internal influences which could reduce the number of resignations.

FINANCIAL REVIEW

Review of financial position

The Financial Statements cover the accounting period 1 August 2022 to 31 July 2023. The Charity's surplus for the period was £18,974 (August 2021 to July 2022: deficit of £54,199). Commercial income for the financial year increased by 12.8% compared to prior year and Government Funded income was 3.3% down on prior year. Total income for the year was 3.3% higher than the previous year.

Income from membership fees increased by 6.2% although there were some resignations related to the difficulties felt by some local organisations. Rental income from the sub-leasing of 9 Acorn Business Park totalled £42,100 for the period August 2022 to July 2023 (£41,021 2021-2022).

For the period August 2022 to July 2023 the spend on charitable activities increased by 1.5%. This increase is attributed to the higher-than-normal inflation experienced in the UK economy.

Results

The results for the period are shown in the Statement of Financial Activities on page 13 and the Balance Sheet on page 14.

Fixed Assets

A formal valuation of the head office premises at 1 Access Point, Northarbour Road, Portsmouth, was completed in July 2019 by Daniels Harrison chartered surveyors; the gain on revaluation and present value are reflected. It has not felt necessary to have a further revaluation at this time. Details of fixed assets are shown in note 10.

Principal Funding Sources

The principal funding sources of the Charity are the Education and Skills Funding Agency, and fee-paying clients.

Fund Raising

In compliance with the requirements of the Charities (Protection and Social Investment) Act 2016 and the Fundraising Regulator, it is confirmed that the Charity does not undertake fundraising and no professional fundraiser has been involved. The Charity acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Investment Policy

The Board of Trustees reviews and determines the strategy, policy and management of the investments held by the Charity. Currently investments are held as cash balances in four accounts – including the current account which links automatically to a special account whenever the organisation is more than £10,000 in credit. Whenever possible, balances are transferred to an instant access savings account in order to gain a higher rate of interest.

Reserves Policy

The Board of Trustees has considered the adequacy of reserves held by the Charity, in line with the Charity Commission guidance, and ensures that the level of reserves is sufficient to meet the Charity's responsibilities in the short term. Total reserves as at 31 July 2023 were £5,241,672 which is all unrestricted apart from £3,000 related to a grant received in 2019 towards the cost of installing solar panels. Of the total reserves, £3,783,959 is held within tangible assets, consisting mainly of premises from which the Charity is run. The remaining reserves provide adequate funds required for the furtherance of the Charity's objectives. The reserves policy of the Charity is designed to:

- Protect the Charity from the risk of insolvency or serious disruption to its charitable work by holding sufficient surplus funds to cover at least a six-month period

- Provide security against the peaks and troughs of income effected by business downturn or changes in Government policy
- Provide sufficient funds to invest in equipment and new technology for the benefit of adults and young people undertaking training
- Have sufficient funds should the Government Apprenticeship Levy form of funding be withdrawn

The Charity recognises the importance of maintaining sufficient reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. It is PETA's intention to increase the reserves by the generation of annual operating surpluses and to achieve a 10% surplus on turnover within five years to support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to ensure that Commercial business recovers from the effects of the pandemic and grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will strive to make the Organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

PLANS FOR FUTURE PERIODS

In the coming years, we envision a future where PETA excels in multiple facets, driven by a holistic and forward-thinking approach. As we head into the next financial year our focus will on the execution of our five-year strategy through the following key areas:

People Strategy - We are dedicated to optimising the entire employee life cycle. Our vision is to foster a culture that values personal and professional development, enabling every individual to reach their full potential within the organisation. We aim to create an environment where talent is nurtured, and diversity is celebrated, ensuring that our people strategy becomes a cornerstone of our success.

Curriculum Design Strategy - We are embracing technology to transform the way we develop skills for the future workforce. By harnessing cutting-edge educational technologies and methodologies, we will create adaptive and personalised learning experiences that equip our workforce, and the workforce of our member companies and partners, with the skills needed to thrive in an ever-evolving landscape.

Employer/Stakeholder Strategy - We understand that the future of business requires a collaborative approach that engages experts spanning all age ranges. Our commitment to developing future skills will extend beyond our organisation, impacting the broader business community. We will actively partner with experts and stakeholders to cultivate a deep understanding of future skills, ensuring our strategies have a meaningful and sustainable impact.

Product Strategy - Our courses will be thoughtfully designed in close collaboration with our member and partner businesses. We will seek to understand the unique challenges and opportunities faced by our member and partners, and our courses will be tailored to have a tangible, practical impact on their operations. Our vision is to offer a range of innovative solutions that not only meet current business needs but also anticipate future demands and provide progression options for our apprentices and delegates.

Internal Operational Excellence Strategy - In order to support all of the above strategies, we will continuously focus on streamlining our core business processes. Operational excellence is the foundation that empowers us to implement our people, curriculum, employer, and product strategies effectively. By enhancing efficiency and eliminating inefficiencies, we will drive the organisation towards greater agility and competitiveness.

As we look to the future, these strategies will guide us in our mission to be at the forefront of innovation, ensuring our workforce is equipped with the skills they need and our products have a meaningful impact on businesses, all while fostering a culture of continuous improvement and excellence. Together, we will navigate the dynamic landscape of the future with confidence and success.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks to PETA in the coming year highlighted as follows:

Government Policy / Regulatory Changes: Changes in government policies, regulations, and funding mechanisms for apprenticeship training could have a significant impact on funding or accreditation requirements that could negatively impact operations and revenue streams. No changes could also have an impact as funding levels have not increased since the introduction of apprenticeship standards in 2017, with rising costs placing significant pressure on these margins.

Technological Disruption: The rapid advancement of technology and e-learning has meant that we need to continue to review traditional training models. In the coming years we will likely need to invest in technology and adapt to changing educational methods to continue to be successful in the future.

Staffing and Skills: Attracting and retaining qualified instructors and support staff is crucial for the success of PETA. In order to mitigate these risks, we will continue to focus on recruitment and the professional development of existing staff.

Cybersecurity: With the increasing use of technology in education, PETA remains vulnerable to data breaches and cyberattacks. Protecting sensitive student and organisational data is a growing concern. We will continue to invest in cyber security to ensure that we remain as secure and accredited with Cyber Essentials Plus certification.

To manage these risks and uncertainties, PETA will conduct regular risk assessments, diversify our offerings, stay informed about regulatory changes, maintain financial resilience, and develop contingency plans to mitigate the potential impacts of these factors. Additionally, building strong relationships with local businesses, industries, and communities will help us adapt to changing demands and maintain stability.

GOING CONCERN

PETA was able to achieve a surplus for the year and has a strong balance sheet with a healthy cash balance as at 31 July 2023.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future.

For this the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CHARITIES CODE

The Organisation has adopted the Charities Governance Code (August 2017) and we are applying and working towards these criteria. The Trustees will address 1 or 2 of the 7 elements in more detail at each meeting.

STATEMENT OF TRUSTEES RESPONSIBILITIES

We are required under charity law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements we are required to:

- Select suitable accounting policies and apply them consistently
- Make reasonable and prudent judgments and estimates
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

We are also responsible for:

- Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006
- Safeguarding the Charity's assets
- Taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees at the time the report is approved is aware:

- There is no relevant audit information of which the auditors are unaware and
- That we have taken all the steps we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In approving the Trustees' Annual Report, the Trustees are also approving the contents of the Strategic Report.

AUDITOR

Morris Crocker Chartered Accountants have been appointed under section 487(2) of the Companies Act 2006.

By order of the Council

N. Kalfas **Dated:** 20 October 2023

Company Secretary

Independent Auditor's Report to the Members of PETA Limited

Period Ended 31 July 2023

Opinion

We have audited the financial statements of PETA Limited (the 'charitable company') for the year ended 31 July 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined 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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning income recognition and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 20 December 2023

Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2023

	Note	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022
		£	£	£	£	£	£
Income and endowments from:							
Charitable activities							
- Government income		2,288,910	-	2,288,910	2,367,923	-	2,367,923
- Commercial income		1,749,217	-	1,749,217	1,550,937	-	1,550,937
Investment and other income							
- Grant income		-	-	-	-	7,346	7,346
- Investment income		20,067	-	20,067	2,669	-	2,669
- Membership fees		78,341	-	78,341	73,745	-	73,745
- Rental income		42,100	-	42,100	41,021	-	41,021
Total		4,178,635	-	4,178,635	4,036,295	7,346	4,043,641
Expenditure on:							
Charitable activities	4	4,159,661	-	4,159,661	4,090,494	7,346	4,097,840
Total		4,159,661	-	4,159,661	4,090,494	7,346	4,097,840
Net income/(expenditure)		18,974	-	18,974	(54,199)	-	(54,199)
Transfers between funds		500	(500)	-	500	(500)	-
Other recognised gains /(losses):							
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-	-
Net movements in funds		19,474	(500)	18,974	(53,699)	(500)	(54,199)
Reconciliation of Funds:							
Total funds brought forward		5,219,198	3,500	5,222,698	5,272,897	4,000	5,276,897
Total funds carried forward		5,238,672	3,000	5,241,672	5,219,198	3,500	5,222,698

The Statement of Financial Activities includes all gains and losses in the period and as a result, a Statement of Total Recognised Gains and Losses has not been prepared. All incoming and outgoing resources above relate to continuing activities.

Balance Sheet as at 31 July 2023

	Note	2023	2022
		£	£
Fixed assets			
Tangible assets	10	3,784,319	3,770,190
Investments	11	500,101	500,001
		4,284,420	4,270,191
Current assets			
Stocks	12	13,339	13,339
Debtors	13	684,595	525,383
Cash at bank and in hand		1,118,508	1,318,672
		1,816,442	1,857,394
Current Liabilities			
Creditors: Amounts falling due within one year	14	(481,765)	(469,555)
Net current assets		1,334,677	1,387,839
Total assets less current liabilities		5,619,097	5,658,030
Creditors: Amounts falling due after more than one year	15	(296,625)	(354,532)
Provisions for Liabilities		(80,800)	(80,800)
Net Assets		5,241,672	5,222,698
The funds of the charity			
Restricted Funds	17	3,000	3,500
Unrestricted Funds	17	4,442,877	4,423,403
Revaluation reserve	17	795,795	795,795
Total Charity Funds		5,241,672	5,222,698

The financial statements on pages 13 to 27 were approved by the Council of Trustees on 20th October 2023 and signed on its behalf by:

E Seymour

Chairman

Cash Flow Statement for the period ended 31 July 2023

	Note	2023	2022
Cash flows from operating activities		£	£
Net cash provided by (used in) operating activities	19	25,132	140,919
Cash flows from investing activities			
Dividends, interest and rents from investments		62,167	43,690
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(213,348)	(68,356)
Purchase of shares in subsidiary		(100)	
Net cash provided by (used in) investing activities		(151,281)	(24,666)
Cash flows from financing activities			
Repayments of borrowing		(74,015)	(69,078)
Net cash provided by (used in) financing activities		(74,015)	(69,078)
Change in cash and cash equivalents in the reporting period		(200,164)	47,175
Cash and cash equivalents at 1 August 2022	20	1,318,672	1,271,497
Cash and cash equivalents at 31 July 2023	20	1,118,508	1,318,672

Notes on Financial Statements

STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

PETA Limited is a registered charitable Company limited by guarantee and domiciled in the United Kingdom. The address of its registered office and principal place of business are disclosed on page 1.

1. Accounting Policies

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 (SORP 2015 (FRS102)), and the Companies Act 2006.

The Charity meets the definitions of public benefit entity under FRS102.

Going Concern

During the pandemic costs were reduced wherever possible, capital spend was halted and Government guidelines carefully followed. The Centres are now operational with some former Government guidelines being followed to ensure safety of all delegates, visitors, and staff. Flexible working is now in place as an outcome of changes in working practice due to Covid. Cash remains stable at £1.1 million and this is measured and checked regularly to protect the Charity's cash.

We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives, and residual values are appropriate.

Income

Investment income is included in the period in which the Charity is entitled to receipt.

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

Membership fees are included in the period on an accruals basis, with fees in advance deferred to the period to which they relate.

Other income relates to the rental income from the leasing of 9 Acorn Business Park and is included in the period in which the Charity is entitled to receipt.

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £3,000 (£3,500: 2022).

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

The costs of charitable activities comprise those costs incurred in delivering the core services of the Charity.

Governance costs relate to the general running of the Charity as opposed to the direct management inherent in delivery services. The costs reflect the governance infrastructure and are primarily associated with constitutional and statutory requirements.

Support costs include central functions. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

Fixed Assets and Depreciation

All assets are originally recorded at cost. Items below £250 are not capitalised. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold buildings	- long lease	2%	-	cost
	- Access Point	over reducing years - written down value		
	2022/2023 35 years 2.9% (2021/2022 36 years 2.8%)			
	- short lease	evenly over the term of the lease		
Plant and machinery		20%	-	written down value
Motor vehicles		25%	-	written down value
Computer equipment		33%	-	cost (new equipment will be depreciated over their useful life of 4 years (25%)
Office furniture and equipment		20%	-	written down value
Leasehold improvements		10%	-	cost

Leasehold buildings have been revalued using the revaluation model.

Leases

Rentals paid under operating leases are charged to income as incurred.

Investment Property

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the Statement of Financial Activities, in accordance with the provisions of FRS102.

A formal valuation was completed in July 2019, the gain on revaluation is reflected. The Directors have reviewed the investment property value and have concluded that the value is appropriate.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pension costs

The Charity operates a defined contribution, salary sacrifice, pension scheme with one external pension provider. Contributions to the scheme have been charged against profits in the period in which they are incurred.

Fund Accounting

Apart from £3,000 remaining restricted from the grant received in 2019, relating to the installation of solar panels, all other funds of the Charity are deemed to be unrestricted funds as defined under SORP.

Management of Liquid Resources

Bank balances are checked on a daily basis to ensure there are sufficient funds to meet the Charity's obligations.

Financial Instruments

The Charity only has financial assets and 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, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Debtors and Cash at Bank

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.

Cash at bank and in hand included cash held on deposit or in a current account.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

2. Turnover

	2023	2022
	£	£
Turnover arises from:		
Rendering of Services	4,158,568	4,040,972
Interest received	20,067	2,669
	4,178,635	**4,043,641**

The whole of the turnover is attributable to the UK market.

3. Operating Surplus

	2023	2022
	£	£
Operating Surplus is stated after charging:		
Staff costs (note 7)	2,561,739	2,428,920
Deficit on disposal of fixed assets	-	6,283
Depreciation - Owned assets	198,394	207,957
Depreciation - Leasehold property	825	825
Trustee's Emoluments (included in Staff costs) of which:	-	-
Trustee's Pension Contributions	-	-
Auditors Remuneration - as auditors	7,500	7,280
- accountancy services	-	-

4. Expenditure on Charitable Activities

		Direct Staff Costs	Other Direct Costs	Support Costs (note 5)	Total 2023	Total 2022
		£	£	£	£	£
Government services		1,538,272	583,498	297,180	2,418,950	1,700,830
Commercial services		1,046,628	470,022	224,061	1,740,711	2,397,010
	Total 2023	2,584,900	1,053,520	521,241	4,159,661	
	Total 2022	2,044,237	1,440,498	613,105		4,097,840

5. Support Costs

		Charity Standards & Systems	Management Services	Governance (note 6)	Total 2023	Total 2022
		£	£	£	£	£
Government services		26,755	237,283	33,142	297,180	194,868
Commercial services		20,172	170,749	33,141	224,062	418,237
	Total 2023	46,927	408,032	66,283	521,242	
	Total 2022	143,856	418,305	50,944		613,105

6. Governance

	2023	2022
	£	£
Staff Costs	48,049	33,227
Audit Fees	7,500	7,280
Trustee Expenses and Insurance	1,899	1,899
Other Costs	8,835	8,538
Total	66,283	50,944

No trustees were reimbursed for expenses during this or the previous period.

7. Trustees and Employees

	2023	2022
	£	£
Staff costs including Trustees emoluments		
Wages and salaries	2,088,100	1,983,889
Social Security costs	204,513	201,275
Pension costs	269,126	243,756
	2,561,739	2,428,920

There were no trustees' remuneration or other benefits for the year ended 31 July 2023 nor for the year ended 31 July 2022.

Average monthly number employed including executive trustees:

	2023 Number	2022 Number
Management	11	12
Administration	27	18
Field	14	23
Trainers	18	14
	70	67

The Charity operates a defined contribution, salary sacrifice, scheme for the benefit of participating members of staff. The pension costs above have been charged through the Statement of Financial Activities. All costs relate to unrestricted activities. There were unpaid contributions at the end of the year of £21,715 (2022: £21,935).

During the period, remuneration and benefits received by Key management personnel totalled £331,950 (2022: £296,646).

The average number of employees whose annualised gross pay and benefits, excluding employer pension contributions, fell between the following bands:

	2023 Number	2022 Number
£60,000 - £70,000	1	-
£100,001 - £200,000	-	1

8. Interest

	2023	2022
	£	£
Interest Receivable	(20,067)	(2,669)
Interest Payable	16,108	12,578
	3,959	9,909

9. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible Fixed Assets

	Plant & Machinery	Computers	Office Equipment	Leasehold Premises	Leasehold Improve -ments	Total
Total	£	£	£	£	£	£
Cost						
Balance at 1 August 2022	480,405	793,850	272,992	3,978,237	376,447	5,901,931
Additions	77,949	85,814	605	-	48,980	213,348
(Disposals)	-	-	-	-	-	-
Balance at 31 July 2023	558,354	879,664	273,597	3,978,237	425,427	6,115,279
Depreciation						
Balance at 1 August 2022	371,042	733,848	240,374	669,378	117,099	2,131,741
Provided during the period	33,265	50,555	8,720	67,141	39,538	199,219
(Disposals)	-	-	-	-	-	-
Balance at 31 July 2023	404,307	784,403	249,094	736,519	156,637	2,330,960
Net Book Value at 31 July 2023	154,047	95,261	24,503	3,241,718	268,790	3,784,319
Net Book Value at 31 July 2022	109,363	60,002	32,618	3,308,859	259,348	3,770,190

The long leasehold property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, at £3,500,000 creating a revaluation gain of £695,795. Had the assets continued to be valued using the cost model it would have resulted in a net book value of £2,558,849 (2022: £2,642,688)

Included within the above leasehold premises figure is a short leasehold property with a net book value of £6,981 (2022: £7,806) and long leasehold property with a net book value of £3,234,737 (2022: £3,301,053 after revaluation). There are currently no assets acquired under finance/HP agreements. There are no material capital commitments.

NatWest Bank plc hold a legal charge created on 19 November 1996 over the property at 9 Acorn Business Park, Portsmouth and also a legal charge created on 3 March 2008 over the property at 1 Access Point, Northarbour Road, Portsmouth.

Included in leasehold premises is the land at 1 Access Point, Northarbour Road, Portsmouth of £980,000 which is not being depreciated.

11. Investments

	2023			
	Investment Property	**Unlisted Shares**	**Total**	**2022**
	£	£	£	£
Cost/Valuation				
Carrying Value at 1 August 2022	500,000	1	500,001	500,001
Additions / revaluation	-	100	100	-
Balance at 31 July 2023	500,000	101	500,101	500,001

A formal valuation was carried out by Daniels Harrison Chartered Surveyors as at 31 July 2019, and the revaluation gain was reflected.

The historical cost of the property is £441,318 (2022: £441,318) and accumulated depreciation to date totals £289,317 (2022: £289,317).

The unlisted shares relate to shares in the Acorn Business Park (Cosham) Management Charity Limited. The additions for the year relate to the formation of PETA Business Solutions Limited, a wholly owned trading subsidiary. The trustees consider the market value of the share to be the same as the cost figure.

12. Stocks

	2023	**2022**
	£	£
General Stocks	13,339	13,339

The amount of stock recognised as an expense during the period was £0 (2022: £260)

13. Debtors

	2023	2022
	£	£
Amounts falling due within one year		
Trade Debtors	531,780	398,529
Prepayments	152,815	126,854
	684,595	525,383

14. Creditors: Amounts falling due within one year

	2023	2022
	£	£
Trade Creditors	44,893	79,594
Mortgage	56,500	56,500
Accruals	74,029	51,408
Deferred Income	136,340	133,332
Government Agency	19,141	11,617
Other Taxation and Social Security	150,862	137,104
	481,765	469,555

Deferred income relates to membership fees, commercial income and apprenticeship employers' contributions, invoiced in advance.

15. Creditors: Amounts falling due after one year

	2023	2022
	£	£
Mortgage	296,625	353,125
Deferred Income	-	1,407
	296,625	354,532

Included within creditors falling due after one year are amounts, relating to the mortgage, of £70,625 (2022: £127,125) which fall due after more than five years by instalments. The mortgage relates to the property at 1 Access Point and has a loan to value percentage of 8.5% (2022: 11.7%). The mortgage is secured over the property.

The above mortgage is repayable over 20 years at an interest rate fixed at 2.45% above LIBOR. LIBOR was replaced with the new SONIA calculation from December 2021.

Provisions

2023	2022
£	£
80,800	80,800

Provisions relate to the estimated amount which may be required for dilapidations relating to the short leasehold property held by the Charity in Havant and which, if not renewed, expires in 2031. The Directors believe that this is sufficient at this time. The opening balance of £80,800 remained unchanged during the year.

16. Obligations under Leases

At 31 July 2023 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Land & Buildings	
	2023	2022
	£	£
Not later than one year	51,297	51,297
Later than one year and not later than five years	205,188	205,188
Later than five years	175,766	227,063

	Other	
	2023	2022
	£	£
Not later than one year	16,123	15,152
Later than one year and not later than five years	17,583	21,533
Later than five years	-	-

The amount of operating leases recognised as an expense during the period was £43,028 (2022: £85,068).

The charity also acts as a lessor and as at 31 July 2023 the charity had future minimum lease payment under non-cancellable operating leases as follows:

	Land & Buildings	
	2023	2022
	£	£
Not later than one year	42,100	42,100
Later than one year and not later than five years	73,675	115,775
Later than five years	-	-

17. Summary of Fund Movements

	2023					
	Fund balances brought forward	Income	Expend-iture	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds	4,423,403	4,178,634	(4,159,661)	500	-	4,442,876
Unrestricted funds-Property revaluation reserve	795,795	-	-	-	-	795,795
Restricted funds	3,500	-	-	(500)	-	3,000
Closing funds	5,222,698	4,178,634	(4,159,661)	-	-	5,241,671

The property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £3,500,000 creating a revaluation gain of £695,795.

The investment property was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £500,000 creating a revaluation gain of £100,000.

18. Analysis of Net Assets between funds

	2023				2022
	Fixed Assets	Net Current Assets	Long Term Liabilities	Total	Total
	£		£	£	£
Unrestricted Funds	4,272,928	1,343,168	(377,425)	5,238,671	5,219,198
Restricted Funds	3,000	-	-	3,000	3,500
Closing funds	4,275,928	1,343,168	(377,425)	5,241,671	5,222,698

19. Reconciliation of changes in resources to net cash flow from operating activities

	2023	2022
	£	£
Changes in resources	18,974	(54,199)
Rent receivable	(42,100)	(41,021)
Interest receivable	(20,067)	(2,669)
Interest paid	16,108	12,578
Depreciation	199,219	209,782
Deficit on disposal of tangible fixed assets	-	6,283
(Increase)/decrease in debtors	(159,212)	28,917
Increase/(decrease) in creditors	12,210	(19,012)
(Increase)/decrease in stocks	-	260
Net cash (outflow)/inflow from operating activities	25,132	(140,919)

20. Analysis of changes in net cash funds

	2023		
	31 July 2023	Cashflow	1 August 2022
	£	£	£
Cash at bank and in hand	1,118,508	(200,164)	1,318,672

21. Analysis of changes in net debt

	2023			
	1 August 2022	Cashflows	Other non-cash changes	31 July 2023
	£	£	£	£
Cash and cash equivalents				
Cash	1,318,672	(200,164)	-	1,118,508
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	1,318,672	(200,164)	-	1,118,508
Borrowings				
Debt due within one year	(56,500)	56,500	(56,500)	(56,500)
Debt due after one year	(353,125)	-	56,500	(296,625)
	(409,625)	56,500	-	(353,125)
Total	909,047	(143,664)	-	765,383

22. Related Parties

The Charity provides courses and training support in the general course of business, under normal trading terms to the following companies which were represented on the board of trustees. Details of these transactions and the balances outstanding at the balance sheet date are detailed below:

	Expenditure (Excl VAT)) 2023	Turnover (Excl VAT) 2023	Balance Outstanding (Incl VAT) as at 31 July 2023	Balance Outstanding (Incl VAT) as at 31 July 2022
		£	£	£
Mimtec Ltd		540	-	-
Pall Manufacturing UK Ltd		37,912	-	1,370
Portsmouth Aviation Ltd		20,725	1,221	886
Hamble Aerostructures Ltd		37,600	21,917	-
Geest Line Ltd		3,018	690	-
Safran Helicopter Engines UK Ltd		17,720	4,379	1,984
GTA England Limited	8,886	-	-	-

23. Charity Status

The Charity is limited by guarantee of each member who undertakes to contribute a sum not exceeding £100 to the assets of the Charity in the event of the Charity being wound up while he is a member or within one year after he ceases to be a member for payment of debts and liabilities of the Charity contracted before he ceases to be a member.

24. Capital Commitments

As at 31 July 2023 the charitable company had no capital commitments outstanding. (2022: £80,340)

PETA LIMITED

England & Wales - Charity number 296065

Accounts

Company Registration Number: 1653178
Charity Registration Number: 296065

PETA Limited

A registered charitable Company limited by guarantee and not having a share capital

Incorporated 22nd July 1982

FINANCIAL STATEMENTS

For the period ended

31st July 2022

PETA®
ASPIRE TO LEARN › APPLY TO ADVANCE

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY 2022

Contents

	Page
Trustees Annual Report	1
Independent Auditor's Report to the Members of PETA Limited	10
Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2022	13
Balance Sheet as at 31 July 2022	14
Cash Flow Statement for the period ended 31 July 2022	15
Notes on Financial Statements	16

Trustees Annual Report

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	PETA Limited
Charity Registration Number:	296065
Company Registration Number:	1653178
Date of Incorporation:	22nd July 1982
Registered Office and principal place of business:	1 Access Point Northarbour Road Portsmouth Hampshire PO6 3TE

Trustees

The members of the Council who served the organisation and who are for the purposes of the Companies Act treated as the directors of the organisation were as follows:

E Seymour (Chair)	- Hamble Aerostructures Ltd
C Roberts (Vice Chair)	- Geest Line Ltd
M Waring	- Mimtec Limited
S Escott	- Portsmouth Aviation Ltd
N Iacobucci	- DKW Engineering (resigned 22 July 2022)
M Parker	- Pall (UK) Ltd
S Patrick	- University of Southampton (resigned 30 September 2022)
M Hawkes	- Safran Helicopter Engines UK Ltd (appointed 16 April 2022)

Senior Management Team

Director (CEO):	Huw Chapman
Company Accountant and Company Secretary:	Susan Sinclair (resigned 31 August 2022 Nicholas Kalfas (appointed 31 August 2022)
Director of Operations:	Dawn Halfacre
Head of Sales:	James Garrett

Auditors

Morris Crocker Chartered Accountants, Station House, North Street, Havant, PO9 1QU

Bankers

National Westminster Bank Plc, 130 Commercial Road, Portsmouth, Hampshire, PO1 1ES

Solicitors

Large and Gibson, Kent Road, Southsea, Hampshire, PO5 3EJ

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 July 2022. The Trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities

preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activity

The principal activity of the Charity continues to be to promote and advance the education and adequate training for the public benefit of persons employed or intending to be employed in industry and commerce. The organisation is registered with the Charity Commission.

Governing Instrument

The organisation is governed by, and restricted in operation by, the terms of its Memorandum and Articles of Association, which were revised and updated at a General Meeting of Members held on 29 April 2022.

Summary of Key Objectives

The Charity operates with two primary funding streams, one covering a broad spectrum of commercial training and the other Government funded apprenticeship program. PETA's objective is to help develop customers' employees so that they enhance their skills and consequently their organisation's business performance. All training programs are designed to ensure the candidates achieve "work readiness" as well as a good education. This approach links directly into the organisation's tag line of "Inspire to Learn, Apply to Advance".

The Charity's aim is to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

Our goal is to be widely recognised as the independent training provider that best understands, serves, and satisfies the training and skills needs of employers and their learners in the Solent Region and surrounding counties. We strive to ensure our customers view training as an investment that helps enhance their company performance.

Recruitment and Appointment to the Board (Council)

The election of new Trustees is undertaken at the Annual General Meeting of members in accordance with the Charity's Memorandum and Articles of Association. Where mid-term vacancies occur, the Charity extends invitations to Senior Managers and Directors of member companies who possess the appropriate skills required by Council. The same mid-term appointments are then required to stand for election at the next Annual General Meeting. The Charity aims to ensure that the Council is diversified and consists of Trustees with differing backgrounds and wide-ranging experience of business.

Staff Remuneration and Pay

PETA is part of GTA England who had a salary benchmark survey of all members conducted by Alderwood which was circulated in April 2018. In addition, salary data for college salaries was also reviewed and a blend between these two sets of data has helped set PETA's teaching staff pay levels. On top of this other roles are benchmarked against other local organisations with the objective that salary levels are similar to local mean values.

Related Parties

In accordance with the Memorandum and Articles of Association, the Council contains representatives from member organisations and such organisations are offered training, assessment, and guidance in the general course of business, under normal commercial terms. The Charity, having no share capital, is run by the Council of Trustees and no individual can exercise control of the organisation.

Induction and Training of Trustees

Once identified, potential trustees are invited to become involved with the Charity and learn more about the contribution required of them. The candidate is made fully aware of the formal responsibilities of the position and a Trustees' Handbook is provided detailing the responsibilities, codes of conduct and accountability. The Board has a diverse membership and consists of Trustees with experience covering many fields including Finance, Business Operations, ICT and Human Resources. Support is received from other Board Members and external professionals when required.

Organisational Structure

The day-to-day management of the Charity is under the control of the Chief Executive Officer, Huw Chapman, who acts in accordance with the instruction of the elected Council (Board of Directors/Trustees).

Within the organisation there are a number of departments which support customers with dedicated training programs that can be paid for directly or be remunerated through apprenticeship funding schemes. PETA was established as a business-to-business training organisation. This has resulted in the training programs being linked to commercial and compliance activities such as Health and Safety, Engineering, ICT, as well as Management skills. All these activities are supported by a strong team of shared service activities with robust business processes and a culture of continuous improvement.

Risk Management

The Organisation maintains and regularly updates a comprehensive Risk Register. Any major risks to which the organisation is exposed have been reviewed and appropriate arrangements established to mitigate these risks. Comprehensive procedures and systems exist to ensure critical IT business data is backed-up and stored to facilitate reinstatement. These procedures together with the Risk Register are subject to regular auditing as part of our ISO 9001, ISO 45001 and ISO 14001 approvals and by the Provider Financial Assurance team operating on behalf of the Education and Skills Funding Agency (EFSA).

During 2020 the outbreak of the Coronavirus, Covid 19, necessitated the closure of both PETA centres. Up to 50% of staff were furloughed during the pandemic and up to a further 47% were enabled to effectively work from home. Staff are no longer on furlough but not all staff have returned to the office full time and continue to work some hours from home.

As restrictions eased a full risk assessment was undertaken at both PETA Centres; deep cleaning was carried out by specialists; signage, more sanitisers and PPE equipment were purchased, and this continues to be monitored. Centres have re-opened with visitors, delegates and staff following the Government guidelines.

Environmental Policy

The Charity is committed to the principles of environmental management and sustainability and is ISO 14001:15 certified. Our aim is to minimise the impact our activities have on the environment and ensure all staff and learners are fully aware of their roles and responsibilities with respect to environmental sustainability. As part of PETA's commitment to the environment solar panels were installed at the Cosham site which has reduced electricity costs and consequently CO_2 emissions.

We are as an organisation committed to the following:

- The prevention of pollution
- Compliance with environmental legislation relative to our activities
- The achievement of environmental objectives as outlined within the Annual Business Plan
- Identifying cost-effective continual improvement within our processes and activities that will contribute towards the environment and sustainability

OBJECTIVES AND ACTIVITIES

Aims of the Charity

In particular, we aim to:

1. Provide a responsive, flexible, and coherent range of high-quality customer-focused services
2. Deploy appropriate business strategies to influence growth and market penetration and create new business opportunities through building partnerships with customers, key suppliers, colleges, and other training providers
3. Define, implement, and manage procedures and robust measurement processes to ensure we deliver the outstanding quality standards to which we aspire
4. Provide equal access to all learners allowing maximum opportunity for everyone to achieve their full potential
5. Apply stringent and robust practice to managing our financial wellbeing to ensure we can invest in developing our business and facilities to the benefit of learners, employers, stakeholders, and staff
6. Respond to the Government's vocational and educational strategies and grow the Organisation's learner volumes and qualification success rates commensurate with the needs and requirements of employers and the local economy
7. Maintain our identity as a professional and caring organisation combining our commitment to learner wellbeing and safeguarding with our social responsibility for sustainability
8. Maintain a stable work environment for our employees in which their contribution is valued, creativity and innovation skills are encouraged, equality and diversity is respected, and equal opportunity exists for learning and personal development

Main objectives and strategies for the period under review

The main focus of the Charity was placed on strategies for:

- Developing and expanding its services to member companies
- Meeting the needs of its customers
- Responding to the Government's Apprenticeship reform agenda
- Maintaining the financial well-being of the Charity

To this end, we aimed to implement plans to:

- Achieve a successful transition to the apprenticeship reforms and continue to grow the number of employed learners undertaking a PETA apprenticeship
- Move towards a more balanced income between Government Funded and Commercial income building up the Commercial side of the organisation
- Improve the longer-term surplus of the Charity to achieve a sustainable surplus on turnover above 10%, to enable increased capital investment in new technologies, modern equipment and improved teaching and training facilities to the benefit of all stakeholders, particularly customers and staff.

Public Benefit

The Organisation has reviewed the main activities undertaken by the Charity to ensure its charitable purposes are for the public benefit and our objectives are fundamental to this aim.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

2021/2022 proved to be another challenging year with the continued presence of the Covid 19 virus. Staff were no longer on furlough but absences due to a large percentage of staff testing positive had an impact on delivery. The high cases of Covid 19 in the community also resulted in delegate cancellation and consequently reduced commercial income. The virus also contributed to the delay in some apprentices completing their programmes on time. To manage the situation, we have continued with hybrid working with most staff having a blended approach between working in the office and working remotely.

As the financial year progressed, we were able to return to face-to-face training for apprentices including learner progress reviews. However, where it was necessary some on-line resources were utilised to help apprentices stay on track. Commercial income grew by 23.9% and in many areas has almost returned to pre-Covid levels. Compliance areas, like Health and Safety, were the strongest areas to recover and it is expected next financial year will see all areas return to full strength based on the performance of the second half of 2021/2022.

Interest in organisations employing apprentices has been good but declining candidate numbers has impacted on our Government funded income levels. Traditional areas like Engineering have remained strong and to address this shortfall in other areas we have further enhanced our school engagement activities. The apprenticeship solution of "earn as you learn" is a positive one and as we enhance knowledge around this area, we see the potential for the levels of engagement to improve. Despite the challenges this income stream grew by 4.3% which is positive as Government funding levels for apprenticeship programmes have not changed.

The overall growth was positive and staff returned to full pay in 2021/2022 which impacted on increased costs. With income growth of 10.7% and costs growing by 8.6% the organisation's losses reduced to 1.3% of turnover. The pre EBITDA profit levels improved by 52.7% to £165.5K and it was depreciation levels that took the overall result into a loss.

As an organisation PETA has continued with its investment programmes and ordered new lathes which will be delivered next financial year. The commitment to future investments has been managed well and cash reserves have increased from £1,271K and finished at £1,319K at the end of the year.

Compliance continues to be key and a focus on improving apprentice completion rates to exceed Government minimum standards has seen positive results. This will be further enhanced with the introduction of a new apprenticeship system called BUD.

Overall, the organisation took positive steps forward as the business recovered from the impact of Covid 19 and is well placed for future growth, development and success.

Membership

PETA has one of the largest memberships of employers amongst the Group Training Associations with 241 employers as at 31 July 2022. Unfortunately, there were some resignations during 2021/2022 linked to the effects of the Corona Virus on local businesses.

To aid the retention and growth in membership the member benefits will continue to be reviewed during the year and the effectiveness of Account Management continue to be audited to ascertain whether there are internal influences which could reduce the number of resignations.

FINANCIAL REVIEW

Review of financial position

The Financial Statements cover the accounting period 1 August 2021 to 31 July 2022. The Charity's deficit for the period was £54,199 (August 2020 to July 2021: deficit of £119,160). The Charity received a grant of £7,346 (2020-2021 £17,246) for furloughed and kick-start staff during the period. Commercial income was almost halted during the lock-down periods although some courses were possible on-line, but we were able to gradually resume face-to-face sessions where possible, always following the Government guidance. Commercial income for the financial year increased by 23.9% compared to prior year and Government Funded was 4.3% above prior year. Total income was 10.7% higher than the previous year.

Income from membership fees increased by 3.5% although there were some resignations related to the difficulties felt by some local organisations. Rental income from the sub-leasing of 9 Acorn Business Park totalled £41,021 for the period August 2021 to July 2022 (£41,896 2020-2021).

For the period August 2021 to July 2022 the spend on charitable activities increased by 8.6%. Extra expenditure was necessary to complete the Covid 19 Government guidelines whilst tight costs control helped keep it in check.

Results

The results for the period are shown in the Statement of Financial Activities on page 13 and the Balance Sheet on page 14.

Fixed Assets

A formal valuation of the head office premises at 1 Access Point, Northarbour Road, Portsmouth, was completed in July 2019 by Daniels Harrison chartered surveyors; the gain on revaluation and present value are reflected. It has not felt necessary to have a further revaluation at this time. Details of fixed assets are shown in note 10.

Principal Funding Sources

The principal funding sources of the Charity are the Education and Skills Funding Agency, and fee-paying clients.

Fund Raising

In compliance with the requirements of the Charities (Protection and Social Investment) Act 2016 and the Fundraising Regulator, it is confirmed that the Charity does not undertake fundraising and no professional fundraiser has been involved. The Charity acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Investment Policy

The Board of Trustees reviews and determines the strategy, policy and management of the investments held by the Charity. Currently investments are held as cash balances in four accounts – including the current account which links automatically to a special account whenever the organisation is more than £10,000 in credit. Whenever possible, balances are transferred to an instant access savings account in order to gain a higher rate of interest.

Reserves Policy

The Board of Trustees has considered the adequacy of reserves held by the Charity, in line with the Charity Commission guidance, and ensures that the level of reserves is sufficient to meet the Charity's responsibilities in the short term. Total reserves as at 31 July 2022 were £5,222,698 which is all unrestricted apart from £3,500 related to a grant received in 2019 towards the cost of installing solar panels. Of the total reserves, £3,770,190 is held within tangible assets, consisting mainly of premises from which the Charity is run. The remaining reserves provide adequate funds required for the furtherance of the Charity's objectives. The reserves policy of the Charity is designed to:

- Protect the Charity from the risk of insolvency or serious disruption to its charitable work by holding sufficient surplus funds to cover at least a six-month period
- Provide security against the peaks and troughs of income effected by business downturn or changes in Government policy
- Provide sufficient funds to invest in equipment and new technology for the benefit of adults and young people undertaking training
- Have sufficient funds should the Government Apprenticeship Levy form of funding be withdrawn

The Charity recognises the importance of maintaining sufficient reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. It is PETA's intention to increase the reserves by the generation of annual operating surpluses and to achieve a 10% surplus on turnover within five years to support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to ensure that Commercial business recovers from the effects of the pandemic and grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will strive to make the Organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

PLANS FOR FUTURE PERIODS

The focus going into 2021/2022 is very much on recovering from the effects of the pandemic and achieving growth in our income. We are fully focused on maximising the opportunities presented to us through the Apprenticeship reforms, aiming to increase our offering in Apprenticeships and delivering the new Apprenticeship Standards wherever possible.

Our Managed Service Solution will also continue to be developed and grown. On the Commercial side we aim to continue to grow with a view to balancing the income evenly between the income streams. We will initially focus on the safety of staff, visitors, and Apprentices; protecting the cash reserves of the Charity; control costs; address the shortfall in Commercial income caused by the effects of the pandemic; and return to surplus as soon as possible. We continue to be focused on improving the longer-term surplus of PETA, to achieve a greater than 10% surplus on turnover within five years, and this will support our planned re-investment in the Charity which will enable consistent growth over the coming years.

Our strategic priorities are:

- Balance the budget to ensure Commercial business recovers and grows faster than Government Funded Training
- Secure the budgeted sales across all revenue streams
- Return the Charity to a year-end surplus to enable further re-investment
- Finalise the plans for further investment in the Engineering centre
- Continue to protect our cash balances for further investments in PETA

Longer Term Plans

The Charity has a strong balance sheet and despite the pandemic maintained a healthy cash flow, its net surplus margins have averaged 5% in the past few years, but this year saw a further decrease because of the pandemic. Despite the challenges of the pandemic, the Charity has performed well in protecting its net margins and this has been achieved by reducing its operating costs and slowing investment.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the Charity in the coming year is inflation. With apprenticeship funding levels either remaining the same or reducing since the introduction of apprenticeship standards in 2017 this is having a detrimental impact on the organisation. Government policy continues to be a key driver in shaping the organisation and influencing our priorities. If the Charity is to retain its position as one of the market leaders for training in the Solent and surrounding areas, we will need to balance our business with commercial income and Government funded income being equal.

Local skills shortages linked to Brexit and those over 50 leaving the workplace is likely to have a significant impact on all areas of the education sector, particularly if volatility in the economic climate continues. This combined with further Government bureaucracy is negatively influencing some smaller organisations around taking on apprentices. The introduction of pre-apprenticeship reviews of prior knowledge, skills, and behaviour prior to starting a programme is further reducing funding. Whilst there is no defined standard for this the organisation is at risk of audit and a difference in interpretation of the rules could result in a clawback payment.

The demographics of the UK over the next few years provides for a challenging environment for post 16 education providers, with a potential under supply of new entrants competing for a greater number of vacancies. As such, the already highly competitive market for good quality learners could well intensify as training providers and employers seek to ensure they fill the places they have available.

In the last two years, Government policy on employment and skills has seen little change. The main focus has been on T levels which could result in funding levels reducing when those who hold these qualifications transition onto apprenticeship programmes. The continuing emphasis from the ESFA to achieve more for less, work smarter and move to a 'demand-led' system where employers and individuals have a greater ownership of the skills and employment agenda, will bring with it many challenges to the Charity.

To mitigate risks, we continue to be focused on improving the longer-term surplus of PETA, to recover from the effects of the pandemic in 2021-2022, to achieve a greater than 10% surplus on turnover within five years, and this will support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

GOING CONCERN

During the pandemic costs were reduced wherever possible, capital spend was halted and Government guidelines carefully followed. The Centres are now operational with some former Government guidelines being followed to ensure safety of all delegates, visitors, and staff. Flexible working is now in place as an outcome of changes in working practice due to Covid. Cash remains stable at £1.3 million, and this is measured and checked regularly to protect the Charity's cash.

We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future.

For this the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CHARITIES CODE

The Organisation has adopted the Charities Governance Code (August 2017) and we are applying and working towards these criteria. The Trustees will address 1 or 2 of the 7 elements in more detail at each meeting.

STATEMENT OF TRUSTEES RESPONSIBILITIES

We are required under charity law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements we are required to:

- Select suitable accounting policies and apply them consistently
- Make reasonable and prudent judgments and estimates
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

We are also responsible for:

- Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006
- Safeguarding the Charity's assets
- Taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees at the time the report is approved is aware:

- There is no relevant audit information of which the auditors are unaware and
- That we have taken all the steps we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In approving the Trustees' Annual Report, the Trustees are also approving the contents of the Strategic Report.

AUDITOR

Morris Crocker Chartered Accountants have been appointed under section 487(2) of the Companies Act 2006.

By order of the Council

N. Kalfas
Company Secretary

Dated: 21.10.2022

Independent Auditor's Report to the Members of PETA Limited

Period Ended 31 July 2022

Opinion

We have audited the financial statements of PETA Limited (the 'charitable company') for the year ended 31 July 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined 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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning income recognition and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not-for-profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 3 November 2022

Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2022

	Note	Unrestricted Funds 2022	Restricted Funds 2022	Total Funds 2022	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021
		£	£	£	£	£	£
Income and endowments from:							
Charitable activities							
- Government income		2,367,923	-	2,367,923	2,269,662	-	2,269,662
- Commercial income		1,550,937	-	1,550,937	1,251,524	-	1,251,524
Investment and other income							
- Grant income		-	7,346	7,346	-	17,246	17,246
- Investment income		2,669	-	2,669	2,828	-	2,828
- Membership fees		73,745	-	73,745	71,258	-	71,258
- Rental income		41,021	-	41,021	41,896	-	41,896
Total		4,036,295	7,346	4,043,641	3,637,168	17,246	3,654,414
Expenditure on:							
Charitable activities	4	4,090,494	7,346	4,097,840	3,756,328	17,246	3,773,574
Total		4,090,494	7,346	4,097,840	3,756,328	17,246	3,773,574
Net income/(expenditure)		(54,199)	-	(54,199)	(119,160)	-	(119,160)
Transfers between funds		500	(500)	-	500	(500)	-
Other recognised gains /(losses): Gains/(losses) on revaluation of fixed assets		-	-	-	-	-	-
Net movements in funds		(53,699)	(500)	(54,199)	(118,660)	(500)	(119,160)
Reconciliation of Funds:							
Total funds brought forward		5,272,897	4,000	5,276,897	5,391,557	4,500	5,396,057
Total funds carried forward		5,219,198	3,500	5,222,698	5,272,897	4,000	5,276,897

The Statement of Financial Activities includes all gains and losses in the period and as a result, a Statement of Total Recognised Gains and Losses has not been prepared. All incoming and outgoing resources above relate to continuing activities.

Balance Sheet as at 31 July 2022

	Note	2022	2021
		£	£
Fixed assets			
Tangible assets	10	3,770,190	3,917,899
Investments	11	500,001	500,001
		4,270,191	4,417,900
Current assets			
Stocks	12	13,339	13,599
Debtors	13	525,383	554,300
Cash at bank and in hand		1,318,672	1,271,497
		1,857,394	1,839,396
Current Liabilities			
Creditors: Amounts falling due within one year	14	(469,555)	(489,974)
Net current assets		1,387,839	1,349,422
Total assets less current liabilities		5,658,030	5,767,322
Creditors: Amounts falling due after more than one year	15	(354,532)	(409,625)
Provisions for Liabilities		(80,800)	(80,800)
Net Assets		5,222,698	5,276,897
The funds of the charity			
Restricted Funds	17	3,500	4,000
Unrestricted Funds	17	4,423,403	4,477,102
Revaluation reserve	17	795,795	795,795
Total Charity Funds		5,222,698	5,276,897

The financial statements on pages 13 to 27 were approved by the Council of Trustees on 21st October 2022 and signed on its behalf by:

E Seymour

Chairman

Cash Flow Statement for the period ended 31 July 2022

	Note	2022	2021
Cash flows from operating activities		£	£
Net cash provided by (used in) operating activities	19	140,919	(110,271)
Cash flows from investing activities			
Dividends, interest and rents from investments		43,690	44,724
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(68,356)	(121,762)
Net cash provided by (used in) investing activities		(24,666)	(77,038)
Cash flows from financing activities			
Repayments of borrowing		(69,078)	(54,437)
Net cash provided by (used in) financing activities		(69,078)	(54,437)
Change in cash and cash equivalents in the reporting period		47,175	(241,746)
Cash and cash equivalents at 1 August 2021	20	1,271,497	1,513,243
Cash and cash equivalents at 31 July 2022	20	1,318,672	1,271,497

Notes on Financial Statements

STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

PETA Limited is a registered charitable Company limited by guarantee and domiciled in the United Kingdom. The address of its registered office and principal place of business are disclosed on page 1.

1. Accounting Policies

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 (SORP 2015 (FRS102)), and the Companies Act 2006.

The Charity meets the definitions of public benefit entity under FRS102.

Going Concern

During the pandemic costs were reduced wherever possible, capital spend was halted and Government guidelines carefully followed. The Centres are now operational with some former Government guidelines being followed to ensure safety of all delegates, visitors, and staff. Flexible working is now in place as an outcome of changes in working practice due to Covid. Cash remains stable at £1.3 million and this is measured and checked regularly to protect the Charity's cash.

We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives, and residual values are appropriate.

Income

Investment income is included in the period in which the Charity is entitled to receipt.

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

Membership fees are included in the period on an accruals basis, with fees in advance deferred to the period to which they relate.

Other income relates to the rental income from the leasing of 9 Acorn Business Park and is included in the period in which the Charity is entitled to receipt.

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £3,500 (£4,000: 2021).

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

The costs of charitable activities comprise those costs incurred in delivering the core services of the Charity.

Governance costs relate to the general running of the Charity as opposed to the direct management inherent in delivery services. The costs reflect the governance infrastructure and are primarily associated with constitutional and statutory requirements.

Support costs include central functions. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

Fixed Assets and Depreciation

All assets are originally recorded at cost. Items below £250 are not capitalised. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold buildings	- long lease	2%	-	cost
	- Access Point	over reducing years - written down value		
	2021/2022 36 years 2.8% (2020/2021 37 years 2.7%)			
	- short lease	evenly over the term of the lease		
Plant and machinery		20%	-	written down value
Motor vehicles		25%	-	written down value
Computer equipment		33%	-	cost (new equipment will be depreciated over their useful life of 4 years (25%)
Office furniture and equipment		20%	-	written down value
Leasehold improvements		10%	-	cost

Leasehold buildings have been revalued using the revaluation model.

Leases

Rentals paid under operating leases are charged to income as incurred.

Investment Property

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the Statement of Financial Activities, in accordance with the provisions of FRS102.

A formal valuation was completed in July 2019, the gain on revaluation is reflected. The Directors have reviewed the investment property value and have concluded that the value is appropriate.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pension costs

The Charity operates a defined contribution, salary sacrifice, pension scheme with one external pension provider. Contributions to the scheme have been charged against profits in the period in which they are incurred.

Fund Accounting

Apart from £3,500 remaining restricted from the grant received in 2019, relating to the installation of solar panels, all other funds of the Charity are deemed to be unrestricted funds as defined under SORP.

Management of Liquid Resources

Bank balances are checked on a daily basis to ensure there are sufficient funds to meet the Charity's obligations.

Financial Instruments

The Charity only has financial assets and 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, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Debtors and Cash at Bank

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.

Cash at bank and in hand included cash held on deposit or in a current account.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

2. Turnover

	2022	2021
	£	£
Turnover arises from:		
Rendering of Services	4,040,972	3,651,586
Interest received	2,669	2,828
	4,043,641	**3,654,414**

The whole of the turnover is attributable to the UK market.

3. Operating Surplus

	2022	2021
	£	£
Operating Surplus is stated after charging:		
Staff costs (note 7)	2,428,920	2,204,033
Deficit on disposal of fixed assets	6,283	1,057
Depreciation - Owned assets	208,957	217,465
Depreciation - Leasehold property	825	825
Trustee's Emoluments (included in Staff costs) of which:	-	-
Trustee's Pension Contributions	-	-
Auditors Remuneration - as auditors	7,280	7,000
- accountancy services	-	-

4. Expenditure on Charitable Activities

		Direct Staff Costs	Other Direct Costs	Support Costs (note 5)	Total 2022	Total 2021
		£	£	£	£	£
Government services		859,526	646,436	194,868	1,700,830	1,873,424
Commercial services		1,184,711	794,062	418,237	2,397,010	1,900.150
	Total 2022	2,044,237	1,440,498	613,105	4,097,840	
	Total 2021	1,801,783	1,365,569	606,222		3,773,574

5. Support Costs

		Charity Standards & Systems	Management Services	Governance (note 6)	Total 2022	Total 2021
		£	£	£	£	£
Government services		49,536	119,861	25,471	194,868	194,241
Commercial services		94,320	298,444	25,473	418,237	411,981
	Total 2022	143,856	418,305	50,944	613,105	
	Total 2021	143,285	411,797	51,140		606,222

6. Governance

	2022	2021
	£	£
Staff Costs	33,227	34,570
Audit Fees	7,280	7,000
Trustee Expenses and Insurance	1,899	2,415
Other Costs	8,538	7,155
Total	50,944	51,140

No trustees were reimbursed for expenses during this or the previous period.

7. Trustees and Employees

	2022	2021
	£	£
Staff costs including Trustees emoluments		
Wages and salaries	1,983,889	1,838,710
Social Security costs	201,275	161,698
Pension costs	243,756	203,625
	2,428,920	2,204,033

There were no trustees' remuneration or other benefits for the year ended 31 July 2022 nor for the year ended 31 July 2021.

Average monthly number employed including executive trustees:

	2022	2021
	Number	Number
Management	12	11
Administration	18	17
Field	23	24
Trainers	14	12
	67	64

The Charity operates a defined contribution, salary sacrifice, scheme for the benefit of participating members of staff. The pension costs above have been charged through the Statement of Financial Activities. All costs relate to unrestricted activities. There were unpaid contributions at the end of the year of £21,935 (2021: £17,760).

During the period, remuneration and benefits received by Key management personnel totalled £296,646 (2021: £266,716).

The average number of employees whose annualised gross pay and benefits, excluding employer pension contributions, fell between the following bands:

	2022	2021
	Number	Number
£100,001 - £200,000	1	1

8. Interest

	2022	2021
	£	£
Interest Receivable	(2,669)	(2,828)
Interest Payable	12,578	12,062
	9,909	9,234

9. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible Fixed Assets

	Plant & Machinery	Computers	Office Equipment	Leasehold Premises	Leasehold Improve -ments	Total
Total	£	£	£	£	£	£
Cost						
Balance at 1 August 2021	530,458	780,242	270,175	3,978,237	358,650	5,917,762
Additions	29,719	17,351	3,489	-	17,797	68,356
(Disposals)	(79,772)	(3,743)	(672)	-	-	(84,187)
Balance at 31 July 2022	480,405	793,850	272.992	3,978,237	376,447	5,901,931
Depreciation						
Balance at 1 August 2021	419,383	665,941	231,699	602,238	80,602	1,999,863
Provided during the period	25,450	71,650	9,045	67,140	36,497	209,782
(Disposals)	(73,791)	(3,743)	(370)	-	-	(77,904)
Balance at 31 July 2022	371,042	733,848	240,374	669,378	117,099	2,131,741
Net Book Value at 31 July 2022	109,363	60,002	32,618	3,308,859	259,348	3,770,190
Net Book Value at 31 July 2021	111,075	114,301	38,476	3,375,999	278,048	3,917,899

The long leasehold property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, at £3,500,000 creating a revaluation gain of £695,795. Had the assets continued to be valued using the cost model it would have resulted in a net book value of £2,642,688 (2021: £2,696,527).

Included within the above leasehold premises figure is a short leasehold property with a net book value of £7,806 (2021: £8,630) and long leasehold property with a net book value of £3,301,053 (2021: £3,367,369 after revaluation). There are currently no assets acquired under finance/HP agreements. There are no material capital commitments.

NatWest Bank plc hold a legal charge created on 19 November 1996 over the property at 9 Acorn Business Park, Portsmouth and also a legal charge created on 3 March 2008 over the property at 1 Access Point, Northarbour Road, Portsmouth.

11. Investments

	2022			
	Investment Property	**Unlisted Shares**	**Total**	**2021**
	£	**£**	**£**	**£**
Cost/Valuation				
Carrying Value at 1 August 2021	500,000	1	500,001	500,001
Additions revaluation	-	-	-	-
Balance at 31 July 2022	500,000	1	500,001	500,001

A formal valuation was carried out by Daniels Harrison Chartered Surveyors as at 31 July 2019, and the revaluation gain was reflected.

The historical cost of the property is £441,318 (2021: £441,318) and accumulated depreciation to date totals £289,317 (2021: £289,317).

The unlisted shares relate to shares in the Acorn Business Park (Cosham) Management Charity Limited. The trustees consider the market value of the share to be the same as the cost figure.

12. Stocks

	2022	**2021**
	£	**£**
General Stocks	13,339	13,599

The amount of stock recognised as an expense during the period was £260 (2021: £4,958)

13. Debtors

	2022	2021
	£	£
Amounts falling due within one year		
Trade Debtors	398,529	420,751
Prepayments	126,854	133,549
	525,383	554,300

14. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Trade Creditors	79,594	103,007
Mortgage	56,500	56,500
Accruals	51,408	113,916
Deferred Income	133,332	100,490
Government Agency	11,617	-
Other Taxation and Social Security	137,104	116,061
	469,555	489,974

Deferred income relates to membership fees, commercial income and apprenticeship employers' contributions, invoiced in advance. The amount released from previous years was £100,490.

15. Creditors: Amounts falling due after one year

	2022	2021
	£	£
Mortgage	353,125	409,625
Deferred Income	1,407	-
	354,532	409,625

Included within creditors falling due after one year are amounts, relating to the mortgage, of £127,125 (2021: £183,625) which fall due after more than five years by instalments. The mortgage relates to the property at 1 Access Point and has a loan to value percentage of 11.7% (2021: 13%). The mortgage is secured over the property.

The above mortgage is repayable over 20 years at an interest rate fixed at 2.45% above LIBOR. LIBOR was replaced with the new SONIA calculation from December 2021.

Provisions

2022	2021
£	£
80,800	80,800

Provisions relate to the estimated amount which may be required for dilapidations relating to the short leasehold property held by the Charity in Havant and which, if not renewed, expires in 2031. The Directors believe that this is sufficient at this time. The opening balance of £80,800 remained unchanged during the year.

16. Obligations under Leases

At 31 July 2022 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Land & Buildings	
	2022	2021
	£	£
Not later than one year	51,297	51,297
Later than one year and not later than five years	205,188	205,188
Later than five years	227,063	278,359

	Other	
	2022	2021
	£	£
Not later than one year	15,152	11,482
Later than one year and not later than five years	21,533	3,246
Later than five years	-	-

The amount of operating leases recognised as an expense during the period was £85,068 (2021: £85,167).

The charity also acts as a lessor and as at 31 July 2022 the charity had future minimum lease payment under non-cancellable operating leases as follows:

	Land & Buildings	
	2022	2021
	£	£
Not later than one year	42,100	42,100
Later than one year and not later than five years	115,775	157,875
Later than five years	-	-

17. Summary of Fund Movements

	2022					
	Fund balances brought forward	Income	Expend-iture	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds	4,477,102	4,036,295	(4,090,494)	500	-	4,423,403
Unrestricted funds-Property revaluation reserve	795,795	-	-	-	-	795,795
Restricted funds	4,000	7,346	(7,346)	(500)	-	3,500
Closing funds	5,276,897	4,043,641	(4,097,840)	-	-	5,222,698

The property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £3,500,000 creating a revaluation gain of £695,795.

The investment property was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £500,000 creating a revaluation gain of £100,000.

18. Analysis of Net Assets between funds

	2022				2021
	Fixed Assets	Net Current Assets	Long Term Liabilities	Total	Total
	£		£	£	£
Unrestricted Funds	4,266,691	1,387,839	(435,332)	5,219,198	5,272,897
Restricted Funds	3,500	-	-	3,500	4,000
Closing funds	4,270,191	1,387,839	(435,332)	5,222,698	5,276,897

19. Reconciliation of changes in resources to net cash flow from operating activities

	2022	2021
	£	£
Changes in resources	(54,199)	(119,160)
Rent receivable	(41,021)	(41,896)
Interest receivable	(2,669)	(2,828)
Interest paid	12,578	12,062
Depreciation	209,782	218,290
Deficit on disposal of tangible fixed assets	6,283	1,057
(Increase)/decrease in debtors	28,917	(191,330)
Increase/(decrease) in creditors	(19,012)	18,492
(Increase)/decrease in stocks	260	(4,958)
Net cash (outflow)/inflow from operating activities	(140,919)	(110,271)

20. Analysis of changes in net cash funds

	2022		
	31 July 2022	Cashflow	1 August 2021
	£	£	£
Cash at bank and in hand	1,318,672	47,175	1,271,497

21. Analysis of changes in net debt

	2022			
	1 August 2021	Cashflows	Other non-cash changes	31 July 2022
	£	£	£	£
Cash and cash equivalents				
Cash	1,271,497	47,175	-	1,318,672
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	1,271,497	47,175	-	1,318,672
Borrowings				
Debt due within one year	(42,375)	-	-	(56,500)
Debt due after one year	(423,750)	56,500	-	(353,125)
	(466,125)	56,500	-	(409,625)
Total	805,372	103,675	-	909,047

22. Related Parties

The Charity provides courses and training support in the general course of business, under normal trading terms to the following companies which were represented on the board of trustees. Details of these transactions and the balances outstanding at the balance sheet date are detailed below:

	Turnover (Excl VAT) 2022	Balance Outstanding (Incl VAT) as at 31 July 2022	Balance Outstanding (Incl VAT) as at 31 July 2021
	£	£	£
Daniamant Ltd	6,228	-	150
DKW Engineering	1,368	26	-
Mimtec Ltd	358	-	20
Pall Manufacturing UK Ltd	40,807	1,370	12,535
Portsmouth Aviation Ltd	12,802	886	2,075
Raymarine UK Ltd	799	-	-
Hamble Aerostructures Ltd	11,599	-	17,118
Geest Line Ltd	1,374	-	-
Southampton Solent University	-	-	-
Southampton University	-	-	-
Safran Helicopter Engines UK Ltd	21,973	1,984	3,319

23. Charity Status

The Charity is limited by guarantee of each member who undertakes to contribute a sum not exceeding £100 to the assets of the Charity in the event of the Charity being wound up while he is a member or within one year after he ceases to be a member for payment of debts and liabilities of the Charity contracted before he ceases to be a member.

24. Capital Commitments

As at 31 July 2022 the charitable company had committed to purchasing plant & machinery amounting to £80,340 (2021: £nil), a deposit of £24,120 was paid during the 2021/22 financial year with £23,316 being capitalised as at 31 July 2022. The remaining commitment as at 31 July 2022 amounts to £56,220 (2021: £nil) of which £42,377 relates to capital expenditure.

PETA LIMITED

England & Wales - Charity number 296065

Accounts

Company Registration Number: 1653178
Charity Registration Number: 296065

PETA Limited

A registered charitable Company limited by guarantee and not having a share capital

Incorporated 22nd July 1982

FINANCIAL STATEMENTS

For the period ended

31st July 2021

PETA
ASPIRE TO LEARN ▸ APPLY TO ADVANCE

FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST JULY 2021

Contents

	Page
Trustees Annual Report	1
Independent Auditor's Report to the Members of PETA Limited	11
Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2021	14
Balance Sheet as at 31 July 2021	15
Cash Flow Statement for the period ended 31 July 2021	16
Notes on Financial Statements	17

Trustees Annual Report

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity Name:	PETA Limited
Charity Registration Number:	296065
Company Registration Number:	1653178
Date of Incorporation:	22nd July 1982
Registered Office and principal place of business:	1 Access Point Northarbour Road Portsmouth Hampshire PO6 3TE

Trustees

The members of the Council who served the organisation and who are for the purposes of the Companies Act treated as the directors of the organisation were as follows:

E Seymour (Chair)	- Hamble Aerostructures Limited
C Johns (Vice Chair)	- Raymarine UK Ltd (resigned 15/1/2021)
M Waring	- Mimtec Limited
K Rough	- Daniament Ltd (resigned 29/1/2021)
S Escott	- Portsmouth Aviation Ltd
N Iacobucci	- DKW Engineering
M Parker	- Pall (UK) Ltd
S Patrick	- Southampton Solent University (appointed 23/7/2021)
C Roberts	- Geest Line Ltd (appointed 23/7/2021)

Senior Management Team

Director (CEO):	Huw Chapman
Company Accountant and Company Secretary:	Susan Sinclair
Corporate Services Manager:	Dawn Halfacre
Sales Manager	James Garrett

Auditors

Morris Crocker Chartered Accountants, Station House, North Street, Havant, PO9 1QU

Bankers

National Westminster Bank Plc, 130 Commercial Road, Portsmouth, Hampshire, PO1 1ES

Solicitors

Large and Gibson, Kent Road, Southsea, Hampshire, PO5 3EJ

The Trustees, who are also directors of the Charity for the purposes of the Companies Act 2006, present their report with the financial statements of the Charity for the year ended 31 July 2021. 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Principal Activity

The principal activity of the Charity continues to be to promote and advance the education and adequate training for the public benefit of persons employed or intending to be employed in industry and commerce. The organisation is registered with the Charity Commission.

Governing Instrument

The organisation is governed by, and restricted in operation by, the terms of its Memorandum and Articles of Association, which were revised and updated at a General Meeting of Members held on 29 April 2016.

Summary of Key Objectives

The Charity operates with two primary funding streams, one covering a broad spectrum of commercial training and the other Government funded apprenticeship program. PETA's objective is to help develop customers' employees so that they enhance their skills and consequently their organisation's business performance. All training programs are designed to ensure the candidates achieve "work readiness" as well as a good education. This approach links directly into the organisation's tag line of "Inspire to Learn, Apply to Advance".

The Charity's aim is to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

Our goal is to be widely recognised as the independent training provider that best understands, serves and satisfies the training and skills needs of employers and their learners in the Solent Region and surrounding counties. We strive to ensure our customers view training as an investment that helps enhance their company performance.

Recruitment and Appointment to the Board (Council)

The election of new Trustees is undertaken at the Annual General Meeting of members in accordance with the Charity's Memorandum and Articles of Association. Where mid-term vacancies occur, the Charity extends invitations to Senior Managers and Directors of member companies who possess the appropriate skills required by Council. The same mid-term appointments are then required to stand for election at the next Annual General Meeting. The Charity aims to ensure that the Council is diversified and consists of Trustees with differing backgrounds and wide-ranging experience of business.

Staff Remuneration and Pay

PETA is part of GTA England who had a salary benchmark survey of all members conducted by Alderwood which was circulated in April 2018. In addition, salary data for college salaries was also reviewed and a blend between these two sets of data has helped set PETA's teaching staff pay levels. On top of this other roles are benchmarked against other local organisations with the objective that salary levels are similar to local mean values.

As an interim measure, and a direct effect of the Corona Virus pandemic, staff agreed to a 10% pay cut from 1st August 2020 to allow the Charity to recover. This was gradually decreased so that by July 2021 pay was back to 100%.

Related Parties

In accordance with the Memorandum and Articles of Association, the Council contains representatives from member organisations and such organisations are offered training, assessment, and guidance in the general course of business, under normal commercial terms. The Charity, having no share capital, is run by the Council of Trustees and no individual can exercise control of the organisation.

Induction and Training of Trustees

Once identified, potential trustees are invited to become involved with the Charity and learn more about the contribution required of them. The candidate is made fully aware of the formal responsibilities of the position and a Trustees' Handbook is provided detailing the responsibilities, codes of conduct and accountability. The Board has a diverse membership and consists of Trustees with experience covering many fields including Finance, Business Operations, ICT and Human Resources. Support is received from other Board Members and external professionals when required.

Organisational Structure

The day-to-day management of the Charity is under the control of the Chief Executive Officer, Huw Chapman, who acts in accordance with the instruction of the elected Council (Board of Directors/Trustees).

Within the organisation there are a number of departments which support customers with dedicated training programs that can be paid for directly or be remunerated through apprenticeship funding schemes. PETA was established as a business-to-business training organisation. This has resulted in the training programs being linked to commercial and compliance activities such as Health and Safety, Engineering, ICT, as well as Management skills. All these activities are supported by a strong team of shared service activities with robust business processes and a culture of continuous improvement.

Risk Management

The Organisation maintains and regularly updates a comprehensive Risk Register. Any major risks to which the organisation is exposed have been reviewed and appropriate arrangements established to mitigate these risks. Comprehensive procedures and systems exist to ensure critical IT business data is backed-up and stored to facilitate reinstatement. These procedures together with the Risk Register are subject to regular auditing as part of our ISO 9001, ISO 45001 and ISO 14001 approvals and by the Provider Financial Assurance team operating on behalf of the Education and Skills Funding Agency (EFSA).

During 2020 the outbreak of the Corona virus, Covid 19, necessitated the closure of both PETA centres. Up to 50% of staff were furloughed during the pandemic and up to a further 47% were enabled to effectively work from home. Staff are no longer on furlough but not all staff have returned to the office full time and continue to work some hours from home.

As restrictions eased a full risk assessment was undertaken at both PETA Centres; deep cleaning was carried out by specialists; signage, more sanitisers and PPE equipment were purchased and this continues to be monitored. Centres have re-opened with visitors, delegates and staff following the Government guidelines.

Environmental Policy

The Charity is committed to the principles of environmental management and sustainability and is ISO 14001:15 certified. Our aim is to minimise the impact our activities have on the environment and ensure all staff and learners are fully aware of their roles and responsibilities with respect to environmental sustainability. As part of PETA's commitment to the environment solar panels were installed at the Cosham site which has reduced electricity costs and consequently CO_2 emissions.

We are as an organisation committed to the following:

- The prevention of pollution
- Compliance with environmental legislation relative to our activities
- The achievement of environmental objectives as outlined within the Annual Business Plan
- Identifying cost-effective continual improvement within our processes and activities that will contribute towards the environment and sustainability

OBJECTIVES AND ACTIVITIES

Aims of the Charity

In particular, we aim to:

1. Provide a responsive, flexible and coherent range of high-quality customer-focused services
2. Deploy appropriate business strategies to influence growth and market penetration and create new business opportunities through building partnerships with customers, key suppliers, colleges and other training providers
3. Define, implement and manage procedures and robust measurement processes to ensure we deliver the outstanding quality standards to which we aspire
4. Provide equal access to all learners allowing maximum opportunity for everyone to achieve their full potential
5. Apply stringent and robust practice to managing our financial wellbeing to ensure we can invest in developing our business and facilities to the benefit of learners, employers, stakeholders and staff
6. Respond to the Government's vocational and educational strategies and grow the Organisation's learner volumes and qualification success rates commensurate with the needs and requirements of employers and the local economy
7. Maintain our identity as a professional and caring organisation combining our commitment to learner wellbeing and safeguarding with our social responsibility for sustainability
8. Maintain a stable work environment for our employees in which their contribution is valued, creativity and innovation skills are encouraged, equality and diversity is respected, and equal opportunity exists for learning and personal development

Main objectives and strategies for the period under review

The main focus of the Charity was placed on strategies for:

- Developing and expanding its services to member companies
- Meeting the needs of its customers
- Responding to the Government's Apprenticeship reform agenda
- Maintaining the financial well-being of the Charity

To this end, we aimed to implement plans to:

- Achieve a successful transition to the apprenticeship reforms and continue to grow the number of employed learners undertaking a PETA apprenticeship
- Move towards a more balanced income between Government Funded and Commercial income building up the Commercial side of the organisation
- Improve the longer-term surplus of the Charity to achieve a sustainable surplus on turnover above 10%, to enable increased capital investment in new technologies, modern equipment and improved teaching and training facilities to the benefit of all stakeholders, particularly customers and staff.

Public Benefit

The Organisation has reviewed the main activities undertaken by the Charity to ensure its charitable purposes are for the public benefit and our objectives are fundamental to this aim.

The Charity trustees have complied with the duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Commission.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

2020/2021 proved another challenging year with the continued presence of the Covid 19 virus. Staff are no longer on furlough but not all staff have returned to the office full time and continue to work some hours from home.

Whilst we were able to continue to train and assess the apprentices via on-line resources, with a gradual return to face-to-face sessions, there were again reductions in revenue. Commercial income suffered the most with the closure of the premises, but some courses were created on-line and there was a gradual return to face-to-face sessions where possible. Commercial income for the financial year increased by 13% compared to prior year but Government Funded was 3% below prior year. Total income, excluding grants for furloughed staff, was slightly improved at 2% higher than the previous challenging year.

As reported in 2019/2020, we gained support from the Havant MP Alan Mak and also a reply from the ESFA confirming a change in policy that furloughed apprentices could still continue learning. This was significant and helped avoid a break in learning and further reduction of income for any training provider.

It is critical that we are able to demonstrate educational progression for all furloughed apprentices. As a result, we increased the frequency of contact for furloughed apprentices to help support the apprentices and ensure they maintain learning and thereby also secure the Charity's funding.

During 2020 the outbreak of the Corona virus, Covid 19, necessitated the closure of both PETA centres. Up to 50% of staff were furloughed during the pandemic and up to a further 47% were enabled to effectively work from home. Staff are no longer on furlough but not all staff have returned to the office full time and continue to work some hours from home.

As restrictions eased a full risk assessment was undertaken at both PETA Centres; deep cleaning was carried out by specialists; signage, more sanitisers and PPE equipment were purchased and this continues to be monitored. Centres have re-opened with visitors, delegates and staff following the Government guidelines.

During 2016/17 we developed our approach to Duty of Care to include all aspects: Equality, Diversity and Inclusion, Safeguarding, Prevent Duty, E-Safety, and Health and Safety. Duty of Care remains a high priority throughout the Company and, the management and development of all matters relating to this subject will be managed by a Steering Group. To further support our Safeguarding, we introduced a Deputy Safeguarding Lead who, along with the Designated Safeguarding Lead, underwent formal Safeguarding training in line with official requirements. All staff have been required to complete a Safeguarding refresher course.

Membership

PETA has one of the largest memberships of employers amongst the Group Training Associations with 244 employers as at 31 July 2021. Unfortunately, there were some resignations during 2020/2021 linked to the effects of the Corona Virus on local businesses.

To aid the retention and growth in membership the member benefits will continue to be reviewed during the year and the effectiveness of Account Management continue to be audited to ascertain whether there are internal influences which could reduce the number of resignations.

FINANCIAL REVIEW

Review of financial position

The Financial Statements cover the accounting period 1 August 2020 to 31 July 2021. The Charity's deficit for the period was £119,160 (August 2019 to July 2020: deficit of £147,084). The Charity received a grant of 17,246 (2019-2020 £96,427) for furloughed and kick-start staff during the period. Commercial income was almost halted during the lock-down period although some courses were possible on-line, but we were able to gradually resume face-to-face sessions where possible, always following the Government guidance. Commercial income for the financial year increased by 13% compared to prior year but Government Funded was 3% below prior year. Total income was 1% lower than the previous year mainly attributable to the furlough grant income included in prior year totals. Total income, excluding grants for furloughed staff, was slightly improved at 2% higher than the previous year.

Income from membership fees decreased by 5% with some resignations related to the difficulties felt by some local organisations. Rental income from the sub-leasing of 9 Acorn Business Park totalled £41,896 for the period August 2020 to July 2021 (£42,212 2019-2020).

For the period August 2020 to July 2021 the spend on charitable activities decreased by 1%. Extra expenditure was necessary to complete the Covid 19 Government guidelines whilst tight costs control helped keep it in check. There were two voluntary redundancies, but all other staff agreed to the necessary pay-cuts.

Results

The results for the period are shown in the Statement of Financial Activities on page 14 and the Balance Sheet on page 15.

Fixed Assets

A formal valuation of the head office premises at 1 Access Point, Northarbour Road, Portsmouth, was completed in July 2019 by Daniels Harrison chartered surveyors; the gain on revaluation and present value are reflected. It has not felt necessary to have a further revaluation at this time. Details of fixed assets are shown in note 10.

Principal Funding Sources

The principal funding sources of the Charity are the Education and Skills Funding Agency, and fee-paying clients.

Fund Raising

In compliance with the requirements of the Charities (Protection and Social Investment) Act 2016 and the Fundraising Regulator, it is confirmed that the Charity does not undertake fundraising and no professional fundraiser has been involved. The Charity acknowledges and will comply with all requirements to be taken into account for any fundraising in the future.

Investment Policy

The Board of Trustees reviews and determines the strategy, policy and management of the investments held by the Charity. Currently investments are held as cash balances in four accounts – including the current account which links automatically to a special account whenever the organisation is more than £10,000 in credit. Whenever possible, balances are transferred to an instant access savings account in order to gain a higher rate of interest.

Reserves Policy

The Board of Trustees has considered the adequacy of reserves held by the Charity, in line with the Charity Commission guidance, and ensures that the level of reserves is sufficient to meet the Charity's responsibilities in the short term. Total reserves as at 31 July 2021 were £5,276,897 which is all unrestricted apart from £4,000 related to a grant received in 2019 towards the cost of installing solar panels. Of the total reserves, £3,917,899 is held within tangible assets, consisting mainly of premises from which the Charity is run. The remaining reserves provide adequate funds required for the furtherance of the Charity's objectives. The reserves policy of the Charity is designed to:

- ▲ Protect the Charity from the risk of insolvency or serious disruption to its charitable work by holding sufficient surplus funds to cover at least a six-month period
- ▲ Provide security against the peaks and troughs of income effected by business downturn or changes in Government policy
- ▲ Provide sufficient funds to invest in equipment and new technology for the benefit of adults and young people undertaking training
- ▲ Have sufficient funds should the Government Apprenticeship Levy form of funding be withdrawn

The Charity recognises the importance of maintaining sufficient reserves to enable it to meet its short-term financial obligations in the event of an unexpected revenue shortfall. It is PETA's intention to increase the reserves by the generation of annual operating surpluses and to achieve a 10% surplus on turnover within five years to support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to ensure that Commercial business recovers from the effects of the pandemic and grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will strive to make the Organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

PLANS FOR FUTURE PERIODS

The focus going into 2021/2022 is very much on recovering from the effects of the pandemic and achieving growth in our income. We are fully focused on maximising the opportunities presented to us through the Apprenticeship reforms, aiming to increase our offering in Apprenticeships and delivering the new Apprenticeship Standards wherever possible.

We gained support from the Havant MP Alan Mak and also a reply from the ESFA confirming a change in policy that furloughed apprentices can still continue learning. This was significant and will avoid a break in learning and a reduction of income for any training provider. It is critical that we are able to demonstrate educational progression for all furloughed apprentices. As a result, we have increased the frequency of contact for furloughed apprentices to help support the apprentices and ensure they maintain learning and thereby secure the Charity's funding.

Our Managed Service Solution will also continue to be developed and grown. On the Commercial side we aim to continue to grow with a view to balancing the income evenly between the income streams. We will initially focus on the safety of staff, visitors, and Apprentices; protecting the cash reserves of the Charity; control costs; address the shortfall in Commercial income caused by the effects of the pandemic; and return to surplus as soon as possible. We continue to be focused on improving the longer-term surplus of PETA, to achieve a greater than 10% surplus on turnover within five years, and this will support our planned re-investment in the Charity which will enable consistent growth over the coming years.

Our strategic priorities are:

- Balance the budget to ensure Commercial business recovers and grows faster than Government Funded Training
- Secure the budgeted sales across all revenue streams
- Return the Charity to a year-end surplus to enable further re-investment
- Finalise the plans for further investment in the Engineering centre
- Continue to protect our cash balances for further investments in PETA

Longer Term Plans

The Charity has a strong balance sheet and despite the pandemic maintained a healthy cash flow, its net surplus margins have averaged 5% for the past few years but this year saw a further decrease because of the pandemic. Despite the challenges of the pandemic, the Charity has performed well in protecting its net margins and this has been achieved by reducing its operating costs and slowing investment.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk to the Charity in the coming year remains potential further Apprenticeship Reforms and further Government directives relating to the Corona virus. Government policy continues to be a key driver in shaping the organisation and influencing our priorities. If the Charity is to retain its position as one of the market leaders for training in the Solent and surrounding areas, we will need to embrace the Apprenticeship reforms and technical education proposals, both of which are intended to strengthen the local and national skills base to meet the current and future requirements of the economy.

Brexit is likely to have a significant impact on all areas of the education sector, particularly if volatility in the economic and business environment prompts a review of government spending at a future stage. This is already evidenced from the reduction in the Education and Skills Funding Agency's (ESFA) budget allocation for non-levy apprenticeships, where it has been heavily reported that many colleges and training providers have suffered a significant shortfall in their budget allocation.

The demographics of the UK over the next few years provides for a challenging environment for post 16 education providers, with a potential under supply of new entrants competing for a greater number of vacancies created by the Apprenticeship levy. As such, the already highly competitive market for good quality learners could well intensify as training providers and employers seek to ensure they fill the places they have available.

In the last two years, Government policy on employment and skills appears to have changed on a monthly basis. The continuing emphasis from the ESFA to achieve more for less, work smarter and move to a 'demand-led' system where employers and individuals have a greater ownership of the skills and employment agenda will bring with it many challenges to the Charity.

To mitigate risks, we continue to be focused on improving the longer-term surplus of PETA, to recover from the effects of the pandemic in 2021-2022, to achieve a greater than 10% surplus on turnover within five years, and this will support our planned re-investment in the Charity which will enable consistent growth over the coming years. We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

GOING CONCERN

During the pandemic costs were reduced wherever possible, capital spend was halted and Government guidelines carefully followed. The Centres are now operational with Government guidelines strictly followed to ensure safety of all delegates, visitors, and staff. Up to 50% of staff are now based from home permanently. Courses and Apprentice assessments were continued on-line wherever possible, and this will be provided going forward to enable trade to continue should further lock-down occur. Cash remains stable at £1.3 million and this is measured and checked daily to protect the Charity's cash.

We will continue to concentrate efforts to recover from the effects of Covid 19 and grow the Commercial business so that it grows faster than Government Funded Training and to secure the budgeted growth in sales across all

revenue streams. We will also continue to protect our cash balances for further investments in PETA and strive to make the organisation the training provider of choice for our customers and members by delivering outstanding training and exceptional service, supported by first-class training environments that inspire, protect and support learners to develop and achieve.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue operational existence for the foreseeable future.

For this the Trustees continue to adopt the going concern basis of accounting in preparing the annual financial statements.

CHARITIES CODE

The Organisation has adopted the Charities Governance Code (August 2017) and we are applying and working towards these criteria. The Trustees will address 1 or 2 of the 7 elements in more detail at each meeting.

STATEMENT OF TRUSTEES RESPONSIBILITIES

We are required under charity law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements we are required to:

- Select suitable accounting policies and apply them consistently
- Make reasonable and prudent judgments and estimates
- Prepare financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

We are also responsible for:

- Keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the financial statements comply with the Companies Act 2006
- Safeguarding the Charity's assets
- Taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the Trustees at the time the report is approved is aware:

- There is no relevant audit information of which the auditors are unaware and
- That we have taken all the steps we ought to have taken to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In approving the Trustees' Annual Report, the Trustees are also approving the contents of the Strategic Report.

AUDITOR

Morris Crocker Chartered Accountants have been appointed under section 487(2) of the Companies Act 2006.

By order of the Council

S Sinclair

Company Secretary

Dated: 22/10/2021

Independent Auditor's Report to the Members of PETA Limited

Period Ended 31 July 2021

Opinion

We have audited the financial statements of PETA Limited (the 'charitable company') for the year ended 31 July 2021 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 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined 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:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss managements assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues concerning income recognition and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and testing systems and controls. The systems and controls which have been designed to act as a preventative measure against fraud and error were operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Underwood (Senior Statutory Auditor)
for and on behalf of Morris Crocker Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 28 October 2021

Statement of Financial Activities, incorporating an Income and Expenditure account, for the period ending 31 July 2021

	Note	Unrestricted Funds 2021	Restricted Funds 2021	Total Funds 2021	Unrestricted Funds 2020	Restricted Funds 2020	Total Funds 2020
		£	£	£	£	£	£
Income and endowments from:							
Charitable activities							
- Government income		2,269,662	-	2,269,662	2,328,004	-	2,328,004
- Commercial income		1,251,524	-	1,251,524	1,106,522	-	1,106,522
Investment and other income							
- Grant income		-	17,246	17,246	-	96,427	96,427
- Investment income		2,828	-	2,828	10,038	-	10,038
- Membership fees		71,258	-	71,258	74,878	-	74,878
- Rental income		41,896	-	41,896	42,212	-	42,212
Total		3,637,168	17,246	3,654,414	3,561,654	96,427	3,658,081
Expenditure on:							
Charitable activities	4	3,756,328	17,246	3,773,574	3,708,738	96,427	3,805,165
Total		3,756,328	17,246	3,773,574	3,708,738	96,427	3,805,165
Net income/(expenditure)		(119,160)	-	(119,160)	(147,084)	-	(147,084)
Transfers between funds		500	(500)	-	500	(500)	-
Other recognised gains /(losses):							
Gains/(losses) on revaluation of fixed assets		-	-	-	-	-	-
Net movements in funds		(118,660)	(500)	(119,160)	(146,584)	(500)	(147,084)
Reconciliation of Funds:							
Total funds brought forward		5,391,557	4,500	5,396,057	5,538,141	5,000	5,543,141
Total funds carried forward		5,272,897	4,000	5,276,897	5,391,557	4,500	5,396,057

The Statement of Financial Activities includes all gains and losses in the period and as a result, a Statement of Total Recognised Gains and Losses has not been prepared. All incoming and outgoing resources above relate to continuing activities.

Balance Sheet as at 31 July 2021

	Note	2021	2020
		£	£
Fixed assets			
Tangible assets	10	3,917,899	4,015,484
Investments	11	500,001	500,001
		4,417,900	4,515,485
Current assets			
Stocks	12	13,599	8,641
Debtors	13	554,300	362,970
Cash at bank and in hand		1,271,497	1,513,243
		1,839,396	1,884,854
Current Liabilities			
Creditors: Amounts falling due within one year	14	(489,974)	(457,357)
Net current assets		1,349,422	1,427,497
Total assets less current liabilities		5,767,322	5,942,982
Creditors: Amounts falling due after more than one year	15	(409,625)	(466,125)
Provisions for Liabilities		(80,800)	(80,800)
Net Assets		5,276,897	5,396,057
The funds of the charity			
Restricted Funds	17	4,000	4,500
Unrestricted Funds	17	4,477,102	4,595,762
Revaluation reserve	17	795,795	795,795
Total Charity Funds		5,276,897	5,396,057

The financial statements on pages 14 to 27 were approved by the Council of Trustees on 22nd October 2021 and signed on its behalf by:

E Seymour

Chairman

Cash Flow Statement for the period ended 31 July 2021

	Note	2021	2020
Cash flows from operating activities		£	£
Net cash provided by (used in) operating activities	19	(110,271)	33,406
Cash flows from investing activities			
Dividends, interest and rents from investments		44,724	52,250
Proceeds from sale of property, plant and equipment		-	-
Purchase of property, plant and equipment		(121,762)	(254,050)
Net cash provided by (used in) investing activities		(77,038)	(201,800)
Cash flows from financing activities			
Repayments of borrowing		(54,437)	(58,862)
Net cash provided by (used in) financing activities		(54,437)	(58,862)
Change in cash and cash equivalents in the reporting period		(241,746)	(227,256)
Cash and cash equivalents at 1 August 2020	20	1,513,243	1,740,499
Cash and cash equivalents at 31 July 2021	20	1,271,497	1,513,243

Notes on Financial Statements

STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

PETA Limited is a registered charitable Company limited by guarantee and domiciled in the United Kingdom. The address of its registered office and principal place of business are disclosed on page 1.

1. Accounting Policies

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in 2015 (SORP 2015 (FRS102)), and the Companies Act 2006.

The Charity meets the definitions of public benefit entity under FRS102.

Going Concern

Steps have been taken to mitigate the effects of the pandemic, to protect the Charity's cash reserves and develop more on-line resources for the future.

The trustees consider that there are no material uncertainties regarding the Charity's ability to continue as a going concern.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Depreciation and Residual Values

The Directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives, and residual values are appropriate.

Income

Investment income is included in the period in which the Charity is entitled to receipt.

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

Membership fees are included in the period on an accruals basis, with fees in advance deferred to the period to which they relate.

Other income relates to the rental income from the leasing of 9 Acorn Business Park and is included in the period in which the Charity is entitled to receipt.

A grant of £5,000 was received in 2019 towards the cost of installing solar panels. This is noted as restricted income gradually moving to unrestricted income over a period of 10 years, £4,000 (£4,500: 2020).

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

The costs of charitable activities comprise those costs incurred in delivering the core services of the Charity.

Governance costs relate to the general running of the Charity as opposed to the direct management inherent in delivery services. The costs reflect the governance infrastructure and are primarily associated with constitutional and statutory requirements.

Support costs include central functions. Costs relating to a particular activity are allocated directly, while others are apportioned on an appropriate basis.

Fixed Assets and Depreciation

All assets are originally recorded at cost. Items below £100 are not capitalised. Depreciation of fixed assets is calculated to write off their cost or valuation less any residual value over their estimated useful lives as follows:

Leasehold buildings	- long lease	2%	-	cost
	- Access Point	over reducing years - written down value		
	2020/2021 37 years 2.7% (2019/2020 38 years 2.6%)			
	- short lease	evenly over the term of the lease		
Plant and machinery		20%	-	written down value
Motor vehicles		25%	-	written down value
Computer equipment		33%	-	cost
Office furniture and equipment		20%	-	written down value
Leasehold improvements		10%	-	cost

Leasehold buildings have been revalued using the revaluation model.

Leases

Rentals paid under operating leases are charged to income as incurred.

Investment Property

Investment properties are shown at their open market value. The surplus or deficit arising from the annual revaluation is transferred to the Statement of Financial Activities, in accordance with the provisions of FRS 102.

A formal valuation was completed in July 2019, the gain on revaluation is reflected. The Directors have reviewed the investment property value and have concluded that the value is appropriate.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price less the estimated cost of disposal.

Pension costs

The Charity operates a defined contribution, salary sacrifice, pension scheme with one external pension provider. Contributions to the scheme have been charged against profits in the period in which they are incurred.

Fund Accounting

Apart from £4,000 remaining restricted from the grant received in 2019, relating to the installation of solar panels, all other funds of the Charity are deemed to be unrestricted funds as defined under SORP.

Management of Liquid Resources

Bank balances are checked on a daily basis to ensure there are sufficient funds to meet the Charity's obligations.

Financial Instruments

The Charity only has financial assets and 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, with the exception of bank loans, which are subsequently measured at amortised cost using the effective interest method.

Debtors and Cash at Bank

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.

Cash at bank and in hand included cash held on deposit or in a current account.

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 normally recognised at their settlement amount after allowing for any trade discounts due.

2. Turnover

	2021 £	2020 £
Turnover arises from:		
Rendering of Services	3,651,586	3,648,043
Interest received	2,828	10,038
	3,654,414	**3,658,081**

The whole of the turnover is attributable to the UK market.

3. Operating Surplus

	2021 £	2020 £
Operating Surplus is stated after charging:		
Staff costs (note 7)	2,204,033	2,293,636
Deficit on disposal of fixed assets	1,057	189
Depreciation - Owned assets	217,465	208,178
Depreciation - Leasehold property	825	825
Trustee's Emoluments (included in Staff costs) of which:	-	21,424
Trustee's Pension Contributions	-	-
Auditors Remuneration - as auditors	7,000	8,000
- accountancy services	-	-

4. Expenditure on Charitable Activities

	Direct Staff Costs	Other Direct Costs	Support Costs (note 5)	Total 2021	Total 2020
	£	£	£	£	£
Government services	821,246	857,937	194,241	1,873,424	1,859,799
Commercial services	980,537	507,632	411,981	1,900,150	1,945,366
Total 2021	1,801,783	1,365,569	606,222	3,773,574	
Total 2020	1,896,567	1,289,506	619,092		3,805,165

5. Support Costs

	Charity Standards & Systems	Management Services	Governance (note 6)	Total 2021	Total 2020
	£	£	£	£	£
Government services	50,492	118,180	25,569	194,241	200,464
Commercial services	92,793	293,617	25,571	411,981	418,628
Total 2021	143,285	411,797	51,140	606,222	
Total 2020	180,301	388,265	50,526		619,092

6. Governance

	2021	2020
	£	£
Staff Costs	34,570	32,419
Audit Fees	7,000	8,000
Trustee Expenses and Insurance	2,415	2,304
Other Costs	7,155	7,803
Total	51,140	50,526

No trustees were reimbursed for expenses during this or the previous period.

7. Trustees and Employees

	2021	2020
	£	£
Staff costs including Trustees emoluments		
Wages and salaries	1,838,710	1,906,458
Social Security costs	161,698	178,441
Pension costs	203,625	208,737
	2,204,033	2,293,636

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

Average monthly number employed including executive trustees:

	2021 Number	2020 Number
Management	11	11
Administration	17	16
Field	24	24
Trainers	12	15
	64	66

The Charity operates a defined contribution, salary sacrifice, scheme for the benefit of participating members of staff. The pension costs above have been charged through the Statement of Financial Activities. All costs relate to unrestricted activities. There were unpaid contributions at the end of the year of £17,760 (2020: £15,227).

During the 2020 pandemic all staff, with a few necessary exceptions, agreed to a 20% reduction in salary. During 2021 there were two voluntary redundancies, but all other staff agreed to pay cuts with pay gradually recovering to 100% in July 2021.

During the period, remuneration and benefits received by Key management personnel totalled £266,716 (2020: £235,574).

The average number of employees whose annualised gross pay and benefits, excluding employer pension contributions, fell between the following bands:

	2021 Number	2020 Number
£100,001 - £200,000	1	1

8. Interest

	2021	2020
	£	£
Interest Receivable	(2,828)	(10,038)
Interest Payable	12,062	16,487
	9,234	6,449

9. Taxation

The Charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10. Tangible Fixed Assets

	Plant & Machinery	Computers	Motor Vehicles	Office Equipment	Leasehold Premises	Leasehold Improve -ments	Total
Total	£	£	£	£	£	£	£
Cost							
Balance at 1 August 2020	504,129	743,075	10,368	266,262	3,978,237	307,275	5,809,346
Additions	26,329	37,167	-	6,891	-	51,375	121,762
(Disposals)	-	-	(10,368)	(2,978)	-	-	(13,346)
Balance at 31 July 2021	530,458	780,242	-	270,175	3,978,237	358,650	5,917,762
Depreciation							
Balance at 1 August 2020	394,939	580,394	9,099	226,018	535,098	48,314	1,793,862
Provided during the period	24,444	85,547	212	8,659	67,140	32,288	218,290
(Disposals)	-	-	(9,311)	(2,978)	-	-	(12,289)
Balance at 31 July 2021	419,383	665,941	-	231,699	602,238	80,602	1,999,863
Net Book Value at 31 July 2021	111,075	114,301	-	38,476	3,375,999	278,048	3,917,899
Net Book Value at 31 July 2020	109,190	162,681	1,269	40,244	3,443,139	258,961	4,015,484

The long leasehold property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, at £3,500,000 creating a revaluation gain of £695,795. Had the assets continued to be valued using the cost model it would have resulted in a net book value of £2,696,527 (2020: £2,750,366).

Included within the above leasehold premises figure is a short leasehold property with a net book value of £8,630 (2020: £9,455) and long leasehold property with a net book value of £3,367,369 (2020: £3,433,684 after revaluation). There are currently no assets acquired under finance/HP agreements. There are no material capital commitments.

NatWest Bank plc hold a legal charge created on 19 November 1996 over the property at 9 Acorn Business Park, Portsmouth and also a legal charge created on 3 March 2008 over the property at 1 Access Point, Northarbour Road, Portsmouth.

11. Investments

	2021			
	Investment Property	Unlisted Shares	Total	2020
	£	£	£	£
Cost/Valuation				
Carrying Value at 1 August 2020	500,000	1	500,001	500,001
Additions revaluation	-	-	-	-
Balance at 31 July 2021	500,000	1	500,001	500,001

A formal valuation was carried out by Daniels Harrison Chartered Surveyors as at 31 July 2019, and the revaluation gain was reflected.

The historical cost of the property is £441,318 (2020: £441,318) and accumulated depreciation to date totals £289,317 (2020: £289,317).

The unlisted shares relate to shares in the Acorn Business Park (Cosham) Management Charity Limited. The trustees consider the market value of the share to be the same as the cost figure.

12. Stocks

	2021	2020
	£	£
General Stocks	13,599	8,641

The amount of stock recognised as an expense during the period was £4,958 (2020: £2,514)

13. Debtors

	2021	2020
	£	£
Amounts falling due within one year		
Trade Debtors	420,751	243,632
Prepayments	133,549	119,338
	554,300	362,970

14. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Trade Creditors	103,007	83,636
Mortgage	56,500	42,375
Accruals	113,916	109,250
Deferred Income	100,490	142,504
Government Agency	-	22,238
Other Taxation and Social Security	116,061	57,354
	489,974	457,357

Deferred income relates to membership fees and commercial income invoiced in advance. The amount released from previous years was £142,504. The bank allowed a capital payment holiday of six months due to the Covid 19 pandemic during 2020 and 2021, therefore the reduction was one quarter in each year.

15. Creditors: Amounts falling due after one year

	2021	2020
	£	£
Mortgage	409,625	466,125
Deferred Income	-	-
	409,625	466,125

Included within creditors falling due after one year are amounts, relating to the mortgage, of £183,625 (2020: £211,875) which fall due after more than five years by instalments. The mortgage relates to the property at 1 Access Point and has a loan to value percentage of 13% (2020: 15%). The mortgage is secured over the property.

The above mortgage is repayable over 20 years at an interest rate fixed at 2.45% above LIBOR. LIBOR will be replaced with the new SONIA calculation from December 2021.

Provisions

2021	2020
£	£
80,800	80,800

Provisions relate to the estimated amount which may be required for dilapidations relating to the short leasehold property held by the Charity in Havant and which, if not renewed, expires in 2031. The Directors believe that this is sufficient at this time. The opening balance of £80,800 remained unchanged during the year.

16. Obligations under Leases

At 31 July 2021 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Land & Buildings	
	2021	2020
	£	£
Not later than one year	51,297	51,297
Later than one year and not later than five years	205,188	205,188
Later than five years	278,359	329,656

	Other	
	2021	2020
	£	£
Not later than one year	11,482	11,925
Later than one year and not later than five years	3,246	12,783
Later than five years	-	-

The amount of operating leases recognised as an expense during the period was £85,167 (2020: £77,634).

The charity also acts as a lessor and as at 31 July 2021 the charity had future minimum lease payment under non-cancellable operating leases as follows:

	Land & Buildings	
	2021	2020
	£	£
Not later than one year	42,100	42,100
Later than one year and not later than five years	157,875	168,400
Later than five years	-	31,575

17. Summary of Fund Movements

	2021					
	Fund balances brought forward	Income	Expend-iture	Transfers	Gains and losses	Fund balances carried forward
	£	£	£	£	£	£
Unrestricted funds	4,595,762	3,637,168	(3,756,328)	500	-	4,477,102
Unrestricted funds-Property revaluation reserve	795,795	-	-	-	-	795,795
Restricted funds	4,500	17,246	(17,246)	(500)	-	4,000
Closing funds	5,396,057	3,654,414	(3,773,574)	-	-	5,276,897

The property at 1 Access Point, Northarbour Road, Portsmouth, was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £3,500,000 creating a revaluation gain of £695,795.

The investment property was revalued in July 2019, by Daniels Harrison Chartered Surveyors, to £500,000 creating a revaluation gain of £100,000.

18. Analysis of Net Assets between funds

	2021				2020
	Fixed Assets	Net Current Assets	Long Term Liabilities	Total	Total
	£		£	£	£
Unrestricted Funds	4,413,900	1,349,422	(490,425)	5,272,897	5,391,557
Restricted Funds	4,000	-	-	4,000	4,500
Closing funds	4,417,900	1,349,422	(490,425)	5,276,897	5,396,057

19. Reconciliation of changes in resources to net cash flow from operating activities

	2021	2020
	£	£
Changes in resources	(119,160)	(147,084)
Rent receivable	(41,896)	(42,212)
Interest receivable	(2,828)	(10,038)
Interest paid	12,062	16,487
Depreciation	218,290	209,003
Deficit on disposal of tangible fixed assets	1,057	189
(Increase)/decrease in debtors	(191,330)	96,155
Increase/(decrease) in creditors	18,492	(91,608)
(Increase)/decrease in stocks	(4,958)	2,514
Net cash (outflow)/inflow from operating activities	(110,271)	33,406

20. Analysis of changes in net cash funds

	2021		
	31 July 2021	Cashflow	1 August 2020
	£	£	£
Cash at bank and in hand	1,271,497	(241,746)	1,513,243

21. Analysis of changes in net debt

	2021			
	1 August 2020	Cashflows	Other non-cash changes	31 July 2021
	£	£	£	£
Cash and cash equivalents				
Cash	1,513,243	(241,746)	-	1,271,497
Overdrafts	-	-	-	-
Cash equivalents	-	-	-	-
	1.513,243	(241,746)	-	1,271,497
Borrowings				
Debt due within one year	(42,375)	-	-	(42,375)
Debt due after one year	(466,125)	42,375	-	(423,750)
	(508,500)	42,375	-	(466,125)
Total	1,004,743	(199,371)	-	805,372

22. Related Parties

The Charity provides courses and training support in the general course of business, under normal trading terms to the following companies which were represented on the board of trustees. Details of these transactions and the balances outstanding at the balance sheet date are detailed below:

	Turnover (Excl VAT) 2021	Balance Outstanding (Incl VAT) as at 31 July 2021	Balance Outstanding (Incl VAT) as at 31 July 2020
	£	£	£
Daniamant Ltd	1,795	150	-
DKW Enginering	407	-	719
Mimtec Ltd	1,002	20	48
Pall Manufacturing UK Ltd	21,026	12,535	4,536
Portsmouth Aviation Ltd	10,357	2,075	260
Raymarine UK Ltd	1,625	-	220
Hamble Aerostructures Ltd	14,899	17,118	-
Geest Line Ltd	224	-	-
Southampton Solent University	371	-	-

23. Charity Status

The Charity is limited by guarantee of each member who undertakes to contribute a sum not exceeding £100 to the assets of the Charity in the event of the Charity being wound up while he is a member or within one year after he ceases to be a member for payment of debts and liabilities of the Charity contracted before he ceases to be a member.