EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales · Charity number 515473

Details

Other names	FIRST COLLEGE
Status	Registered
Legal form	Charitable company
Company number	01802908
Registered	1984-08-29
Register	View on the Charity Commission register

Contact

Address	First College Unit 3 Newbridge Hill Louth Lincolnshire LN11 0JT
Phone	01507601122
Email	enquiries@firstcollegelincs.co.uk
Website	www.firstcollegelincs.co.uk

Activities

Objects: THE PROMOTION AND ADVANCEMENT OF THE EDUCATION AND THE TRAINING OF THE PUBLIC, INCLUDING THE LONG TERM UNEMPLOYED, TO ACQUIRE VOCATIONAL QUALIFICATIONS AND WORK RELATED SKILLS AS REQUIRED BY LOCAL EMPLOYERS AND INDUSTRIES AND TO MEET NATIONAL GOVERNMENT TARGETS BY MEANS OF INSTRUCTOR LED AND SELF STUDY COURSES AND THE PROVISION OF PRACTICAL EXPERIENCETHE RELIEF OF UNEMPLOYMENT FOR THE PUBLIC BENEFIT IN SUCH A WAY AS MAY BE THOUGHT FIT, INCLUDING ASSISTANCE TO FIND EMPLOYMENT

Activities: Operating in Lincolnshire, First College seeks to deliver high quality learning that raises participation and attainment, that meets the individual needs of Learners through collaborative partnership working and employer engagement. Specifically we deliver Apprenticeships, Traineeships and vocational training to a wide range of local people. Other activities include supporting unemployed people.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, Other Defined Groups, The General Public/mankind

Geography

- Lincolnshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£1,208,620	£1,302,246	£778,869	27
2024-07-31	£1,380,552	£1,306,993	£872,494	29
2023-07-31	£1,362,121	£1,721,128	£798,934	33
2022-07-31	£1,452,718	£1,350,180	£1,157,942	41
2021-07-31	£1,107,705	£1,172,870	£1,055,404	41
2020-07-31	£1,225,797	£1,390,033	£1,120,569	41

Trustees

Name	Role	Appointed
Paul McCooey	Chair	2014-04-01
Craig Cooksley		2026-06-25
LOUIS HARMAN		2017-01-04
Lewis John Ducket		2019-08-05

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2025

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2025

Trustees	P McCooey L J Ducket L G Harman
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2025

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2024 to 31 July 2025. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The group and the Company also trade under the names First College.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission. The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Association of Employment Learning Providers, which is the national body representing provider views.

Achievements and performance

a. Review of activities

Planned Developments 2024/25 and results

Review of company mobile telephones and complete distribution process

Company mobile phones have been made available to the staff requiring them.

Successful outcome from Matrix reassessment

The last Matrix inspection was June 2025 – Successful.
The next full assessment is due in June 2026.

The UK Matrix accreditation is an international quality standard for organisations that deliver information, advice and guidance. The process involves an agreed assessment process where the quality and delivery of information and advice are assessed against the Matrix standard's four main elements: leadership & management, resources, service delivery and continuous improvement. Achieving the standard demonstrates our commitment to excellence and quality.

Successful outcome in reassessment for Cyber Essentials and Cyber Essentials Plus

Cyber Essentials achieved January 2025.
Cyber Essentials Plus achieved April 2025.

Accreditation for both Cyber Essentials and Cyber Essentials Plus is very important to First College and evidences our commitment to protecting our core systems from Cyber attacks. Further to the accreditation process, all staff take part in regular 'Cyber training' activities for an up to date awareness of the pitfalls in this area.

Successful submission to new DfE workforce data collection portal

Data was successfully submitted to the portal in December 2024.

Further develop relationship and collaborative work

This development remains to be ongoing.

Complete a program of redecoration and general tidying up of the Ida Road Premises

Both delivery rooms at Ida Road have been redecorated and re-carpeted including landing and stairway carpet. North parade has had some redecoration completed where required.

The redecoration process is in place to ensure as a company we provide both staff and learners with a safe working/learning environment, this is inline with our company objectives as listed in the Business Plan.

Achievements and performance (continued)

Consider delivering AAT qualifications again, carry out a review of the needs of the community and identify our offer

A pathway to delivery has been Identified however we have not pursued this any further at this stage. Research into the finances of course delivery is required to be able to assess the potential benefit to both First College and the end user.

Review Participant spend arrangements in order to charge fees for training delivery

Participant spend arrangements have been reviewed and fees are now being charged for training delivery.

Update all telephone systems where required to cloud based from ISDN

All of the telephone systems are now running from cloud-based solutions. Although costs were involved in this update, savings should been seen moving forward from reduced call charges.

Produce a formal marketing plan for 1 – 2 years

This development has been carried forward.

Carry out a full review of the website

This development has been carried forward.

Increase meal numbers and identify new opportunities for First Meals

Always ongoing.

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity. The trustees review the reserve levels of the charity annually and are actively seeking ways to utilise the organisation’s reserves to advance the organisation relative to its business objectives.

The trustees have determined that the appropriate level of free reserves should be three months running costs and a planned closure which are estimated at £456,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The charity holds total reserves of £778,869 (2024: £872,494). Individually this is made up of unrestricted funds of £768,715 (2024: £861,663) and restricted funds of £10,154 (2024: £10,831). Free reserves being unrestricted funds less those tied up in tangible fixed assets amounted to £613,098 (2024: £702,068). In the year ended 31 July 2025 the Trust made an overall deficit of £93,623 (2024: surplus of £73,559). At 31 August 2025 the Trust held sufficient reserves to meet the free reserves requirement.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of “First College”.

The financial statements comply with current statutory requirements and the company’s governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 2 in office at any time.

c. Organisational structure and decision-making policies

The registered office and names and addresses of advisers are set out on the Index page.

East Lindsey ITeC has three Trustees, one of whom is the Chairman. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company’s premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

Structure, governance and management (continued)

East Lindsey ITeC is sponsored by 3 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed to one Senior Manager, who reports directly to the Board of Trustees. This is the Chief Executive.

The **Chief Executive** has overall responsibility for leading the company. The main responsibilities include day-to-day management of the business which include leading the company's strategic planning and the implementation of policy. The Chief Executive reports to the Trustee's in relation to policy. The main areas of overall responsibility for the Chief Executive are –

- Human Resources/Personnel
- Compliance with all relevant legislation impacting the running of the business
- Charity Commission requirements of the business
- Company financial overview
- Business activities including contractual management
- Developing new business opportunities
- Collaboration with external bodies
- Premises control, including IT services
- Health & Safety, Safeguarding, Equality, Diversity and Inclusion.

The **Finance Manager** takes the lead in Finance and is responsible for the production of the company's management accounts and the maintenance of its financial systems. The role is to ensure the company meets all the statutory requirements when considering Audit and VAT compliance and in addition, supports the strategic planning process. Within this role, the Finance Manager will produce budgets and monthly accounts and process all financial transactions of the business.

The **Senior Executive Assistant** takes the lead in compliance and is responsible for ensuring that the company's policies are kept up-to-date and closely monitored. The role also supports many other activities of the Chief Executive including all the arrangements for Trustees meetings. The role also has a pastoral support element to staff in the form of regular contact and ensured confidentiality.

The **Quality Manager** (Team Leader Business and Early Years) takes a lead on quality to ensure that all our processes that relate to learning activities outside of the welfare to work program are working effectively from a contractual and performance perspective. Within this role the quality manager is the nominee for Ofsted and therefore responsible for the self-assessment and quality requirements including internal and external audits.

The **Team Manager – Restart** takes a leading role in the delivery of the Restart subcontract through AKG. This role includes managing the team in the delivery of the contract and achieving the performance targets as stated within the contractual agreement. The Team Manager will support the staff in all aspects including the quality approach expected by the prime and work closely with the prime contractor.

The **Catering Manager – First Meals** is responsible for the delivery of school meals ensuring that the highest quality is maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. The role also supports partnerships and attending meetings to assist schools.

The **Team Leaders** take a leading role in operational, performance and quality improvement matters ensuring cross-organisational consistency and standardisation. They will take a role in all matters relating to quality improvement including assessment, internal quality assurance, awarding body liaison and e-learning. There is a Team Leader in each of the following areas: Business and Early Years, Hospitality and Functional Skills and Recruitment.

Structure, governance and management (continued)

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various occupational areas to concentrate on specific topics and tasks. Staff wishing to join Working Groups should speak with their Line Manager in the first instance. A wide involvement by staff is welcomed and encouraged. The Working Groups listed here are active in 2025/2026.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems Group
- Marketing Group

Strategy Group

The Strategy Group is led by the Chief Executive and comprises the Finance Manager and the Senior Executive Assistant. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Compliance Group

The Compliance Group is led by the Senior Executive Assistant / Compliance Lead. The group exists to ensure the company remains legal in relation to all area's affecting our business. The group also consists of the Chief Executive and the Business Support Advisor. The group maintain all policies relating to these areas. The Chief Executive is responsible for all staff employment conditions which include the contents of the Staff Handbook and all policy documents.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of Contracts Performance, Quality Assurance and other factors affecting First College. The group will review and discuss contract performance, financial performance, delivery in accordance with contracts, Inspectorate and External Body requirements, Self-Assessment, legal obligations, infrastructure including premises and IT. The Chief Executive chairs the meetings with all Managers, Team Leaders and senior support staff.

Quality Systems / Self-Assessment and Inspection Working Group (Quality Group)

The Quality Manager leads this group which keeps First College up to date on best practice in quality related matters. The group consists of the Quality Manager, the Team Leader Hospitality/FS and ASF Lead, the Senior Executive Assistant/Compliance Lead and the Administrative Coordinator as and when required. The group takes a leading role in all matters relating to self-assessment, audit, action planning and external inspection; whilst liaising closely with the Internal Quality Assurance and Assessment Standardisation.

Equality, Diversity and Inclusion

The Board will consider Equality, Diversity and Inclusion issues at its Board Meetings on an ongoing basis. The Board nominates a Trustee to champion on the subject and as such they will annually review all policies and other documentation that relate to Equality, Diversity and Inclusion.

Data Protection and Information Security

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Structure, governance and management (continued)

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Board Committees

Remuneration Committee

A selected group of Trustees and the Chief Executive carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/ 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 - Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Deliver two staff events per annum
2. Resolve the Marketing Strategy for the delivery on the ASF contract
3. First College Awards Event to recognise achievers, both learners and employers
4. Successful outcome in reassessment for Cyber Essentials and Cyber Essentials Plus
5. Successful submission to new DfE workforce data collection portal
6. Ida Road Premises – complete first floor offices redesignation
7. North Parade Premises – replace or update blinds with bespoke window film and replace chairs where necessary.
8. Louth Premises – replace oil tank and re-site oil tank
9. Successful outcome from Matrix full assessment
10. Continue to drive the number of learners on apprenticeships
11. Expand Early Years delivery further into Lincoln and North Lincolnshire
12. Increase meal numbers and identify new opportunities for First Meals
13. Keeping abreast of Greater Lincolnshire Combined Authority and Mayoral funds developments
14. Look for opportunities for First Meals staff to develop their skills towards First College activities
15. Work towards offering Level 5 Management qualifications
16. Carry out a full review of the website

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

....

P McCooey

Date: 20 April 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Trustees and other management, and from our knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011, taxation legislation, data protection, anti-bribery, fundraising, food hygiene and safety, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and review of legal fees; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested a sample of bank payments to supporting purchase invoices;
- assessed whether judgments and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

L Saunby

Lizzie Saunby MAAT ACA BFP (senior statutory auditor)
for and on behalf of
Streets Audit LLP
Chartered Accountants and Statutory Auditor
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

Date: 22/04/2026

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

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds *2024* *£*
Income from:					
Charitable activities	3	**883,040**	**-**	**883,040**	*1,005,514*
Other trading activities	4	**325,514**	**-**	**325,514**	*374,976*
Investments	5	**66**	**-**	**66**	*64*
Total income		**1,208,620**	**-**	**1,208,620**	*1,380,554*
Expenditure on:					
Raising funds	6	**340,939**	**-**	**340,939**	*356,568*
Charitable activities	7	**960,630**	**677**	**961,307**	*950,426*
Total expenditure		**1,301,569**	**677**	**1,302,246**	*1,306,994*
Net movement in funds		**(92,949)**	**(677)**	**(93,626)**	*73,560*
Reconciliation of funds:					
Total funds brought forward		**861,663**	**10,831**	**872,495**	*798,935*
Net movement in funds		**(92,949)**	**(677)**	**(93,626)**	*73,560*
Total funds carried forward		**768,714**	**10,154**	**778,868**	*872,495*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 22 to 38 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2025

	Note		2025 £		2024 £
Fixed assets					
Tangible assets	13		**155,617**		*159,596*
			155,617		*159,596*
Current assets					
Stocks	16	**1,044**		*2,180*	
Debtors	17	**136,259**		*274,481*	
Cash at bank and in hand		**684,218**		*709,823*	
		821,521		*986,484*	
Current liabilities					
Creditors: amounts falling due within one year	18	**(198,269)**		*(273,585)*	
Net current assets			**623,252**		*712,899*
Total assets less current liabilities			**778,869**		*872,495*
Net assets excluding pension asset			**778,869**		*872,495*
Total net assets			**778,869**		*872,495*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2025

	Note	**2025** £	*2024* £
Charity funds			
Restricted funds	20	**10,154**	*10,831*
Unrestricted funds	20	**768,715**	*861,664*
Total funds		**778,869**	*872,495*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 20 April 2026 and signed on their behalf by:

....
P McCooey
Trustee

The notes on pages 22 to 38 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 JULY 2025

	Note		2025 £		*2024 £*
Fixed assets					
Tangible assets	13		**155,617**		*159,596*
Investments	14		**3**		*3*
			155,620		*159,599*
Current assets					
Debtors	17	**200,509**		*322,979*	
Cash at bank and in hand		**628,855**		*653,319*	
		829,364		*976,298*	
Current liabilities					
Creditors: amounts falling due within one year	18	**(191,167)**		*(263,403)*	
Net current assets			**638,197**		*712,895*
Total assets less current liabilities			**793,817**		*872,494*
Net assets excluding pension asset			**793,817**		*872,494*
Total net assets			**793,817**		*872,494*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2025

	Note	2025 £	*2024 £*
Charity funds			
Restricted funds	20	**10,155**	*10,831*
Unrestricted funds	20	**783,662**	*861,663*
Total funds		**793,817**	*872,494*

The Company's net movement in funds for the year was £(78,677) *(2024 - £68,644)*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

....
P McCooey
Trustee
Date: 20 April 2026

The notes on pages 22 to 38 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	2025 £	*2024* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(15,859)**	*88,541*
Cash flows from investing activities		
Dividends, interests and rents from investments	**66**	*64*
Purchase of tangible fixed assets	**(9,812)**	*(1,969)*
Net cash used in investing activities	**(9,746)**	**(1,905)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(25,605)**	**86,636**
Cash and cash equivalents at the beginning of the year	**709,823**	*623,187*
Cash and cash equivalents at the end of the year	**684,218**	*709,823*

The notes on pages 22 to 38 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from charitable activities

	Unrestricted funds 2025 £	**Total funds 2025 £**	*Total funds 2024 £*
Adult Income	577,018	**577,018**	*703,405*
Youth Income	302,073	**302,073**	*298,158*
Commercial training and services	3,949	**3,949**	*3,951*
Total 2025	883,040	**883,040**	*1,005,514*

4. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Sales	325,514	**325,514**	*374,976*
Total 2024	*374,976*	*374,976*	

5. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
Investment income - local cash	66	**66**	*64*
Total 2024	*64*	*64*	

6. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	*Total funds 2024 £*
First Meals - operating costs	163,205	**163,205**	*183,808*
First meals- recharge of staff costs	177,734	**177,734**	*172,760*
Total 2025	340,939	**340,939**	*356,568*

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	*Total 2024 £*
Charitable Activities	960,630	677	**961,307**	*950,426*
Total 2024	*949,756*	*670*	*950,426*	

8. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	*Total funds 2024 £*
Charitable Activities	845,019	116,288	**961,307**	*950,426*
Total 2024	*841,447*	*108,979*	*950,426*	

Analysis of direct costs

	Charitable Activities 2025 £	Total funds 2025 £	*Total funds 2024 £*
Staff costs	601,104	**601,104**	*704,853*
Materials and purchases	50,856	**50,856**	*42,209*
Subcontract tutors	51,788	**51,788**	*55,252*
Staff travel	11,115	**11,115**	*9,898*
Trainee allowances	121,342	**121,342**	*24,003*
Telephone	8,814	**8,814**	*5,232*
Total 2025	845,019	**845,019**	*841,447*

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable Activities 2025 £	Total funds 2025 £	*Total funds 2024 £*
Depreciation	13,791	**13,791**	*17,553*
Rent and rates	9,313	**9,313**	*8,594*
Light and heat	8,001	**8,001**	*9,563*
Repairs and renewals	46,727	**46,727**	*34,817*
Advertising	3,176	**3,176**	*2,188*
Staff travel	3,494	**3,494**	*4,578*
Printing, postage and stationary	2,827	**2,827**	*2,278*
Telephone	1,429	**1,429**	*2,139*
Insurance	5,731	**5,731**	*5,777*
Legal and professional	3,300	**3,300**	*4,570*
Audit and Accountancy fees	6,135	**6,135**	*6,554*
Bank charges	-	**-**	*146*
VAT absorbed	4,241	**4,241**	*3,640*
Sundry	8,123	**8,123**	*6,494*
Bad debt provision	-	**-**	*88*
Total 2025	116,288	**116,288**	*108,979*

9. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,900 *(2024 - £4,900)*, and accountancy, taxation and support services of of £1,235 (*2024 - £1,242*).

10. Staff costs

	Group 2025 £	Group *2024* *£*	Company 2025 £	Company *2024* *£*
Wages and salaries	**685,365**	*774,683*	**527,576**	*620,922*
Social security costs	**55,188**	*60,280*	**42,662**	*50,230*
Contribution to defined contribution pension schemes	**38,285**	*42,650*	**30,866**	*33,701*
	778,838	*877,613*	**601,104**	*704,853*

Included in Wages and salaries costs are voluntary redundancy payments totalling £9,879 (2024: £30,000).

The average number of persons employed by the Group during the year was as follows:

	Group 2025 No.	Group *2024* *No.*
All staff	**27**	*29*

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

	Group 2025 No.	Group *2024* *No.*
In the band £60,001 - £70,000	**1**	*-*

11. Key management personnel

The key management personnel of the charity are the Chief Executive, Finance Manager, Senior Executive assistant, Restart Manager, EY Team Leader and Catering Manager. The total employee benefits paid to the 6 members of key management personnel including employer national insurance and pension contributions (2024: 2 members) was £275,607 (2024: £148,454).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2024 - £NIL)*.

During the year ended 31 July 2025, no Trustee expenses have been incurred *(2024 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2024	**572,829**	**92,568**	**180,484**	**274,752**	**1,120,633**
Additions	**-**	**-**	**-**	**9,812**	**9,812**
At 31 July 2025	**572,829**	**92,568**	**180,484**	**284,564**	**1,130,445**
Depreciation					
At 1 August 2024	**420,360**	**92,568**	**175,828**	**272,281**	**961,037**
Charge for the year	**12,316**	**-**	**920**	**555**	**13,791**
At 31 July 2025	**432,676**	**92,568**	**176,748**	**272,836**	**974,828**
Net book value					
At 31 July 2025	**140,153**	**-**	**3,736**	**11,728**	**155,617**
At 31 July 2024	*152,469*	*-*	*4,656*	*2,471*	*159,596*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2024	**3**
At 31 July 2025	**3**
Net book value	
At 31 July 2025	**3**
At 31 July 2024	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Net assets £
First Meals Limited	**325,514**	**(340,463)**	**(14,948)**

First Meals Limited at the year end had net liabilities of £14,948 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2025 £	Group 2024 £
Raw materials and consumables	**1,044**	*2,180*

17. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Due within one year				
Trade debtors	**57,186**	*207,046*	**71,438**	*191,795*
Amounts owed by group undertakings	**-**	*-*	**50,000**	*63,753*
Other debtors	**45,940**	*40,291*	**45,940**	*40,289*
Prepayments and accrued income	**33,133**	*27,144*	**33,131**	*27,142*
	136,259	*274,481*	**200,509**	*322,979*

18. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade creditors	**38,665**	*53,172*	**34,645**	*48,694*
Other taxation and social security	**36,011**	*58,346*	**34,845**	*54,558*
Other creditors	**7,469**	*6,371*	**7,469**	*6,371*
Accruals and deferred income	**116,124**	*155,696*	**114,208**	*153,780*
	198,269	*273,585*	**191,167**	*263,403*

19. Accruals and deferred income

	Group 2025 £	Group *2024* *£*	Company 2025 £	Company *2024* *£*
Deferred income at 1 August 2024	**914**	-	**914**	-
Resources deferred during the year	**504**	*914*	**504**	*914*
Deferred income at 31 July 2025	**1,418**	*914*	**1,418**	*914*

At 31 July 2025 and 31 July 2024 the Group held funds received in advance for the provision for course training for the subsequent year.

20. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Balance at 31 July 2025 £
Unrestricted funds				
General Funds	**861,664**	**1,208,620**	**(1,301,569)**	**768,715**
Restricted funds				
Learning and Skills Council	**10,831**	**-**	**(677)**	**10,154**
Total of funds	**872,495**	**1,208,620**	**(1,302,246)**	**778,869**

General Funds - consists of funds for the use in the general futherance of the charitable objectives.

Restricted funds - Learning and Skills Council - constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
General Funds	*787,434*	*1,380,553*	*(1,306,323)*	*861,664*
Restricted funds				
Learning and Skills Council	*7,286*	*-*	*(670)*	*6,616*
Traineeship Bursary	*4,215*	*-*	*-*	*4,215*
	11,501	*-*	*(670)*	*10,831*
Total of funds	*798,935*	*1,380,553*	*(1,306,993)*	*872,495*

21. Summary of funds

Summary of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Balance at 31 July 2025 £
General funds	**861,664**	**1,208,620**	**(1,301,569)**	**768,715**
Restricted funds	**10,831**	**-**	**(677)**	**10,154**
	872,495	**1,208,620**	**(1,302,246)**	**778,869**

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
General funds	*787,434*	*1,380,553*	*(1,306,323)*	*861,664*
Restricted funds	*11,501*	-	*(670)*	*10,831*
	798,935	*1,380,553*	*(1,306,993)*	*872,495*

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	149,678	5,939	**155,617**
Current assets	817,306	4,215	**821,521**
Creditors due within one year	(198,269)	-	**(198,269)**
Total	768,715	10,154	**778,869**

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2025 £	Group *2024* *£*
Net income/expenditure for the year (as per Statement of Financial Activities)	**(93,626)**	*73,560*
Adjustments for:		
Depreciation charges	**13,791**	*17,553*
Dividends, interests and rents from investments	**(66)**	*(64)*
Decrease/(increase) in stocks	**1,136**	*(321)*
Decrease in debtors	**138,224**	*893*
Decrease in creditors	**(75,321)**	*(3,079)*
Net cash provided by/(used in) operating activities	**(15,862)**	*88,542*

24. Analysis of cash and cash equivalents

	Group 2025 £	Group *2024* *£*
Cash in hand	**684,218**	*709,823*
Total cash and cash equivalents	**684,218**	*709,823*

25. Analysis of changes in net debt

	At 1 August 2024 £	Cash flows £	At 31 July 2025 £
Cash at bank and in hand	**709,823**	**(25,605)**	**684,218**
	709,823	**(25,605)**	**684,218**

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £38,285 (2024: £42,650). Contributions totalling £5,100 (2024: £4,876) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 July 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	*Group 2024 £*	**Company 2025 £**	*Company 2024 £*
Not later than 1 year	**5,500**	*5,000*	**5,500**	*5,000*

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

Some of the trustees are mutual directors for companies that purchase training services from the company. The services provided are not on preferential terms.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2024

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(A company limited by guarantee)

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2024

Trustees	P McCooey L J Ducket L G Harman
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2024

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2023 to 31 July 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The group and the Company also trade under the names First College.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission. The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Association of Employment Learning Providers, which is the national body representing provider views. The Business Manager is on the Employment Skills Board of the Greater Lincolnshire Local Enterprise Partnership.

Achievements and performance

a. Review of activities

Planned Developments 2023/24 and results

Update on Staff internal recruitment practices to include electronic application methods and initial Occupational Health Assessments (where applicable).

The decision has been made not to proceed with this development.

Successful outcome from Matrix reassessment

The Matrix re-assessment was successfully achieved 24th June 2024.

Successful outcome in reassessment for Cyber Essentials Plus.

Cyber Essentials achieved January 2024.
Cyber Essentials Plus achieved 15th April 2024.

Successful submission to new ESF a workforce data collection portal.

Data was successfully submitted to the portal in November 2023.

Introduction of soft outcome targets at individual and team level.

The decision has been made not to proceed with this development.

Complete a program of redecoration and general tidying up of the Ida Road Premises.

Work is underway and the rear of the premises has been cleaned and handrails re-painted. The top floor at Ida Road is now clear of staff so we will move furniture and re-purpose.

Establish curriculum learning groups for learners from day one of learning.

Curriculum learning groups established in September 2023 and this is now ongoing.

Establish systems for electronic learning for retention and storage.

All learning records are now being successfully stored within MI.

Update all telephone systems where required to cloud based from ISDN.

Our Unit 3 and North parade premises are currently running through cloud based solutions and therefore no longer have the ISDN facility. The Ida Road property will join the cloud at a future date, most probably nearer the end of the year.

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity. The trustees review the reserve levels of the charity annually and are actively seeking ways to utilise the organisation’s reserves to advance the organisation relative to its business objectives.

The trustees have determined that the appropriate level or free reserves should be three months running costs and a planned closure which are estimated at £445,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The charity holds total reserves of £872,494 (2023: £798,934). Individually this is made up of unrestricted funds of £861,663 (2023: £787,433) and restricted funds of £10,831 (2023: £11,501). In the year ended 31 July 2024 the Trust made an overall surplus of £73,559 (2023: deficit of £359,007). At 31 August 2024 the Trust held sufficient reserves to meet the free reserves requirement.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of “First College”.

The financial statements comply with current statutory requirements and the company’s governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

c. Organisational structure and decision-making policies

The registered office and names and addresses of advisers are set out on the Index page.

East Lindsey ITeC has three Trustees, one of whom is the Chairman. The Board sets policy, monitors progress

Structure, governance and management (continued)

and strives to provide good and sound governance.
The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company's premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 4 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Manager and the Learning Contracts Manager.

The **Business Manager** is responsible for leading company strategic planning and the implementation of policy, whilst ensuring that the company meets all legislative requirements including those related to personnel, charity commission, health and safety, safeguarding and equality and diversity. In addition, the Business Manager has responsibility for the company's finance, administrative activities and the securing of new contracts/new opportunities.

The **Learning Contracts Manager** is responsible for the delivery of all learning operations of the college including contract delivery, as well as ensuring that the college meets all self assessment and quality requirements including internal and external audits and/or inspections. In addition, the Learning Contracts Manager supports strategic planning and the implementation of policy.

The First College organisational structure is based on the **Learning & Business Function**. The areas are Business, Early Years, Employability, Hospitality, Recruitment, and School Meals. Each learning area has one person designated as a Team Leader. Team Leaders take a leading role in operational, performance and quality development matters.

The **Catering Manager – First Meals** is responsible for the delivery of school meals at two premises ensuring that quality is mirrored and maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. Supporting the Food for life partnership and attending meetings to assist schools in becoming accredited themselves.

The **Lead Internal Quality Assurer (LIQA)** is responsible for ensuring that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross college consistency. The Lead Internal Quality Assurer will take a lead role in all matters relating to quality improvement including assessment, internal verification, awarding body liaison and ENVQ.

The **Team Leaders/IQAs/QAs** take a leading role in operational, performance and quality improvement matters ensuring cross-organisation consistency and standardisation. To take a leading role in all matters relating to quality improvement including assessment, internal quality assurance, awarding body liaison and e-learning. There is a team leader in each of the following areas; Business, Early Years, Hospitality and Recruitment.

Structure, governance and management (continued)

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various areas to concentrate on specific topics and tasks. Wide involvement by staff is welcomed and encouraged. The Working Groups listed here were active in 2023/24.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems / Self Assessment and Inspection Working Group (QSWG)
- Internal Quality Assurance and Assessment Standardisation Group

Strategy Group

The Strategy Group is led by the Business Manager and comprises of the Learning Contracts Manager and Finance Manager. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Internal Quality Assurance Assessment and Standardisation Group

The Learning Development Manager/Lead IQA leads this group, which is responsible for ensuring best practice and standardisation across the whole college with all internal quality assurance and assessment processes. The group is attended by all Internal Quality Assurance staff.

Compliance Group

The Compliance Group exists to ensure the company remains legal in relation to all areas affecting our business. The group consists of the Business Manager and the Personnel Adviser. The group maintain all policies relating to these areas. The Business Manager will bring some other legal obligations to the meeting where appropriate, these can include Employment Law, GDPR, Company Law and Charity Commission rules and regulations. The Business Manager is responsible for all staff employment conditions which include the contents of the Staff Handbook and the policy documents. These other policy documents are also reviewed within the Compliance Group.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of contracts performance, quality assurance and other factors affecting First College. The group will review and discuss contract performance, financial performance, delivery in accordance with Contract, Inspectorate and External Body requirements, self assessment, business support including marketing, legal obligations, infrastructure including premises and IT. The Learning Contracts Manager will lead on matters relating to the learning function of First College and the Business Manager will lead on matters relating to the business function of First College. The Learning Contracts Manager and the Business Manager will agree agenda items in advance of meetings. The Learning Contracts Manager will chair the meetings. Attending the meetings will be all teams leaders.

Quality Systems / Self Assessment and Inspection Working Group (QSWG)

The Quality Assurance Manager leads this group which keeps First College up to date on best practice in quality related matters. Maintain the QMM. The group takes a leading role in all matters relating to self- assessment, audit, action planning and external inspection, whilst liaising closely with the Internal Quality Assurance Assessment and Standardisation and Compliance Groups.

Structure, governance and management (continued)

Equality and Diversity

The Board will consider Equality and Diversity issues at its Board Meetings on an ongoing basis and will annually review all policies and other communication that relate to Equality and Diversity.

Data Protection

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Board Committee

Remuneration Committee

A selected group of Trustees and the Business Manager carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/- 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 - Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Review of company mobile telephones and complete distribution process
2. Successful outcome from Matrix reassessment
3. Successful outcome in reassessment for Cyber Essentials and Cyber Essentials Plus
4. Successful submission to new ESFA workforce data collection portal
5. Further develop relationship and collaborative work
6. Complete a program of redecoration and general tidying up of the Ida Road and North Parade premises
7. Consider delivering AAT qualifications again, carry out a review of the needs of the community and identify our offer
8. Review Participant Spend arrangements in order to charge fees for training delivery
9. Update all telephone systems where required at centers to cloud based from ISDN
10. Produce a formal marketing plan for 1 – 2 years
11. Carry out a full review of the website
12. Increase meal number and identify new opportunities for First Meals

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of Trustees' responsibilities (CONTINUED)

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

....
P McCooey
Date: 25 March 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102), taxation legislation, including relevant DfE and ESFA guidance data protection, anti-bribery, food & hygiene employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing any correspondence with HMRC, relevant regulators and the Company’s legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

L Saunby

Lizzie Saunby MAAT ACA BFP (senior statutory auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants and Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

3 April 2025

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

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds *2023* *£*
Income from:					
Charitable activities	4	-	**1,005,514**	**1,005,514**	*1,035,393*
Other trading activities	5	-	**374,974**	**374,974**	*326,656*
Investments	6	-	**64**	**64**	*72*
Total income		-	**1,380,552**	**1,380,552**	*1,362,121*
Expenditure on:					
Raising funds	7	-	**356,568**	**356,568**	*333,433*
Charitable activities	8	**670**	**949,755**	**950,425**	*1,387,695*
Total expenditure		**670**	**1,306,323**	**1,306,993**	*1,721,128*
Net movement in funds		**(670)**	**74,229**	**73,559**	*(359,007)*
Reconciliation of funds:					
Total funds brought forward		**11,501**	**787,434**	**798,935**	*1,157,942*
Net movement in funds		**(670)**	**74,229**	**73,559**	*(359,007)*
Total funds carried forward		**10,831**	**861,663**	**872,494**	*798,935*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 22 to 39 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	13		**159,596**		*175,180*
			159,596		*175,180*
Current assets					
Stocks	16	**2,180**		*1,859*	
Debtors	17	**274,481**		*275,372*	
Cash at bank and in hand		**709,823**		*623,187*	
		986,484		*900,418*	
Creditors: amounts falling due within one year	18	**(273,586)**		*(276,664)*	
Net current assets			**712,898**		*623,754*
Total assets less current liabilities			**872,494**		*798,934*
Net assets excluding pension asset			**872,494**		*798,934*
Total net assets			**872,494**		*798,934*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2024

	Note	**2024** £	*2023* £
Charity funds			
Restricted funds	20	**10,831**	*11,501*
Unrestricted funds	20	**861,663**	*787,434*
Total funds		**872,494**	*798,935*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 25 March 2025 and signed on their behalf by:

P McCooey
Trustee

The notes on pages 22 to 39 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 JULY 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	13		**159,596**		*175,180*
Investments	14		**3**		*3*
			159,599		*175,183*
Current assets					
Debtors	17	**322,979**		*366,924*	
Cash at bank and in hand		**653,319**		*528,737*	
		976,298		*895,661*	
Creditors: amounts falling due within one year	18	**(263,403)**		*(266,995)*	
Net current assets			**712,895**		*628,666*
Total assets less current liabilities			**872,494**		*803,849*
Net assets excluding pension asset			**872,494**		*803,849*
Total net assets			**872,494**		*803,849*

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 1802908

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2024

	Note		**2024** £		*2023* £
Charity funds					
Restricted funds	20	**10,832**		*11,501*	
Restricted funds	20		**10,832**		*11,501*
Unrestricted funds	20		**861,662**		*792,348*
Total funds			**872,494**		*803,849*

The Company's net movement in funds for the year was £68,645 *(2023 - £(354,094))*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P McCooey
Trustee
Date: 25 March 2025

The notes on pages 22 to 39 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	**88,541**	*(248,081)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**64**	*72*
Purchase of tangible fixed assets	**(1,969)**	-
Net cash (used in)/provided by investing activities	**(1,905)**	**72**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**86,636**	**(248,009)**
Cash and cash equivalents at the beginning of the year	**623,187**	*871,196*
Cash and cash equivalents at the end of the year	**709,823**	*623,187*

The notes on pages 22 to 39 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2. Accounting policies (continued)

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

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

2.10 Cash at bank and in hand

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

2.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.14 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation any any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the Company's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. Income from charitable activities

	Unrestricted funds 2024 £	**Total funds 2024 £**	*Total funds 2023 £*
Adult Income	703,405	**703,405**	*704,849*
Youth Income	298,158	**298,158**	*304,053*
Commercial training and services	3,951	**3,951**	*26,491*
Total 2024	1,005,514	**1,005,514**	*1,035,393*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Sales	374,974	**374,974**	*326,656*
Total 2023	*326,656*	*326,656*	

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Investment income - local cash	64	**64**	*72*
Total 2023	*72*	*72*	

7. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
First Meals - operating costs	183,808	**183,808**	*166,811*
First meals- recharge of staff costs	172,760	**172,760**	*166,622*
Total 2024	356,568	**356,568**	*333,433*

7. Expenditure on raising funds (continued)

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total 2024 £	*Total 2023 £*
Charitable Activities	670	949,755	**950,425**	*1,387,695*
Total 2023	*670*	*1,387,025*	*1,387,695*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	*Total funds 2023 £*
Charitable Activities	841,447	108,978	**950,425**	*1,387,695*
Total 2023	*1,271,211*	*116,484*	*1,387,695*	

9. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Charitable Activities 2024 £	Total funds 2024 £	*Total funds 2023 £*
Staff costs	704,853	**704,853**	*932,547*
Materials and purchases	42,209	**42,209**	*59,328*
Subcontract tutors	55,252	**55,252**	*42,326*
Staff travel	9,898	**9,898**	*8,053*
Trainee allowances	24,003	**24,003**	*220,881*
Telephone	5,232	**5,232**	*8,076*
Total 2024	841,447	**841,447**	*1,271,211*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Charitable Activities 2024 £	**Total funds 2024 £**	*Total funds 2023 £*
Depreciation	17,553	**17,553**	*20,576*
Rent and rates	8,594	**8,594**	*8,698*
Light and heat	9,563	**9,563**	*11,126*
Repairs and renewals	34,817	**34,817**	*37,202*
Advertising	2,188	**2,188**	*1,171*
Staff travel	4,578	**4,578**	*4,563*
Printing, postage and stationary	2,277	**2,277**	*3,305*
Telephone	2,139	**2,139**	*2,117*
Insurance	5,777	**5,777**	*6,584*
Legal and professional	4,570	**4,570**	*5,714*
Audit and Accountancy fees	6,554	**6,554**	*6,142*
Bank charges	146	**146**	*101*
VAT absorbed	3,640	**3,640**	*4,564*
Sundry	6,494	**6,494**	*4,597*
Bad debt provision	88	**88**	*24*
Total 2024	108,978	**108,978**	*116,484*

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,900 *(2023 - £4,900)*, and accountancy, taxation and support services of of £1,654 (*2023 - £1,242*).

11. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	**774,683**	*966,363*	**620,922**	*818,243*
Social security costs	**60,280**	*79,340*	**50,230**	*69,758*
Contribution to defined contribution pension schemes	**42,650**	*53,466*	**33,701**	*44,546*
	877,613	*1,099,169*	**704,853**	*932,547*

IIncluded in Wages and salaries costs are voluntary redundancy payments totalling £30,000 (2023: £40,510).

The average number of persons employed by the Company during the year was as follows:

	Group 2024 No.	Group 2023 No.
All staff	**29**	*33*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity are the Business and Contracts Manager. The total employee benefits paid to the 2 members of key management personnel including national insurance and pension contributions (2023: two members) was £148,454 (2023: £147,147).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 July 2024, no Trustee expenses have been incurred *(2023 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2023	572,829	92,568	180,484	272,783	1,118,664
Additions	-	-	-	1,969	1,969
At 31 July 2024	572,829	92,568	180,484	274,752	1,120,633
Depreciation					
At 1 August 2023	408,044	92,568	173,511	269,361	943,484
Charge for the year	12,316	-	2,317	2,920	17,553
At 31 July 2024	420,360	92,568	175,828	272,281	961,037
Net book value					
At 31 July 2024	152,469	-	4,656	2,471	159,596
At 31 July 2023	*164,785*	*-*	*6,973*	*3,422*	*175,180*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2023	**3**
At 31 July 2024	**3**
Net book value	
At 31 July 2024	**3**
At 31 July 2023	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Net assets £
First Meals Limited	**374,975**	**(356,308)**	**1**

The net assets of First Meals Limited at the year end were £1 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2024 £	Group 2023 £
Raw materials and consumables	**2,180**	*1,859*

17. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Due within one year				
Trade debtors	**207,046**	*192,501*	**191,795**	*186,833*
Amounts owed by group undertakings	**-**	*-*	**63,753**	*100,000*
Other debtors	**40,291**	*46,455*	**40,289**	*46,453*
Prepayments and accrued income	**27,144**	*36,416*	**27,142**	*33,638*
	274,481	*275,372*	**322,979**	*366,924*

18. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade creditors	**53,173**	*14,544*	**48,694**	*9,926*
Other taxation and social security	**58,346**	*49,123*	**54,558**	*45,738*
Other creditors	**6,371**	*7,163*	**6,371**	*7,163*
Accruals and deferred income	**155,696**	*205,834*	**153,780**	*204,168*
	273,586	*276,664*	**263,403**	*266,995*

19. Accruals and deferred income

	Group 2024 £	Group *2023* *£*	Company 2024 £	Company *2023* *£*
Deferred income at 1 August 2023	**-**	*1,873*	**-**	*1,873*
Resources deferred during the year	**914**	*-*	**914**	*-*
Amounts released from previous periods	**-**	*(1,873)*	**-**	*(1,873)*
Deferred income at 31 July 2024	**914**	*-*	**914**	*-*

20. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
Unrestricted funds				
General Funds	**787,434**	**1,380,552**	**(1,306,323)**	**861,663**
Restricted funds				
Learning and Skills Council	**7,286**	**-**	**(670)**	**6,616**
Traineeship Bursary	**4,215**	**-**	**-**	**4,215**
	11,501	**-**	**(670)**	**10,831**
Total of funds	**798,935**	**1,380,552**	**(1,306,993)**	**872,494**

General Funds - consists of funds for the use in the general futherance of the charitable objectives.

Restricted funds - Learning and Skills Council - constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

Restricted funds - Traineeship Bursary - represents a balance for providing training grants.

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
Unrestricted funds				
General Funds	*1,145,770*	*1,362,121*	*(1,720,458)*	*787,433*
Restricted funds				
Learning and Skills Council	*7,956*	*-*	*(670)*	*7,286*
Traineeship Bursary	*4,215*	*-*	*-*	*4,215*
	12,171	*-*	*(670)*	*11,501*
Total of funds	*1,157,941*	*1,362,121*	*(1,721,128)*	*798,934*

21. Summary of funds

Summary of funds - current year

	Balance at 1 August 2023 £	Income £	Expenditure £	Balance at 31 July 2024 £
General funds	**787,434**	**1,380,552**	**(1,306,323)**	**861,663**
Restricted funds	**11,501**	**-**	**(670)**	**10,831**
	798,935	**1,380,552**	**(1,306,993)**	**872,494**

21. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
General funds	*1,145,770*	*1,362,121*	*(1,720,458)*	*787,433*
Restricted funds	*12,171*	-	*(670)*	*11,501*
	1,157,941	*1,362,121*	*(1,721,128)*	*798,934*

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	159,596	**159,596**
Current assets	10,831	975,653	**986,484**
Creditors due within one year	-	(273,586)	**(273,586)**
Total	10,831	861,663	**872,494**

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	**73,559**	*(359,007)*
Adjustments for:		
Depreciation charges	**17,553**	*20,577*
Dividends, interests and rents from investments	**(64)**	*(72)*
Increase in stocks	**(321)**	*(48)*
Decrease in debtors	**893**	*1,083*
Increase/(decrease) in creditors	**(3,079)**	*89,386*
Net cash provided by/(used in) operating activities	**88,541**	*(248,081)*

24. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	**709,823**	*623,187*
Total cash and cash equivalents	**709,823**	*623,187*

25. Analysis of changes in net debt

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash at bank and in hand	623,187	86,636	709,823
	623,187	86,636	709,823

26. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £42,650 (2023: £53,444). Contributions totalling £4,876 (2023: £6,147) were payable to the fund at the balance sheet date and are included in creditors.

27. Operating lease commitments

At 31 July 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Not later than 1 year	**5,000**	*5,000*	**5,000**	*5,000*

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

29. Related party transactions

Some of the trustees are mutual directors for companies that purchase training services from the company. The services provided are not on preferential terms.

Duncan & Toplis of which P McCooey is also a director received training services from ELITEC amounting to income of £Nil (2023: £212) with a balance outstanding of £Nil (2023: £Nil)
Public Sector Partnership Services Ltd of which L J Ducket is chief executive officer were provided Training services amounting to income of £Nil (2023: £160) with a balance outstanding of £Nil (2023: £Nil) at the year end.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2023

SATURDAY
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A11 27/04/2024 #133
COMPANIES HOUSE

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2023

Trustees	L J Ducket P McCooey L G Harman
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2023

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2022 to 31 July 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The group and the Company also trade under the names First College.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission. The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Association of Employment Learning Providers, which is the national body representing provider views. The Business Manager is on the Board of the Employment Skills Board of the Greater Lincolnshire Local Enterprise Partnership.

Achievements and performance

a. Review of activities

Planned Developments 2022/23 and results

Successful outcome from OFSTED inspection / inspection visit.

Inspected by OFSTED March 2023 and graded GOOD.

Update Staff internal recruitment practices to include electronic application methods and initial Occupational Health Assessments.

Carried forward to the new financial year.

Successful outcome from Matrix reassessment

Full successful reassessment June 23

Successful outcome from investors in people reassessment.

We have decided as a business to no longer continue with this award.

Successful outcome in reassessment for Cyber Essentials Plus.

Cyber Essentials was reaccredited 4th January 2024 and Cyber Essentials Plus was reaccredited 3rd April 23.

Successful submission to new ESF a workforce data collection portal.

The submission was completed successfully.

Introduction of soft outcome targets at individual and team level.

Carried forward to the new financial year.

More direct working with Employers for the purpose of gaining employment for customers including part time work.

All Employment coaches delivering Restart work directly with Employers.

Introduce working procedures to ensure our learners and employees engage with and feedback into the ESFA's learner and employer 'Find an Apprentice' feedback portals.

Currently graded 3.6 (out of 4) – Excellent.

Develop a new clear strategy for working with larger employers such as ELDC and PSPSL to avoid losing business to competitors.

Staff have insured their working relationships are constant with the larger employers.

Prepare for introduction of new ESFA independent training provider financial assurance framework.

Delayed by ESFA

Achievements and performance (continued)

To develop a clear budget for participant spend on Restart to get value for customers and avoid clawback.

Time has been invested in looking at the expenditure streams attaching to the participants journey through the Restart program. Increased investment will both positively impact the participant as well as reducing the potential for clawback.

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity. The trustees review the reserve levels of the charity annually and are actively seeking ways to utilise the organisation's reserves to advance the organisation relative to its business objectives.

The trustees have determined that the appropriate level or free reserves should be three months running costs and a planned closure which are estimated at £518,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The charity holds total reserves of £798,934 (2022: £1,157,942). Individually this is made up of unrestricted funds of £787,433 (2022: £1,145,771) and restricted funds of £11,501 (2022: £12,171). In the year ended 31 July 2023 the Trust made an overall deficit of £359,007 (2022: surplus of £102,538). At 31 August 2023 the Trust held sufficient reserves to meet the free reserves requirement.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of "First College".

The financial statements comply with current statutory requirements and the company's governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

c. Organisational structure and decision-making policies

The registered office and names and addresses of advisers are set out on the Index page.

East Lindsey ITeC has three Trustees, one of whom is the Chairman. The Board sets policy, monitors progress and strives to provide good and sound governance.
The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company's premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 4 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Manager and the Learning Contracts Manager.

The **Business Manager** is responsible for leading company strategic planning and the implementation of policy, whilst ensuring that the company meets all legislative requirements including those related to personnel, charity commission, health and safety, safeguarding and equality and diversity. In addition, the Business Manager has responsibility for the company's finance, administrative activities and the securing of new contracts/new opportunities.

The **Learning Contracts Manager** is responsible for the delivery of all learning operations of the college including contract delivery, as well as ensuring that the college meets all self assessment and quality requirements including internal and external audits and/or inspections. In addition, the Learning Contracts Manager supports strategic planning and the implementation of policy.

The First College organisational structure is based on the **Learning & Business Function**. The areas are Business, Early Years, Employability, Hospitality, Recruitment, and School Meals. Each learning area has one person designated as a Team Leader. Team Leaders take a leading role in operational, performance and quality development matters.

The **Catering Manager – First Meals** is responsible for the delivery of school meals at two premises ensuring that quality is mirrored and maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. Supporting the Food for life partnership and attending meetings to assist schools in becoming accredited themselves.

The **Lead Internal Quality Assurer (LIQA)** is responsible for ensuring that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross college consistency. The Lead Internal Quality Assurer will take a lead role in all matters relating to quality improvement including assessment, internal verification, awarding body liaison and ENVQ.

Structure, governance and management (continued)

The **Team Leaders/IQAs/QAs** take a leading role in operational, performance and quality improvement matters ensuring cross-organisation consistency and standardisation. To take a leading role in all matters relating to quality improvement including assessment, internal quality assurance, awarding body liaison and e-learning. There is a team leader in each of the following areas; Business, Early Years, Hospitality and Recruitment.

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various areas to concentrate on specific topics and tasks. Wide involvement by staff is welcomed and encouraged. The Working Groups listed here were active in 2022/23.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems / Self Assessment and Inspection Working Group (QSWG)
- Internal Quality Assurance and Assessment Standardisation Group

Strategy Group

The Strategy Group is led by the Business Manager and comprises of the Learning Contracts Manager and Finance Manager. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Internal Quality Assurance Assessment and Standardisation Group

The Learning Development Manager/Lead IQA leads this group, which is responsible for ensuring best practice and standardisation across the whole college with all internal quality assurance and assessment processes. The group is attended by all Internal Quality Assurance staff.

Compliance Group

The Compliance Group exists to ensure the company remains legal in relation to all areas affecting our business. The group consists of the Business Manager and the Personnel Adviser. The group maintain all policies relating to these areas. The Business Manager will bring some other legal obligations to the meeting where appropriate, these can include Employment Law, GDPR, Company Law and Charity Commission rules and regulations. The Business Manager is responsible for all staff employment conditions which include the contents of the Staff Handbook and the policy documents. These other policy documents are also reviewed within the Compliance Group.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of contracts performance, quality assurance and other factors affecting First College. The group will review and discuss contract performance, financial performance, delivery in accordance with Contract, Inspectorate and External Body requirements, self assessment, business support including marketing, legal obligations, infrastructure including premises and IT. The Learning Contracts Manager will lead on matters relating to the learning function of First College and the Business Manager will lead on matters relating to the business function of First College. The Learning Contracts Manager and the Business Manager will agree agenda items in advance of meetings. The Learning Contracts Manager will chair the meetings. Attending the meetings will be all teams leaders.

Quality Systems / Self Assessment and Inspection Working Group (QSWG)

The Quality Assurance Manager leads this group which keeps First College up to date on best practice in quality related matters. Maintain the QMM. The group takes a leading role in all matters relating to self- assessment,

Structure, governance and management (continued)

audit, action planning and external inspection, whilst liaising closely with the Internal Quality Assurance Assessment and Standardisation and Compliance Groups.

Equality and Diversity

The Board will consider Equality and Diversity issues at its Board Meetings on an ongoing basis and will annually review all policies and other communication that relate to Equality and Diversity.

Data Protection

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Board Committee

Remuneration Committee

A selected group of Trustees and the Business Manager carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/- 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 - Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Update Staff internal recruitment practices to include electronic application methods and initial Occupational Health Assessments
2. Successful outcome from Matrix reassessment
3. Successful outcome in reassessment for Cyber Essentials and Cyber Essentials Plus
4. Successful submission to new ESFA workforce data collection portal
5. Introduction of soft outcome targets at individual and team level
6. Complete a program of redecoration and general tidying up of the Ida Road premises
7. Carry out a survey of employers and schools in relation to their needs
8. Establish curriculum learning groups for learners from day one of learning
9. Establish systems for electronic learning for retention and storage
10. Update all telephone systems where required at centres to cloud based from ISDN

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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 . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2023

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

....
P McCooey
Trustee
Date: 22 April 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2023 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102), taxation legislation, data protection, anti-bribery, employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Anderson FCA (senior statutory auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants and Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

Date: 26/04/2024

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	3	-	-	-	*2,728*
Charitable activities	4	-	1,035,393	1,035,393	*1,124,925*
Other trading activities	5	-	326,656	326,656	*324,997*
Investments	6	-	72	72	*68*
Total income		-	1,362,121	1,362,121	*1,452,718*
Expenditure on:					
Raising funds	7	-	333,433	333,433	*313,507*
Charitable activities	8	670	1,387,025	1,387,695	*1,036,673*
Total expenditure		670	1,720,458	1,721,128	*1,350,180*
Net movement in funds		(670)	(358,337)	(359,007)	*102,538*
Reconciliation of funds:					
Total funds brought forward		12,171	1,145,771	1,157,942	*1,055,404*
Net movement in funds		(670)	(358,337)	(359,007)	*102,538*
Total funds carried forward		11,501	787,434	798,935	*1,157,942*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 35 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	13		**175,180**		*195,757*
			175,180		*195,757*
Current assets					
Stocks	16	**1,859**		*1,811*	
Debtors	17	**275,372**		*276,455*	
Cash at bank and in hand		**623,187**		*871,196*	
		900,418		*1,149,462*	
Creditors: amounts falling due within one year	18	**(276,664)**		*(187,278)*	
Net current assets			**623,754**		*962,184*
Total assets less current liabilities			**798,934**		*1,157,941*
Net assets excluding pension asset			**798,934**		*1,157,941*
Total net assets			**798,934**		*1,157,941*
Charity funds					
Restricted funds	19		**11,501**		*12,171*
Unrestricted funds	19		**787,433**		*1,145,770*
Total funds			**798,934**		*1,157,941*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 22 April 2024 and signed on their behalf by:

P McCooey
Trustee

The notes on pages 20 to 35 form part of these financial statements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
REGISTERED NUMBER: 1802908

COMPANY BALANCE SHEET
AS AT 31 JULY 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	13		**175,180**		*195,757*
Investments	14		**3**		*3*
			175,183		*195,760*
Current assets					
Debtors	17	**366,923**		*368,672*	
Cash at bank and in hand		**528,737**		*765,526*	
		895,660		*1,134,198*	
Creditors: amounts falling due within one year	18	**(266,995)**		*(172,016)*	
Net current assets			**628,665**		*962,182*
Total assets less current liabilities			**803,848**		*1,157,942*
Net assets excluding pension asset			**803,848**		*1,157,942*
Total net assets			**803,848**		*1,157,942*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2023

	Note	2023 £	*2022 £*
Charity funds			
Restricted funds	19	**11,501**	*12,171*
Unrestricted funds	19	**792,347**	*1,145,771*
Total funds		**803,848**	*1,157,942*

The Company's net movement in funds for the year was £(354,094) *(2022 - £102,538)*.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

....
P McCooey
Trustee
Date: 22 April 2024

The notes on pages 20 to 35 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2023

	2023 £	*2022* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(248,081)**	*292,505*
Cash flows from investing activities		
Dividends, interests and rents from investments	**72**	*68*
Purchase of tangible fixed assets	**-**	*(6,965)*
Net cash provided by/(used in) investing activities	**72**	**(6,897)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(248,009)**	**285,608**
Cash and cash equivalents at the beginning of the year	**871,196**	*585,588*
Cash and cash equivalents at the end of the year	**623,187**	*871,196*

The notes on pages 20 to 35 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2023 £	**Total funds 2023 £**	*Total funds 2022 £*
Government grants	-	-	*2,728*

Government grants relate to the Covid-19 pandemic and include business support grants in addition to grants under the Coronavirus Job Retention Scheme.

4. Income from charitable activities

	Unrestricted funds 2023 £	**Total funds 2023 £**	*Total funds 2022 £*
Adult Income	704,849	**704,849**	*720,344*
Youth Income	304,053	**304,053**	*369,937*
Commercial training and services	26,491	**26,491**	*34,644*
Total 2023	1,035,393	**1,035,393**	*1,124,925*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Sales	326,656	**326,656**	*324,997*
Total 2022	*324,997*	*324,997*	

6. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
Investment income - local cash	72	**72**	*68*
Total 2022	*68*	*68*	

7. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	*Total funds 2022 £*
First Meals - operating costs	166,811	**166,811**	*156,817*
First meals- recharge of staff costs	166,622	**166,622**	*156,690*
Total 2023	333,433	**333,433**	*313,507*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total 2023 £	*Total 2022 £*
Charitable Activities	670	1,387,025	**1,387,695**	*1,036,673*
Total 2022	*670*	*1,036,003*	*1,036,673*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	*Total funds 2022 £*
Charitable Activities	1,271,211	116,484	**1,387,695**	*1,036,673*
Total 2022	*922,300*	*114,373*	*1,036,673*	

Analysis of direct costs

	Charitable Activities 2023 £	Total funds 2023 £	*Total funds 2022 £*
Staff costs	932,547	**932,547**	*807,681*
Materials and purchases	59,328	**59,328**	*41,314*
Subcontract tutors	42,326	**42,326**	*48,851*
Staff travel	8,053	**8,053**	*6,303*
Trainee allowances	220,881	**220,881**	*11,849*
Telephone	8,076	**8,076**	*6,302*
Total 2023	1,271,211	**1,271,211**	*922,300*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	*Total funds 2022 £*
Depreciation	**20,576**	*26,068*
Rent and rates	**8,698**	*9,192*
Light and heat	**11,126**	*8,128*
Repairs and renewals	**37,202**	*35,521*
Advertising	**1,171**	*1,514*
Staff travel and training	**4,563**	*4,549*
Printing, postage and stationary	**3,305**	*4,501*
Telephone	**2,117**	*1,437*
Insurance	**6,584**	*4,353*
Legal and professional	**5,714**	*4,008*
Governance costs - Audit fees	**6,142**	*4,590*
Bank charges	**101**	*-*
VAT absorbed	**4,564**	*4,435*
Sundry	**4,597**	*6,637*
Bad debt provision	**24**	*(560)*
Total 2023	**116,484**	*114,373*

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £4,900 *(2022 - £3,700)*, and accountancy, taxation and support services of of £2,450 (*2022 - £2,450*).

11. Staff costs

	Group 2023 £	*Group 2022 £*	Company 2023 £	*Company 2022 £*
Wages and salaries	**966,363**	*846,666*	**818,243**	*707,189*
Social security costs	**79,340**	*69,711*	**69,758**	*60,716*
Contribution to defined contribution pension schemes	**53,466**	*47,994*	**44,546**	*39,776*
	1,099,169	*964,371*	**932,547**	*807,681*

11. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	Group 2023 No.	Group 2022 No.
All staff	**33**	*41*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity are the Business and Contracts Manager. The total employee benefits paid to the 2 members of key management personnel including national insurance and pension contributions (2022: two members) was £147,147 (2022: £136,249).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2022 - £NIL)*.

During the year ended 31 July 2023, no Trustee expenses have been incurred *(2022 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2022	**572,829**	**92,568**	**180,484**	**272,784**	**1,118,665**
At 31 July 2023	**572,829**	**92,568**	**180,484**	**272,784**	**1,118,665**
Depreciation					
At 1 August 2022	**395,727**	**92,568**	**169,941**	**264,672**	**922,908**
Charge for the year	**12,316**	**-**	**3,571**	**4,690**	**20,577**
At 31 July 2023	**408,043**	**92,568**	**173,512**	**269,362**	**943,485**
Net book value					
At 31 July 2023	**164,786**	**-**	**6,972**	**3,422**	**175,180**
At 31 July 2022	*177,102*	*-*	*10,543*	*8,112*	*195,757*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2022	3
At 31 July 2023	3
Net book value	
At 31 July 2023	3
At 31 July 2022	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Surplus/ (Deficit) for the year £	Net assets £
First Meals Limited	**326,656**	**(331,569)**	**(4,913)**	**(4,915)**

The net assets of First Meals Limited at the year end were -£4,915 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2023 £	Group 2022 £
Raw materials and consumables	**1,859**	*1,811*

17. Debtors

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Due within one year				
Trade debtors	**192,501**	*200,538*	**186,833**	*160,132*
Amounts owed by group undertakings	-	-	**100,000**	*132,625*
Other debtors	**46,454**	*44,960*	**46,452**	*44,958*
Prepayments and accrued income	**36,417**	*30,957*	**33,638**	*30,957*
	275,372	*276,455*	**366,923**	*368,672*

18. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Trade creditors	**14,544**	*32,759*	**9,924**	*22,598*
Other taxation and social security	**49,123**	*81,124*	**45,738**	*78,033*
Other creditors	**7,163**	*8,237*	**7,165**	*8,236*
Accruals and deferred income	**205,834**	*65,158*	**204,168**	*63,149*
	276,664	*187,278*	**266,995**	*172,016*

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
Unrestricted funds				
General Funds	1,145,770	1,362,121	(1,720,458)	787,433
Restricted funds				
Learning and Skills Council	7,956	-	(670)	7,286
Traineeship Bursary	4,215	-	-	4,215
	12,171	-	(670)	11,501
Total of funds	1,157,941	1,362,121	(1,721,128)	798,934

General Funds - consists of funds for the use in the general futherance of the charitable objectives.

Restricted funds - Learning and Skills Council - constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

Restricted funds - Traineeship Bursary - represents a balance for providing training grants.

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
General Funds	*1,042,562*	*1,452,718*	*(1,349,510)*	*1,145,770*
Restricted funds				
Learning and Skills Council	*8,626*	-	*(670)*	*7,956*
Traineeship Bursary	*4,215*	-	-	*4,215*
	12,841	-	*(670)*	*12,171*
Total of funds	*1,055,403*	*1,452,718*	*(1,350,180)*	*1,157,941*

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Balance at 31 July 2023 £
General funds	**1,145,770**	**1,362,121**	**(1,720,458)**	**787,433**
Restricted funds	**12,171**	**-**	**(670)**	**11,501**
	1,157,941	**1,362,121**	**(1,721,128)**	**798,934**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
General funds	*1,042,562*	*1,452,718*	*(1,349,510)*	*1,145,770*
Restricted funds	*12,841*	-	*(670)*	*12,171*
	1,055,403	*1,452,718*	*(1,350,180)*	*1,157,941*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	175,180	**175,180**
Current assets	11,501	888,917	**900,418**
Creditors due within one year	-	(276,664)	**(276,664)**
Total	11,501	787,433	**798,934**

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	*Unrestricted funds 2022 £*	*Total funds 2022 £*
Tangible fixed assets	-	*195,757*	*195,757*
Current assets	*12,171*	*1,137,291*	*1,149,462*
Creditors due within one year	-	*(187,278)*	*(187,278)*
Total	*12,171*	*1,145,771*	*1,157,942*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group *2022* £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(359,007)**	*102,538*
Adjustments for:		
Depreciation charges	**20,577**	*26,068*
Dividends, interests and rents from investments	**(72)**	*(68)*
Increase in stocks	**(48)**	*(323)*
Decrease in debtors	**1,083**	*101,662*
Increase in creditors	**89,386**	*62,628*
Net cash provided by/(used in) operating activities	**(248,081)**	*292,505*

23. Analysis of cash and cash equivalents

	Group 2023 £	Group *2022* £
Cash in hand	**623,187**	*871,196*
Total cash and cash equivalents	**623,187**	*871,196*

24. Analysis of changes in net debt

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	871,196	(248,009)	623,187
	871,196	(248,009)	623,187

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £53,444 (2022: £47,994). Contributions totalling £6,147 (2022: £6,559) were payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

The Group and the Company had no commitments under non-cancellable operating leases at 31 July 2023.

27. Related party transactions

Some of the trustees are mutual directors for companies that purchase training services from the company. The services provided are not on preferential terms.

Duncan & Toplis of which P McCooey is also a director received training services from ELITEC amounting to income of £212 (2022: £2,248) with a balance outstanding of £Nil (2022: £348)
Public Sector Partnership Services Ltd of which L J Ducket is chief executive officer were provided Training services amounting to income of £160 (2022: £212) with a balance outstanding of £Nil (2022: £152) at the year end.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2022

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(A company limited by guarantee)

CONTENTS

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2022

Trustees	L J Ducket P McCooey L G Harman
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2022

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2021 to 31 July 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

The group and the Company also trade under the names First College.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission. The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Association of Employment Learning Providers, which is the national body representing provider views. The Business Manager is on the Board of the Employment Skills Board of the Greater Lincolnshire Local Enterprise Partnership.

Achievements and performance

a. Review of activities

Planned Developments 2021/22 and results

Introduce personnel to the Restart contract as and when in accordance with the through flow of Learners and the Jobs22 contract.

We have been recruiting in line with recruitment of learners and in line with the template provided by the main contractor, Jobs22. In-year the staffing formula has been simplified to 1/68 participants for each employment coach and 1/12 support staffing. Our staffing ratio exceeds minimum staffing expectations.

Successful delivery of Restart contract including achievement of customer service standards and job outcome/sustainability targets.

Jobs 22 have implemented monthly deferral payments against all 9 Customer Service Standards (CSS). First College has had deferral applied for CSS1a and CS5, however all deferral monies have since been released. These CSS are monitored on a weekly basis, we are on target for reaching all CSS for the next 3-months.

The achievement of future job starts, and job outcomes is of concern given the quantity and quality of participant referrals. Currently we are running at 61% of job start target and 70% of job outcome target, this is not expected to change until early 2023 with the months of March, April and May historically being high achieving months.

Succeessful reapplication to the Register of Approved Training Providers (RoATP) following invite from ESFA.

We received confirmation we have been successful with our application to remain on the Register of Approved Training Providers on 22nd December 2021. The application was submitted in September, so it’s been quite a wait.

Successful outcome from Ofsted Monitoring/Inspection visit.

We have not had an OFSTED monitoring visit or inspection during 2021/2022 year.

Delivery of Apprenticeships to all employers through digital accounts.

All employers are now required to manage their allocated funding through digital accounts. We support our employers with their invitations to create their apprenticeship service accounts. Once opened only the employer can accept the Agreement and add confidential Payee details for their organisation. In partnership with the employer, we monitor their digital funding accounts to ensure all funding for training and assessment is received, and notify the employer of any anomalies.

Introduction of Soft Outcome targets at individual and team level.

No in-year progress, objective carried forward into 2022/23.

Continued use of Microsoft Teams and Zoom to engage with learners and employers at reduced cost

Achievements and performance (continued)

whilst finding new methods of working with learners throughout these disrupted times.

The business has successfully used Microsoft teams overall with occasional use of zoom in all activities including engagement with learners and employers. As the pandemic has subsided, we have a mix of face-to-face and Microsoft teams activity however we are most likely to continue using Microsoft teams which is both cost saving and fit for purpose.

Enhance interest in First College via social media by upping the supply of content and staff sharing.

We have had a dedicated individual working on social media during the year and we have been getting a good steady stream of content from staff regarding success stories. Getting people to share social media is still quite challenging although there is a core number of people that do share everything that we put out. Quality of the posts has certainly increased in terms of its appearance as well as its content by using dedicated software.

E-Learning delivery mechanisms for all activities to remain under constant review.

Significant investment in e-learning mechanisms has been made by First College including BKSB, OneFile, SmartScreen etc. We have engaged with various learning platforms to provide additional learning opportunities for learners and staff through e-learning, these include health and safety, prevent, equality and diversity, British values, health and well-being, data protection, online safety and security etc. We are currently looking at Digital College courses that are inexpensive online learning opportunities.

Establish Online Learner Application / Enrolment processes.

No in-year progress, objective carried forward into 2022/23.

Achieve Cyber Essentials Plus

We successfully achieved cyber centrals plus on 11 March 2022. This will now be renewed each year working with Cyberlab and LCS- IT.

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity. The trustees review the reserve levels of the charity annually and are actively seeking ways to utilise the organisation’s reserves to advance the organisation relative to its business objectives.

The trustees have determined that the appropriate level or free reserves should be three months running costs and a planned closure which are estimated at £415,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grant income and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or long term sickness where unforeseen costs are incurred.

The charity holds total reserves of £1,157,942 (2021: £1,055,404). Individually this is made up of unrestricted funds of £1,145,771 (2021: £1,042,563) and restricted funds of £12,171 (2021: £12,841). In the year ended 31 July 2022 the Trust made an overall surplus of £102,538 (2021: deficit of £65,165). At 31 August 2022 the Trust held sufficient reserves to meet the free reserves requirement.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of “First College”.

The financial statements comply with current statutory requirements and the company’s governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The registered office and names and addresses of advisers are set out on the Index page.

The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company's premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 4 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Manager and the Learning Contracts Manager.

The **Business Manager** is responsible for leading company strategic planning and the implementation of policy, whilst ensuring that the company meets all legislative requirements including those related to personnel, charity commission, health and safety, safeguarding and equality and diversity. In addition, the Business Manager has responsibility for the company's finance, administrative activities and the securing of new contracts/new opportunities.

The **Learning Contracts Manager** is responsible for the delivery of all learning operations of the college including contract delivery, as well as ensuring that the college meets all self assessment and quality requirements including internal and external audits and/or inspections. In addition, the Learning Contracts Manager supports strategic planning and the implementation of policy.

The First College organisational structure is based on the **Learning & Business Function**. The areas are Business, Early Years, Employability, Hospitality, ICT, Recruitment, Employer Engagement and School Meals. Each learning area has one person designated as a Team Leader. Team Leaders take a leading role in operational, performance and quality development matters.

The **Catering Manager – First Meals** is responsible for the delivery of school meals at two premises ensuring that quality is mirrored and maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. Supporting the Food for life partnership and attending meetings to assist schools in becoming accredited themselves.

The **Lead Internal Quality Assurer (LIQA)** is responsible for ensuring that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross college consistency. The Lead Internal Quality Assurer will take a lead role in all matters relating to quality improvement including assessment, internal verification, awarding body liaison and ENVQ.

The **Team Leaders/IQAs/QAs** take a leading role in operational, performance and quality improvement matters ensuring cross-organisation consistency and standardisation. To take a leading role in all matters relating to quality improvement including assessment, internal quality assurance, awarding body liaison and e-learning. There is a team leader in each of the following areas; Business, Early Years, Hospitality and Recruitment.

Structure, governance and management (continued)

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various areas to concentrate on specific topics and tasks. Wide involvement by staff is welcomed and encouraged. The Working Groups listed here were active in 2021/22.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems / Self Assessment and Inspection Working Group (QSWG)
- Internal Quality Assurance and Assessment Standardisation Group

Strategy Group

The Strategy Group is led by the Business Manager and comprises of the Learning Contracts Manager and Finance Manager. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Internal Quality Assurance Assessment and Standardisation Group

The Learning Development Manager/Lead IQA leads this group, which is responsible for ensuring best practice and standardisation across the whole college with all internal quality assurance and assessment processes. The group is attended by all Internal Quality Assurance staff.

Compliance Group

The Compliance Group exists to ensure the company remains legal in relation to all areas affecting our business. The group consists of the Business Manager and the Personnel Adviser. The group maintain all policies relating to these areas. The Business Manager will bring some other legal obligations to the meeting where appropriate, these can include Employment Law, GDPR, Company Law and Charity Commission rules and regulations. The Business Manager is responsible for all staff employment conditions which include the contents of the Staff Handbook and the policy documents. These other policy documents are also reviewed within the Compliance Group.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of contracts performance, quality assurance and other factors affecting First College. The group will review and discuss contract performance, financial performance, delivery in accordance with Contract, Inspectorate and External Body requirements, self assessment, business support including marketing, legal obligations, infrastructure including premises and IT. The Learning Contracts Manager will lead on matters relating to the learning function of First College and the Business Manager will lead on matters relating to the business function of First College. The Learning Contracts Manager and the Business Manager will agree agenda items in advance of meetings. The Learning Contracts Manager will chair the meetings. Attending the meetings will be all teams leaders.

Quality Systems / Self Assessment and Inspection Working Group (QSWG)

The Quality Assurance Manager leads this group which keeps First College up to date on best practice in quality related matters. Maintain the QMM. The group takes a leading role in all matters relating to self- assessment, audit, action planning and external inspection, whilst liaising closely with the Internal Quality Assurance Assessment and Standardisation and Compliance Groups.

Structure, governance and management (continued)

Equality and Diversity

The Board will consider Equality and Diversity issues at its Board Meetings on an ongoing basis and will annually review all policies and other communication that relate to Equality and Diversity.

Data Protection

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Board Committee

Remuneration Committee

A selected group of Trustees and the Business Manager carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/- 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 - Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Successful outcome from OFSTED inspection/inspection visit.
2. Update Staff internal recruitment practices to include electronic application methods and initial Occupational Health Assessments.
3. Successful outcome from Matrix reassessment.
4. Successful outcome from investors in People reassessment.
5. Successful outcome in reassessment for Cyber Essentials Plus.
6. Successful submission to new ESF a workforce data collection portal.
7. Introduction of soft outcome targets at individual and team level.
8. More direct working with employers for the purpose of gaining employment for customers including part time work.
9. Introduce working procedures to ensure our learners and employees engage with and feedback into the ESFA's learner and employer 'Find an Apprentice' feedback portals.
10. Develop a new clear strategy for working with larger employers such as ELDC and PSPSL to avoid losing business to competitors.
11. Prepare for introduction of new ESFA independent training provider financial assurance framework.
12. To develop a clear budget for participant spend on Restart to get value for customers and avoid clawback.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees and signed on their behalf by:

P N McCooey
Trustee
Date: 17 May 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2022 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102), taxation legislation, data protection, anti-bribery, employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company’s financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Anderson FCA (senior statutory auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants and Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
LN1 1XW

26 May 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds *2021* £
Income from:					
Donations and legacies	3	-	2,728	2,728	*103,049*
Charitable activities	4	-	1,124,925	1,124,925	*741,970*
Other trading activities	5	-	324,997	324,997	*262,626*
Investments	6	-	68	68	*60*
Total income		-	1,452,718	1,452,718	*1,107,705*
Expenditure on:					
Raising funds	7	-	313,507	313,507	*248,866*
Charitable activities	8	670	1,036,003	1,036,673	*924,004*
Total expenditure		670	1,349,510	1,350,180	*1,172,870*
Net movement in funds		(670)	103,208	102,538	*(65,165)*
Reconciliation of funds:					
Total funds brought forward		12,841	1,042,563	1,055,404	*1,120,569*
Net movement in funds		(670)	103,208	102,538	*(65,165)*
Total funds carried forward		12,171	1,145,771	1,157,942	*1,055,404*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 21 to 37 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**195,757**		*214,860*
			195,757		*214,860*
Current assets					
Stocks	16	**1,811**		*1,488*	
Debtors	17	**276,455**		*378,117*	
Cash at bank and in hand		**871,196**		*585,588*	
		1,149,462		*965,193*	
Creditors: amounts falling due within one year	18	**(187,277)**		*(124,649)*	
Net current assets			**962,185**		*840,544*
Total assets less current liabilities			**1,157,942**		*1,055,404*
Net assets excluding pension asset			**1,157,942**		*1,055,404*
Total net assets			**1,157,942**		*1,055,404*
Charity funds					
Restricted funds	19		**12,171**		*12,841*
Unrestricted funds	19		**1,145,771**		*1,042,563*
Total funds			**1,157,942**		*1,055,404*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 17 May 2023 and signed on their behalf by:

P N McCobey
Trustee

The notes on pages 21 to 37 form part of these financial statements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)
REGISTERED NUMBER: 1802908

COMPANY BALANCE SHEET
AS AT 31 JULY 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	13		**195,757**		*214,860*
Investments	14		**3**		*3*
			195,760		*214,863*
Current assets					
Debtors	17	**368,672**		*480,669*	
Cash at bank and in hand		**765,526**		*470,042*	
		1,134,198		*950,711*	
Creditors: amounts falling due within one year	18	**(172,016)**		*(110,170)*	
Net current assets			**962,182**		*840,541*
Total assets less current liabilities			**1,157,942**		*1,055,404*
Net assets excluding pension asset			**1,157,942**		*1,055,404*
Total net assets			**1,157,942**		*1,055,404*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2022

	Note	**2022** £	*2021* £
Charity funds			
Restricted funds	19	**12,171**	*12,841*
Unrestricted funds	19	**1,145,771**	*1,042,563*
Total funds		**1,157,942**	*1,055,404*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P N McCobey
Trustee
Date: 17 May 2023

The notes on pages 21 to 37 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2022

	2022 £	*2021 £*
Cash flows from operating activities		
Net cash used in operating activities	**292,505**	*(194,135)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**68**	*60*
Purchase of tangible fixed assets	**(6,965)**	*(8,215)*
Net cash used in investing activities	**(6,897)**	**(8,155)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**285,608**	**(202,290)**
Cash and cash equivalents at the beginning of the year	**585,588**	*787,878*
Cash and cash equivalents at the end of the year	**871,196**	*585,588*

The notes on pages 21 to 37 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Government grants	2,728	**2,728**	*103,049*

Government grants relate to the Covid-19 pandemic and include business support grants in addition to grants under the Coronavirus Job Retention Scheme.

4. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Adult Income	720,344	**720,344**	*290,346*
Youth Income	369,937	**369,937**	*379,359*
Commercial training and services	34,644	**34,644**	*72,265*
Total 2022	1,124,925	**1,124,925**	*741,970*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
School Meals Provision- First Meals Limited	324,997	**324,997**	*262,626*

6. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
Investment income - local cash	68	**68**	*60*

7. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	*Total funds 2021 £*
First Meals - operating costs	156,817	**156,817**	*126,868*
First meals- recharge of staff costs	156,690	**156,690**	*121,998*
Total 2022	313,507	**313,507**	*248,866*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	*Total 2021 £*
Charitable Activities	670	1,036,003	**1,036,673**	*924,004*
Total 2021	*829*	*923,175*	*924,004*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	*Total funds 2021 £*
Charitable Activities	922,300	114,373	**1,036,673**	*924,004*
Total 2021	*787,389*	*136,615*	*924,004*	

Analysis of direct costs

	Charitable Activities 2022 £	Total funds 2022 £	*Total funds 2021 £*
Staff costs	807,681	**807,681**	*682,630*
Materials and purchases	41,314	**41,314**	*46,733*
Subcontract tutors	48,851	**48,851**	*45,796*
Staff travel	6,303	**6,303**	*2,907*
Trainee allowances	11,849	**11,849**	*150*
Telephone	6,302	**6,302**	*9,173*
Total 2022	922,300	**922,300**	*787,389*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	*Total funds 2021 £*
Depreciation	**26,068**	*29,893*
Rent and rates	**9,192**	*16,847*
Light and heat	**8,128**	*4,963*
Repairs and renewals	**35,521**	*30,587*
Advertising	**1,514**	*1,706*
Staff travel and training	**4,549**	*3,530*
Printing, postage and stationary	**4,501**	*3,672*
Telephone	**1,437**	-
Insurance	**4,353**	*4,427*
Legal and professional	**4,008**	*13,126*
Governance costs - Audit fees	**4,590**	*4,104*
VAT absorbed	**4,435**	*14,667*
Sundry	**6,479**	*7,908*
Hire of equipment	**158**	-
Loss on disposals	**-**	*313*
Bad debt provision	**(560)**	*872*
Total 2022	**114,373**	*136,615*

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,700 *(2021 - £3,600)*, and accountancy, taxation and support services of of £2,450 (*2021 - £2,350*).

11. Staff costs

	Group 2022 £	Group *2021* *£*	Company 2022 £	Company *2021* *£*
Wages and salaries	**846,666**	*707,496*	**707,189**	*601,762*
Social security costs	**69,711**	*52,963*	**60,716**	*44,659*
Contribution to defined contribution pension schemes	**47,994**	*44,169*	**39,776**	*36,209*
	964,371	*804,628*	**807,681**	*682,630*

The average number of persons employed by the Company during the year was as follows:

	Group 2022 No.	Group *2021* *No.*
All staff	**41**	*41*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity are the Business, Contracts and Finance Manager. The total employee benefits paid to the 3 members of key management personnel including national insurance and pension contributions (2021: two members) was £175,064 (2021: £133,599).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2021 - £NIL)*.

During the year ended 31 July 2022, no Trustee expenses have been incurred *(2021 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2021	**572,829**	**92,568**	**177,256**	**269,048**	**1,111,701**
Additions	**-**	**-**	**3,229**	**3,736**	**6,965**
At 31 July 2022	**572,829**	**92,568**	**180,485**	**272,784**	**1,118,666**
Depreciation					
At 1 August 2021	**383,411**	**92,568**	**164,389**	**256,473**	**896,841**
Charge for the year	**12,316**	**-**	**5,553**	**8,199**	**26,068**
At 31 July 2022	**395,727**	**92,568**	**169,942**	**264,672**	**922,909**
Net book value					
At 31 July 2022	**177,102**	**-**	**10,543**	**8,112**	**195,757**
At 31 July 2021	*189,418*	*-*	*12,867*	*12,575*	*214,860*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2021	**3**
At 31 July 2022	**3**
Net book value	
At 31 July 2022	**3**
At 31 July 2021	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Net assets £
First Meals Limited	**324,997**	**(324,997)**	**1**

The net assets of First Meals Limited at the year end were £1 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2022 £	Group 2021 £
Raw materials and consumables	**1,811**	*1,488*

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Due within one year				
Trade debtors	**200,538**	*318,667*	**160,132**	*282,336*
Amounts owed by group undertakings	**-**	*-*	**132,625**	*138,885*
Other debtors	**44,960**	*33,137*	**44,958**	*33,135*
Prepayments and accrued income	**30,957**	*26,313*	**30,957**	*26,313*
	276,455	*378,117*	**368,672**	*480,669*

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	**32,759**	*19,541*	**22,598**	*13,394*
Other taxation and social security	**81,124**	*71,895*	**78,033**	*65,233*
Other creditors	**8,236**	*6,826*	**8,236**	*6,826*
Accruals and deferred income	**65,158**	*26,387*	**63,149**	*24,717*
	187,277	*124,649*	**172,016**	*110,170*

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
Unrestricted funds				
General Funds	**1,042,563**	**1,452,718**	**(1,349,510)**	**1,145,771**
Restricted funds				
Learning and Skills Council	**8,626**	**-**	**(670)**	**7,956**
Traineeship Bursary	**4,215**	**-**	**-**	**4,215**
	12,841	**-**	**(670)**	**12,171**
Total of funds	**1,055,404**	**1,452,718**	**(1,350,180)**	**1,157,942**

General Funds - consists of funds for the use in the general futherance of the charitable objectives.

Restricted funds - Learning and Skills Council - constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

Restricted funds - Traineeship Bursary - represents a balance for providing training grants.

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
Unrestricted funds				
General Funds	*1,106,899*	*1,107,705*	*(1,172,041)*	*1,042,563*
Restricted funds				
Learning and Skills Council	*9,305*	*-*	*(679)*	*8,626*
Traineeship Bursary	*4,365*	*-*	*(150)*	*4,215*
	13,670	*-*	*(829)*	*12,841*
Total of funds	*1,120,569*	*1,107,705*	*(1,172,870)*	*1,055,404*

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Balance at 31 July 2022 £
General funds	**1,042,563**	**1,452,718**	**(1,349,510)**	**1,145,771**
Restricted funds	**12,841**	**-**	**(670)**	**12,171**
	1,055,404	**1,452,718**	**(1,350,180)**	**1,157,942**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
General funds	*1,106,899*	*1,107,705*	*(1,172,041)*	*1,042,563*
Restricted funds	*13,670*	-	*(829)*	*12,841*
	1,120,569	*1,107,705*	*(1,172,870)*	*1,055,404*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	195,757	**195,757**
Current assets	12,171	1,137,291	**1,149,462**
Creditors due within one year	-	(187,277)	**(187,277)**
Total	12,171	1,145,771	**1,157,942**

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	*Unrestricted funds 2021 £*	*Total funds 2021 £*
Tangible fixed assets	-	*214,860*	*214,860*
Current assets	*12,841*	*952,352*	*965,193*
Creditors due within one year	-	*(124,649)*	*(124,649)*
Total	*12,841*	*1,042,563*	*1,055,404*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group *2021* *£*
Net income/expenditure for the year (as per Statement of Financial Activities)	**102,538**	*(65,165)*
Adjustments for:		
Depreciation charges	**26,068**	*29,893*
Dividends, interests and rents from investments	**(68)**	*(60)*
Loss on the sale of fixed assets	**-**	*313*
Increase in stocks	**(323)**	*(457)*
Decrease/(increase) in debtors	**101,662**	*(200,798)*
Increase in creditors	**62,628**	*42,139*
Net cash provided by/(used in) operating activities	**292,505**	*(194,135)*

23. Analysis of cash and cash equivalents

	Group 2022 £	Group *2021* *£*
Cash in hand	**871,196**	*585,588*
Total cash and cash equivalents	**871,196**	*585,588*

24. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	**585,588**	**285,608**	**871,196**
	585,588	**285,608**	**871,196**

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £47,994 (2021: £44,169). Contributions totalling £6,559 (2021: £5,146) were payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

The Group and the Company had no commitments under non-cancellable operating leases at 31 July 2022.

27. Related party transactions

Some of the trustees are mutual directors for companies that purchase training services from the company. The services provided are not on preferential terms.

Creditors:
Lincolnshire County Council - £46,654 (2021: £99,820) with a balance outstanding of £5,090 (2021: £13,576)

Debtors:
Duncan & Toplis - £2,248 (2021: £400) with a balance outstanding of £348 (2021: £Nil)
Public Sector Partnership Services Ltd - £212 (2021: £221) with a balance outstanding of £152 (2021: £128)

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2021

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

CONTENTS

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2021

Trustees	L J Ducket P McCooey L G Harman Cllr S R Kirk (resigned 6 May 2021)
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2021

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2020 to 31 July 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission.

The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

Objectives and activities (continued)

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Association of Employment Learning Providers, which is the national body representing provider views. The Business Manager is on the Board of the Employment Skills Board of the Greater Lincolnshire Local Enterprise Partnership.

Achievements and performance

a. Review of activities

Planned Developments 2020/21 and results

Continue to tender for / secure Levy Employer Contracts and consider expanding our geographic coverage.

Established Levy Employer Contracts continue to flourish with our employers committed to their working relationship with First College. Some new contracts have been established including

Anthem Schools Trust
Boston Borough Council
Luxus Limited
South Holland District Council
West Lindsey District Council

Re-engage with our Non-Levy Employer customer base for the delivery of Digital Accounts.

Digital accounts are now available to all employers, these and employer incentives have enabled First College to engage with new and existing customer base. First College support employers with the pre-allocation of required funds, the commencement of digital funding and the close down of digital accounts due to leaving early, breaks in learning and completion. Many of our digital account employers provide our administration team access to their accounts so that we ensure correct actions are taken and that funds are not lost and/or withdrawn.

Continue to be proactive with GLLEP/ESB and collaboration group partners for the benefits of future joint bidding as and when opportunities become available.

Ian Dickinson continues to be a board member of the Skills Advisory Panel and represents independent training providers in Lincolnshire. There have not been any opportunities for joint bidding in the year.

Achievements and performance (continued)

Enhance interest in First College via social media by upping the supply of content and staff sharing.

Our delivery of social media content has improved within the year. We have bought into Facebook advertising which has included the ability to use certain imagery. We are very regular with our updates and stories and the look and feel of our posts are very modern. Staff are able to provide stories of learners success and businesses to be shared on social media.

E-Learning delivery mechanisms for all activities to remain under constant review.

This has been a hugely developed area with the onset of COVID-19 and the fact that staff have needed to work from home largely. The use of Microsoft teams and in some cases zoom has been large. Connectivity to learners has been maintained very well and the whole of the business has adapted excellently.

Introduce Apprenticeships Standards and End-point assessment activity across all occupational areas and partner organisations.

All occupational areas now deliver Apprenticeship Standards at levels 2 and 3. Business programmes deliver at levels 4 and 5. End-point assessment is planned at the start of the in-learning period with all learners and employers fully involved and committed. There are no Apprenticeship Framework learners in-learning, all have completed their learning.

Develop full cost provision ideas into revenue producing activities through the Think Tank model and invest where required.

The original concept of this was to come up with brand-new revenue producing activities but during this year that has been next to impossible. It has been a year for battening down the hatches and making sure we can continue to deliver our core business.

Develop marketing materials to be up to date and appropriate.

Outside of social media as it has not been the year for developing marketing materials in hard form due to COVID-19 and the fact that everything has been done electronically. This objective will no doubt become more relevant in future.

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity.

Reserves at year end totalled £1,055,404 (of which £12,841 are Restricted Funds).

Reserves have decreased by £65,165 from activities during the year ended 31 July 2021. A large contributing factor for the reduction in reserves was the ongoing COVID pandemic.

Three months running costs and a planned closure are estimated at £415k. The Board actively seeks ways to utilise the organisation's reserves to advance the organisation relative to its business objectives.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of "First College".

The financial statements comply with current statutory requirements and the company's governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

Structure, governance and management (continued)

c. Organisational structure and decision-making policies

The registered office and names and addresses of Advisers are set out on the Index page.

The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company's premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 4 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Manager and the Learning Contracts Manager.

The **Business Manager** is responsible for leading company strategic planning and the implementation of policy, whilst ensuring that the company meets all legislative requirements including those related to personnel, charity commission, health and safety, safeguarding and equality and diversity. In addition, the Business Manager has responsibility for the company's finance, administrative activities and the securing of new contracts/new opportunities.

The **Learning Contracts Manager** is responsible for the delivery of all learning operations of the college including contract delivery, as well as ensuring that the college meets all self assessment and quality requirements including internal and external audits and/or inspections. In addition, the Learning Contracts Manager supports strategic planning and the implementation of policy.

The First College organisational structure is based on the **Learning & Business Function**. The areas are Business, Early Years, Employability, Hospitality, ICT, Recruitment, Employer Engagement and School Meals. Each learning area has one person designated as a Team Leader. Team Leaders take a leading role in operational, performance and quality development matters.

Structure, governance and management (continued)

The **Catering Manager – First Meals** is responsible for the delivery of school meals at two premises ensuring that quality is mirrored and maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. Supporting the Food for life partnership and attending meetings to assist schools in becoming accredited themselves.

The **Lead Internal Quality Assurer (LIQA)** is responsible for ensuring that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross college consistency. The Lead Internal Quality Assurer will take a lead role in all matters relating to quality improvement including assessment, internal verification, awarding body liaison and ENVQ.

The **Team Leaders/IQAs/QAs** take a leading role in operational, performance and quality improvement matters ensuring cross-organisation consistency and standardisation. To take a leading role in all matters relating to quality improvement including assessment, internal quality assurance, awarding body liaison and e-learning. There is a Team leader in each of the following areas; Business, Early Years, Hospitality and Recruitment..

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various areas to concentrate on specific topics and tasks. Wide involvement by staff is welcomed and encouraged. The Working Groups listed here were active in 20/21.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems / Self Assessment and Inspection Working Group (QSWG)
- Internal Quality Assurance and Assessment Standardisation Group

Strategy Group

The Strategy Group is led by the Business Manager and comprises of the Learning Contracts Manager and Finance Manager. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Internal Quality Assurance Assessment and Standardisation Group

The Learning Development Manager/Lead IQA leads this group, which is responsible for ensuring best practice and standardisation across the whole college with all internal quality assurance and assessment processes. The group is attended by all Internal Quality Assurance staff.

Structure, governance and management (continued)

Compliance Group

The Compliance Group exists to ensure the company remains legal in relation to all areas affecting our business. The group consists of the Business Manager and the Personnel Adviser. The group maintain all policies relating to these areas. The Business Manager will bring some other legal obligations to the meeting where appropriate, these can include Employment Law, GDPR, Company Law and Charity Commission rules and regulations. The Business Manager is responsible for all staff employment conditions which include the contents of the Staff Handbook and the policy documents. These other policy documents are also reviewed within the Compliance Group.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of Contracts Performance, Quality Assurance and other factors affecting First College. The group will review and discuss Contract performance, Financial performance, delivery in accordance with Contract, Inspectorate and External Body requirements, Self Assessment, Business Support including Marketing, Legal obligations, Infrastructure including Premises and IT. The Learning Contracts Manager will lead on matters relating to the Learning Function of First College and the Business Manager will lead on matters relating to the Business Function of First College. The Learning Contracts Manager and the Business Manager will agree agenda items in advance of meetings. The Learning Contracts Manager will Chair the meetings. Attending the meetings will be all Teams Leaders.

Quality Systems / Self Assessment and Inspection Working Group (QSWG)

The Quality Assurance Manager leads this group which keeps First College up to date on best practice in quality related matters. Maintain the QMM. The group takes a leading role in all matters relating to self- assessment, audit, action planning and external inspection, whilst liaising closely with the Internal Quality Assurance Assessment and Standardisation and Compliance Groups.

Equality and Diversity

The Board will consider Equality and Diversity issues at its Board Meetings on an ongoing basis and will annually review all policies and other communication that relate to Equality and Diversity.

Data Protection

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or Forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Structure, governance and management (continued)

Board Committee

Remuneration Committee

A selected group of Trustees and the Business Manager carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/ 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Introduce personnel to the Restart contract as and when in accordance with the through flow of Learners and the Jobs22 contract
2. Successful delivery of Restart contract including achievement of customer service standards and job outcome/sustainability targets
3. Successful reapplication to the Register of Approved Training Providers (RoATP) following invite from ESFA.
4. Successful outcome from Ofsted Monitoring/Inspection visit.
5. Delivery of Apprenticeships to all employers through digital accounts.
6. Introduction of Soft Outcome targets at individual and team level.
7. Continued use of Microsoft Teams and Zoom to engage with learners and employers at reduced cost whilst finding new methods of working with learners throughout these disrupted times.
8. Enhance interest in First College via social media by upping the supply of content and staff sharing.
9. E-Learning delivery mechanisms for all activities to remain under constant review.
10. Establish Online Learner Application / Enrolment processes
11. Achieve Cyber Essentials Plus

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 19 May 2022 and signed on their behalf by:

P McCooey

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2021 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

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 auditors' report 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 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.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity and sector in which it operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, SORP 2015 (FRS 102), taxation legislation, data protection, anti-bribery, employment;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reviewed Trustee meeting minutes for evidence of appropriate decision-making and management controls.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

RAnderson

Robert Anderson FCA (senior statutory auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants and Statutory Auditor
Tower House
Lucy Tower Street
Lincoln
LN1 1XW

27 May 2022

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2021

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	-	103,049	103,049	127,079
Charitable activities	4	-	741,970	741,970	836,508
Other trading activities	5	-	262,626	262,626	261,567
Investments	6	-	60	60	643
Total income		-	1,107,705	1,107,705	1,225,797
Expenditure on:					
Raising funds	7	-	248,866	248,866	266,104
Charitable activities	8	829	923,175	924,004	1,123,929
Total expenditure		829	1,172,041	1,172,870	1,390,033
Net movement in funds		(829)	(64,336)	(65,165)	(164,236)
Reconciliation of funds:					
Total funds brought forward		13,670	1,106,899	1,120,569	1,284,805
Net movement in funds		(829)	(64,336)	(65,165)	(164,236)
Total funds carried forward		12,841	1,042,563	1,055,404	1,120,569

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 35 form part of these financial statements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)
REGISTERED NUMBER: 1802908

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		**214,860**		*236,851*
			214,860		*236,851*
Current assets					
Stocks	16	**1,488**		*1,031*	
Debtors	17	**378,117**		*177,316*	
Cash at bank and in hand		**585,588**		*787,878*	
		965,193		*966,225*	
Creditors: amounts falling due within one year	18	**(124,649)**		*(82,507)*	
Net current assets			**840,544**		*883,718*
Total assets less current liabilities			**1,055,404**		*1,120,569*
Net assets excluding pension asset			**1,055,404**		*1,120,569*
Total net assets			**1,055,404**		*1,120,569*
Charity funds					
Restricted funds	19		**12,841**		*13,670*
Unrestricted funds	19		**1,042,563**		*1,106,899*
Total funds			**1,055,404**		*1,120,569*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 19 May 2022 and signed on their behalf by:

P McCooey
Trustee

The notes on pages 20 to 35 form part of these financial statements.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
(A company limited by guarantee)
REGISTERED NUMBER: 1802908

COMPANY BALANCE SHEET
AS AT 31 JULY 2021

	Note		2021 £		2020 £
Fixed assets					
Tangible assets	13		214,860		236,851
Investments	14		3		3
			214,863		236,854
Current assets					
Debtors	17	480,669		280,887	
Cash at bank and in hand		470,042		691,511	
		950,711		972,398	
Creditors: amounts falling due within one year	18	(110,170)		(82,142)	
Net current assets			840,541		890,256
Total assets less current liabilities			1,055,404		1,127,110
Net assets excluding pension asset			1,055,404		1,127,110
Total net assets			1,055,404		1,127,110

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2021

	Note	2021 £	*2020 £*
Charity funds			
Restricted funds	19	**12,841**	*13,669*
Unrestricted funds	19	**1,042,563**	*1,113,441*
Total funds		**1,055,404**	*1,127,110*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 19 May 2022 and signed on their behalf by:

P McCooey
Trustee

The notes on pages 20 to 35 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(194,135)	(172,364)
Cash flows from investing activities		
Dividends, interests and rents from investments	60	643
Purchase of tangible fixed assets	(8,215)	(22,400)
Net cash used in investing activities	(8,155)	(21,757)
Cash flows from financing activities		
Net cash provided by financing activities	-	-
Change in cash and cash equivalents in the year	(202,290)	(194,121)
Cash and cash equivalents at the beginning of the year	787,878	981,999
Cash and cash equivalents at the end of the year	585,588	787,878

The notes on pages 20 to 35 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

During the year and subsequent to the year end, the UK has experienced a pandemic of the Coronavirus. The potential effects to the charity and its future prospects cannot be fully quantified but the trustees remain committed to the protection of the charity. This is being regularly reviewed by the trustees. In addition the trustees are mindful of the significant ongoing support offered by the UK Government. Accordingly the financial statements have been prepared on a going concern basis.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Government grants	103,049	**103,049**	*127,079*

Government grants relate to the Covid-19 pandemic and include business support grants in addition to grants under the Coronavirus Job Retention Scheme.

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Adult Income	290,346	**290,346**	*230,055*
Youth Income	379,359	**379,359**	*498,360*
Commercial training and services	72,265	**72,265**	*108,093*
Total 2021	741,970	**741,970**	*836,508*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
School Meals Provision- First Meals Limited	262,626	**262,626**	*261,567*

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Investment income - local cash	60	**60**	*643*

7. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
First Meals - operating costs	126,868	**126,868**	*130,825*
First meals- recharge of staff costs	121,998	**121,998**	*135,279*
Total 2021	248,866	**248,866**	*266,104*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	*Total funds 2020 £*
Charitable Activities	829	923,175	**924,004**	*1,123,929*
Total 2020	*817*	*1,123,112*	*1,123,929*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	*Total funds 2020 £*
Charitable Activities	787,389	136,615	**924,004**	*1,123,929*
Total 2020	*949,664*	*174,265*	*1,123,929*	

Analysis of direct costs

	Charitable Activities 2021 £	Total funds 2021 £	*Total funds 2020 £*
Staff costs	682,630	**682,630**	*771,366*
Materials and purchases	46,733	**46,733**	*66,080*
Subcontract tutors	45,796	**45,796**	*81,294*
Staff travel	2,907	**2,907**	*22,759*
Trainee allowances	150	**150**	*147*
Telephone	9,173	**9,173**	*8,018*
Total 2021	787,389	**787,389**	*949,664*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2021 £	*Total funds 2020 £*
Depreciation	**29,893**	*28,950*
Rent and rates	**16,847**	*27,715*
Light and heat	**4,963**	*7,012*
Repairs and renewals	**30,587**	*42,523*
Advertising	**1,706**	*3,231*
Staff travel and training	**3,530**	*5,468*
Printing, postage and stationary	**3,672**	*5,528*
Insurance	**4,427**	*5,441*
Legal and professional	**13,126**	*5,224*
Governance costs - Audit fees	**4,104**	*4,482*
Bank charges	**-**	*28*
VAT absorbed	**14,667**	*22,269*
Sundry	**7,908**	*12,706*
Hire of equipment	**-**	*3,688*
Loss on disposals	**313**	*-*
Bad debt provision	**872**	*-*
Total 2021	**136,615**	*174,265*

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,600 *(2020 - £3,500)*, and accountancy, taxation and support services of of £2,350 (*2020 - £2,200*).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

11. Staff costs

	Group 2021 £	*Group 2020 £*	**Company 2021 £**	*Company 2020 £*
Wages and salaries	**707,496**	*798,244*	**601,762**	*678,651*
Social security costs	**52,963**	*59,620*	**44,659**	*51,948*
Contribution to defined contribution pension schemes	**44,169**	*48,781*	**36,209**	*40,767*
	804,628	*906,645*	**682,630**	*771,366*

The average number of persons employed by the Company during the year was as follows:

	Group 2021 No.	*Group 2020 No.*
All staff	**41**	*41*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity are the Business Manager and the Contracts Manager. The total employee benefits paid to the two members of key management personnel including national insurance and pension contributions (2020: two members) was £133,599 (2020: £134,034).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the year ended 31 July 2021, no Trustee expenses have been incurred *(2020 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2020	**572,829**	**94,138**	**169,041**	**269,048**	**1,105,056**
Additions	**-**	**-**	**8,215**	**-**	**8,215**
Disposals	**-**	**(1,570)**	**-**	**-**	**(1,570)**
At 31 July 2021	**572,829**	**92,568**	**177,256**	**269,048**	**1,111,701**
Depreciation					
At 1 August 2020	**371,095**	**93,687**	**154,591**	**248,832**	**868,205**
Charge for the year	**12,316**	**138**	**9,798**	**7,641**	**29,893**
On disposals	**-**	**(1,257)**	**-**	**-**	**(1,257)**
At 31 July 2021	**383,411**	**92,568**	**164,389**	**256,473**	**896,841**
Net book value					
At 31 July 2021	**189,418**	**-**	**12,867**	**12,575**	**214,860**
At 31 July 2020	*201,734*	*451*	*14,450*	*20,216*	*236,851*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2020	3
At 31 July 2021	**3**
Net book value	
At 31 July 2021	**3**
At 31 July 2020	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Surplus/ (Deficit) for the year £
First Meals Limited	**262,626**	**250,871**	**11,755**

The net assets of First Meals Limited at the year end were £1 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2021 £	Group 2020 £	Company 2020 £
Raw materials and consumables	1,488	1,031	-

17. Debtors

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due within one year				
Trade debtors	318,667	52,533	282,336	45,297
Amounts owed by group undertakings	-	-	138,885	110,842
Other debtors	33,137	94,100	33,135	94,100
Prepayments and accrued income	26,313	30,683	26,313	30,648
	378,117	177,316	480,669	280,887

18. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	19,541	26,184	13,394	25,177
Other taxation and social security	71,895	16,073	65,233	20,020
Pension fund loan payable	6,826	9,077	6,826	9,077
Accruals and deferred income	26,387	31,173	24,717	27,868
	124,649	82,507	110,170	82,142

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
Unrestricted funds				
General Funds	1,106,899	1,107,705	(1,172,041)	1,042,563
Restricted funds				
Learning and Skills Council	9,305	-	(679)	8,626
Traineeship Bursary	4,365	-	(150)	4,215
	13,670	-	(829)	12,841
Total of funds	1,120,569	1,107,705	(1,172,870)	1,055,404

General Funds are funds for the use in the general futherance of the charitable objectives.

Restricted funds- Learning and Skills Council- constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

Restricted funds- Traineeship Bursary- represents a balance for providing training grants.

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
Unrestricted funds				
General Funds	1,270,318	1,225,797	(1,389,216)	1,106,899
Restricted funds				
Learning and Skills Council	9,975	-	(670)	9,305
Traineeship Bursary	4,512	-	(147)	4,365
	14,487	-	(817)	13,670
Total of funds	1,284,805	1,225,797	(1,390,033)	1,120,569

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Balance at 31 July 2021 £
General funds	1,106,899	1,107,705	(1,172,041)	1,042,563
Restricted funds	13,670	-	(829)	12,841
	1,120,569	1,107,705	(1,172,870)	1,055,404

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
General funds	*1,270,318*	*1,225,797*	*(1,389,216)*	*1,106,899*
Restricted funds	*14,487*	-	*(817)*	*13,670*
	1,284,805	*1,225,797*	*(1,390,033)*	*1,120,569*

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	214,860	**214,860**
Current assets	12,841	952,352	**965,193**
Creditors due within one year	-	(124,649)	**(124,649)**
Total	12,841	1,042,563	**1,055,404**

Analysis of net assets between funds - prior year

	Restricted funds 2020 £	*Unrestricted funds 2020 £*	*Total funds 2020 £*
Tangible fixed assets	-	236,851	*236,851*
Current assets	13,670	952,555	*966,225*
Creditors due within one year	-	(82,507)	*(82,507)*
Total	13,670	1,106,899	*1,120,569*

22. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £44,169 (2020: £47,427). Contributions totalling £nil (2020: £nil) were payable to the fund at the balance sheet date and are included in creditors.

23. Operating lease commitments

The Group and the Company had no commitments under non-cancellable operating leases at 31 July 2021.

24. Related party transactions

Some of the trustess are mutual directors for companies that purchase training services from the company. The services provided are not on preferential terms.

Lincolnshire County Council - £99,820 (2020: £176,902) with a balance outstanding of £13,576 (2020: £2,744)
Duncan & Toplis - £400 (2020: £424) with a balance outstanding of £Nil (2020: £142)
Public Sector Partnership Services Ltd - £221 (2020: £745) with a balance outstanding of £128 (2020: £231)

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

England & Wales - Charity number 515473

Accounts

Registered number: 1802908
Charity number: 515473

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

CONTENTS

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 JULY 2020

Trustees	L J Ducket P McCooey L G Harman Cllr S R Kirk
Company registered number	1802908
Charity registered number	515473
Registered office	Unit 3 Louth Station Estate Louth LN11 0JT
Company secretary	P McCooey
Chief executive officer	I Dickinson
Independent auditors	Streets Audit LLP Chartered Accountants and Statutory Auditor Tower House Lucy Tower Street Lincoln LN1 1XW
Solicitors	Langleys Olympic House 995 Doddington Road Lincoln LN6 3SE
Bankers	Lloyds TSB Nottingham BSC 11 Low Pavement Nottingham NG1 7DQ

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 JULY 2020

The Trustees present their annual report together with the audited financial statements of the Company for the year 1 August 2019 to 31 July 2020. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the group and the Company qualify as small under section 383 of the Companies Act 2006, the group strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

It is understood that our services need to be beneficial in general and to a wide section of the community to comply with The Charity Commission.

The charity's objectives as set out within the Memorandum of Association of East Lindsey Information Technology Centre are:

1. The promotion and advancement of education and training of the public, including the long term unemployed to acquire vocational qualifications and work related skills as required by local employers and industries as well as meeting national government targets by means of both instructor led, self study courses and the provision of practical experience.

2. The relief of unemployment for the public benefit in such a way as may be thought fit, including assistance to find employment.

Additionally set out within our business plan we have the following company objectives:

1. To remain financially viable
2. To provide high quality learning services
3. To adhere to our customer service values
4. To provide staff with a positive, rewarding and safe working environment

Objectives and activities (continued)

The company vision is to deliver high quality learning that raises participation and attainment while meeting the individual needs of learners through collaborative partnership working and employer engagement. First College is established to promote and provide for the advancement of the education and training of young persons and adults.

First College works closely with some 200 local employers and with Schools and Colleges of Further Education. First College primarily serves the East Lindsey area to the benefit of young people and adults with training, leading to the attainment of recognised qualifications and employment. First College is a member of the Work Based Learning Alliance Ltd of Lincolnshire and Rutland, and also a member of the Association of Employment Learning Providers, which is the national body representing provider views. The Business Manager is a Director of the Work Based Learning Alliance Ltd and is on the Board of the Employment Skills Board of the Greater Lincolnshire Local Enterprise Partnership.

Achievements and performance

a. Review of activities

Planned Developments 2019/20 and results

Complete all activities to comply with Cyber Essentials Plus and IASME Certification

Cyber Essentials has been achieved.
Cyber Essentials plus accreditation has been moved to a future date.
IASME Certification was deemed to be above and beyond what was necessary.

Roll out the full use of Egress Managed Workspace as an encrypted communication tool.

Egress managed workspace was initially adopted as planned, but we have since moved away from this application due to the installation of our own server and using it within Microsoft Teams through Sharepoint to offer the same benefits.

Continue to tender for / secure Levy Employer Contracts and consider expanding our geographic coverage.

Levy contracts are continuing and in terms of our larger employers ie NHS, PSPL and ELDC we are expanding our geographical areas.

Re-engage with our Non-Levy Employer customer base for the delivery of Digital Accounts.

Non-levy employer digital accounts are now live for all nain providers to work with. We have reengaged with many of our known employers as well as many new employers through this system. Approximately 50% of our current vacancies are Non-Levy Digital Accounts. It is employer choice but many of our employers provide us access so that we can ensure their funding is secured.

Achievements and performance (continued)

Introduce new learning to achieve the Adult Education Budget contract profiles.

Course development is ongoing. Some of the courses developed include ICT level 1 and 2, Customer Service Level 1, Administration Level 2, Retail Level 2, Introduction to Hospitality Level 1, Kitchen Management Level 3 etc. More recently we have expanded our delivery of health and wellbeing courses.

Develop staff in the direction of training delivery to fit with funded guided learning activities.

Due to the pandemic during the year, the emphasis on upfront training delivery moved to online delivery, as we did not have students within our centres.

Continue to be proactive with GLLEP/ESB and Collaboration group partners for the benefits of future joint bidding as and when opportunities become available.

Ian Dickinson continues to be a board member of GLLEP and represents independent training providers in Lincolnshire. There have not been any opportunities for joint bidding in the year.

Enhance interest in First College via Social media by upping the supply content and staff sharing.

We have a significant social media presence which includes Facebook, Twitter, and Instagram. Staff continue to be encouraged to supply case studies and we have a dedicated member of staff preparing and releasing content.

Introduce Apprenticeship Standards and End-point assessment activities across all occupational area's and partner organisations.

All occupational areas now deliver Apprenticeship Standards only, this became effective from 01 August 2020. Further Standards development is ongoing as new and revised standards are introduced.

Develop Full cost provision ideas into revenue producing activities through the Think Tank model and invest where required.

We have significantly developed our full cost provision offer and we can now deliver a variety of short courses as wells as longer training provisions.

Develop marketing materials to be up to date and appropriate.

Most of our marketing has been online and therefore physical materials have not been required.

Tender for the procurement of Schools meals delivery at Seathorne School BM/CM.

No tender took place but instead we were given an extension until August 2021 (due to the pandemic).

Successful re-assessment against Matrix Standard in June 2020 in support of changes in the Common Inspection Framework Trustee.

Achieved.

Trustees to be named in relation to specific learning activities.

Louis Harman was nominated and appointed as our First College Learning Champion. Louis visited First

Achievements and performance (continued)

College in January 2020 and met with learners, employers and staff. Louis was to visit again in September 2020 but due to lockdown this visit was postponed

b. Fundraising activities and income generation

First College does not fundraise.

Financial review

a. Going concern

During the year and subsequent to the year end, the UK has experienced a pandemic of the Coronavirus. The potential effects to the charity and its future prospects cannot be fully quantified but the trustees remain committed to the protection of the charity. This is being regularly reviewed by the trustees. In addition the trustees are mindful of the significant ongoing support offered by the UK Government. Accordingly the financial statements have been prepared on a going concern basis.

b. Reserves policy

The Charity holds reserves to ensure funds are available to maintain high quality training facilities, including up to date equipment and a safe working environment. In addition, Reserves are held to ensure continuity in the event of a large variation in the net income and to bridge any cash flow problems. The Board aims to maintain an adequate level of reserves. This is expected to be 3 months running costs and the cost of a planned and managed closure of the Charity.

Reserves at year end totalled £1.12M (of which £14k are Restricted Funds).

Reserves have decreased by £164,236 from activities during the year ended 31 July 2020. Contributing factors for the reduction in reserves include the loss of the non-levy contract as well as reduced activity as a result of the COVID pandemic.

Three months running costs and a planned closure are estimated at £404k. The Board actively seeks ways to utilise the organisation's reserves to advance the organisation relative to its business objectives.

Structure, governance and management

a. Constitution

East Lindsey Information Technology Centre is a registered charity, number 515473, and a registered company, number 1802908. Its governing document is its Articles of Association.

The company carries out its activities under the trading name of “First College”.

The financial statements comply with current statutory requirements and the company’s governing document and Statement of Recommended Practice Accounting and Reporting by Charities.

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The company may by ordinary resolution appoint a person willing to act as a trustee. For appointment at an AGM, formal notice is required as specified in the memorandum and articles. The existing trustees may appoint a person who is willing to act as a trustee. There is no maximum number of trustees but there must be at least 3 in office at any time.

c. Organisational structure and decision-making policies

The registered office and names and addresses of Advisers are set out on the Index page.

The Trustees during the year under review are set out on the Index page. No remuneration was paid nor expenses reimbursed to them during the year. However, some of the trustees represent companies that purchase training services from the company as disclosed in the notes to the accounts.

The Company’s premises are in Louth and Skegness. First College provides learning through its centres, outreach delivery and employers premises.

East Lindsey ITeC is sponsored by 4 local organisations. Each sponsor organisation provides up to two people to serve as directors and trustees on the East Lindsey ITeC Board. The Board sets policy, monitors progress and strives to provide good and sound governance.

The Senior Management function for First College has been deployed between two equal Senior Manager Roles, which report directly to the Board of Trustees. These are the Business Manager and the Learning Contracts Manager.

The **Business Manager** is responsible for leading company strategic planning and the implementation of policy, whilst ensuring that the company meets all legislative requirements including those related to personnel, charity commission, health and safety, safeguarding and equality and diversity. In addition, the Business Manager has responsibility for the company’s finance, administrative activities and the securing of new contracts/new opportunities.

The **Learning Contracts Manager** is responsible for the delivery of all learning operations of the college including contract delivery, as well as ensuring that the college meets all self assessment and quality requirements including internal and external audits and/or inspections. In addition, the Learning Contracts Manager supports strategic planning and the implementation of policy.

The First College organisational structure is based on the **Learning & Business Function**. The areas are Business, Early Years, Employability, Hospitality, ICT, Recruitment, Employer Engagement and School Meals. Each learning area has one person designated as a Team Leader. Team Leaders take a leading role in operational, performance and quality development matters.

The **Health & Safety Manager/Customer Assurance Adviser** is responsible for leading Health & Safety, Safeguarding and Equality & Diversity. This includes maintaining operating manuals, company health & safety setups and ongoing checks. The Customer Assurance side of the role involves activities including audits to implement, maintain and review customer focused quality systems of work.

Structure, governance and management (continued)

The **Learning Development Manager** is responsible for identifying creative and innovative solutions to achieving learner aims that both integrate and streamline all learning delivery whilst promoting effective and efficient team working. The Learning Development Manager will review and implement revised learner processes providing staff with clear instruction.

The **Catering Manager – School Meals** is responsible for the delivery of school meals at two premises ensuring that quality is mirrored and maintained. The role includes working with schools to promote healthy eating in general and increase take up of school meals. Supporting the Food for Life Partnership and attending meetings to assist schools in becoming accredited themselves.

The **Lead Internal Quality Assurer (LIQA)** is responsible for ensuring that learning programmes, support provided to staff, processes and systems are continually monitored for maximum effectiveness and cross college consistency. The Lead Internal Quality Assurer will take a lead role in all matters relating to quality improvement including assessment, internal verification, awarding body liaison and ENVQ.

The **Quality Assurance Team (QA)** consists of the Quality Assurance representative from each learning function, the Learning Development Manager and is led by the Learning Contracts Manager. The role of the Quality Assurance Team is to ensure that Learning Programmes are delivered in accordance with Contract, Inspectorate and External Body requirements. The Quality Assurance Team is tasked to provide best practice in quality related matters including continuous improvement for the benefit of all Learners, the recognition and implemention of good practice and the monitoring of performance against targets and objectives, taking preventative and corrective actions as appropriate and necessary. Other staff are invited to attend quality assurance meetings to cover specific agenda items.

Working Groups

The organisational structure is supplemented and supported by Working Groups comprising of staff from various areas to concentrate on specific topics and tasks. Wide involvement by staff is welcomed and encouraged. The Working Groups listed here were active in 19/20.

- Strategy Group
- Compliance Group
- Communication Group
- Quality Systems / Self Assessment and Inspection Working Group (QSWG)
- Internal Quality Assurance and Assessment Standardisation Group

Strategy Group

The Strategy Group is led by the Business Manager and comprises of the Learning Contracts Manager and Finance Manager. The Strategy Group considers operational and strategic issues. It consults and liaises with Staff, Managers and Trustees as appropriate.

Internal Quality Assurance Assessment and Standardisation Group

The Learning Development Manager/Lead IQA leads this group, which is responsible for ensuring best practice and standardisation across the whole college with all internal quality assurance and assessment processes. The group is attended by all Internal Quality Assurance staff.

Structure, governance and management (continued)

Compliance Group

The Compliance Group exists to ensure the company remains legal in relation to all areas affecting our business. The group consists of the Business Manager, the Health and Safety Manager and the Personnel Adviser. The Health and Safety Manager advises on First College legal obligations in relation to Health and Safety, Safeguarding, Welfare and Equality and Diversity. The group maintain all policies relating to these areas. The Business Manager will bring some other legal obligations to the meeting where appropriate, these can include Employment Law, Company Law and Charity Commission rules and regulations. The Business Manager is responsible for all staff employment conditions which include the contents of the Staff Handbook and all policy documents. These other policy documents are also reviewed within the Compliance Group.

Communication Group

The Communication Group exists to ensure that there is an ongoing and clear understanding of Contracts Performance, Quality Assurance and other factors affecting First College. The group will review and discuss Contract performance, Financial performance, delivery in accordance with Contract, Inspectorate and External Body requirements, Self Assessment, Business Support including Marketing, Legal obligations, Infrastructure including Premises and IT. The Learning Contracts Manager will lead on matters relating to the Learning Function of First College and the Business Manager will lead on matters relating to the Business Function of First College. The Learning Contracts Manager and the Business Manager will agree agenda items in advance of meetings. The Learning Contracts Manager will Chair the meetings. Attending the meetings will be all Teams Leaders, the Learning Development Manager and the Health and Safety Manager. Other staff are invited to attend quality assurance meetings to cover specific agenda items.

Quality Systems / Self Assessment and Inspection Working Group (QSWG)

The Quality Assurance Manager leads this group which keeps First College up to date on best practice in quality related matters. The Group maintains the Quality Management Manual (QMM). The group takes a leading role in all matters relating to self assessment, audit, action planning and external inspection, whilst liaising closely with the Internal Quality Assurance Assessment and Standardisation and Compliance Groups. The group is also attended by the Learning Development Manager LQA/LIQA and the Customer Assurance Advisors.

Equality and Diversity

The Board will consider Equality and Diversity issue at its Board Meetings on an ongoing basis and will annually review all policies and other communication that relate to Equality and Diversity.

Data Protection

The Board will consider Data Protection issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Data Protection.

Safeguarding

The Board will consider Safeguarding issues at its Board Meetings on an ongoing basis and will annually review all policies that relate to Safeguarding.

Note: Other Staff Groups and/or Forums are brought together from time to time to address matters that may require a specific input; these can include Marketing etc.

Structure, governance and management (continued)

Board Committee

Remuneration Committee

A selected group of Trustees and the Business Manager carry out an annual review of staff terms and conditions of service including salary, pension and travel arrangements that will be applied to all staff (including key management) annually. Any amendments required during the year as a result of a change in performance or job content are enacted by the Business Manager (working with in a +/ 10%) and reported to the Committee. The Board will follow Remuneration Committee recommendations.

d. Policies adopted for the induction and training of Trustees

On appointment, all new trustees will be provided with the following documents:

- Memorandum of Association
- Articles of Association
- Charity Commission Guidance CC3 Responsibility of Charity Trustees
- The latest Strategic Business Plan and a copy of the latest Financial Statements

e. Financial risk management

The Trustees have assessed the major risks to which the Group and the Company are exposed, in particular those related to the operations and finances of the Group and the Company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

1. Continue to tender for / secure Levy Employer Contracts and consider expanding our geographic area.
2. Re-engage with our Non-Levy Employer customer base for the delivery of Digital Accounts.
3. Introduce new learning to achieve the Adult Education Budget contract profiles.
4. Continue to be proactive with GLLEP/ESB and Collaboration group partners for the benefits of future joint bidding as and when opportunities become available.
5. Enhance interest in First College via social media by upping the supply of content and staff training
6. E-Learning delivery mechanisms for all activities to remain under constant review.
7. Introduce Apprenticeship Standards and End-point assessment activity across all occupational areas and partner organisations.
8. Develop Full Cost provision ideas into revenue producing activities through the Think Tank model and invest where required.
9. Develop marketing materials so as to be up to date and appropriate.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Trustees' report 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. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, Streets Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

....
P McCooey

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE

Opinion

We have audited the financial statements of East Lindsey Information Technology Centre (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2020 which comprise the Consolidated statement of financial activities, the consolidated balance sheet, the company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2020 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 and the Charities Act 2011.

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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

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 auditors' report 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 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.

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 Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, 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's and the parent 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 Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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 auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EAST LINDSEY INFORMATION TECHNOLOGY CENTRE (CONTINUED)

Robert Anderson FCA (senior statutory auditor)

for and on behalf of
Streets Audit LLP

Chartered Accountants and Statutory Auditor

Tower House

Lucy Tower Street

Lincoln

LN1 1XW

Date:

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2020

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds *2019* £
Income from:					
Donations and legacies	3	**-**	**127,079**	**127,079**	*5,000*
Charitable activities	4	**-**	**836,508**	**836,508**	*910,666*
Other trading activities	5	**-**	**261,567**	**261,567**	*410,553*
Investments	6	**-**	**643**	**643**	*974*
Total income		**-**	**1,225,797**	**1,225,797**	*1,327,193*
Expenditure on:					
Raising funds	7	**-**	**266,104**	**266,104**	*-*
Charitable activities	8	**817**	**1,123,112**	**1,123,929**	*1,550,700*
Total expenditure		**817**	**1,389,216**	**1,390,033**	*1,550,700*
Net movement in funds		**(817)**	**(163,419)**	**(164,236)**	*(223,507)*
Reconciliation of funds:					
Total funds brought forward		**14,487**	**1,270,318**	**1,284,805**	*1,508,312*
Net movement in funds		**(817)**	**(163,419)**	**(164,236)**	*(223,507)*
Total funds carried forward		**13,670**	**1,106,899**	**1,120,569**	*1,284,805*

The Consolidated statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 20 to 36 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		**236,851**		*243,401*
			236,851		*243,401*
Current assets					
Stocks	16	**1,031**		*1,922*	
Debtors	17	**177,316**		*161,423*	
Cash at bank and in hand		**787,878**		*981,999*	
		966,225		*1,145,344*	
Creditors: amounts falling due within one year	18	**(82,507)**		*(103,940)*	
Net current assets			**883,718**		*1,041,404*
Total assets less current liabilities			**1,120,569**		*1,284,805*
Net assets excluding pension asset			**1,120,569**		*1,284,805*
Total net assets			**1,120,569**		*1,284,805*
Charity funds					
Restricted funds	19		**13,670**		*14,487*
Unrestricted funds	19		**1,106,899**		*1,270,318*
Total funds			**1,120,569**		*1,284,805*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

P McCooey
Trustee

The notes on pages 20 to 36 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 JULY 2020

	Note		2020 £		2019 £
Fixed assets					
Tangible assets	13		**236,851**		*243,401*
Investments	14		**3**		*3*
			236,854		*243,404*
Current assets					
Stocks	16	**-**		*1,922*	
Debtors	17	**280,887**		*161,420*	
Cash at bank and in hand		**691,511**		*981,999*	
		972,398		*1,145,341*	
Creditors: amounts falling due within one year	18	**(82,142)**		*(103,940)*	
Net current assets			**890,256**		*1,041,401*
Total assets less current liabilities			**1,127,110**		*1,284,805*
Net assets excluding pension asset			**1,127,110**		*1,284,805*
Total net assets			**1,127,110**		*1,284,805*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 JULY 2020

	Note	2020 £	2019 £
Charity funds			
Restricted funds	19	**14,340**	*14,487*
Unrestricted funds	19	**1,112,770**	*1,270,318*
Total funds		**1,127,110**	*1,284,805*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on and signed on their behalf by:

P McCooey
Trustee

The notes on pages 20 to 36 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2020

	2020 £	*2019* *£*
Cash flows from operating activities		
Net cash used in operating activities	**(172,364)**	*(174,139)*
Cash flows from investing activities		
Dividends, interests and rents from investments	**643**	*974*
Purchase of tangible fixed assets	**(22,400)**	*(13,530)*
Net cash used in investing activities	**(21,757)**	**(12,556)**
Cash flows from financing activities		
Net cash provided by financing activities	**-**	**-**
Change in cash and cash equivalents in the year	**(194,121)**	**(186,695)**
Cash and cash equivalents at the beginning of the year	**981,999**	*1,168,694*
Cash and cash equivalents at the end of the year	**787,878**	*981,999*

The notes on pages 20 to 36 form part of these financial statements

1. General information

As set out in the trustees' report, East Lindsey information Technology Centre is an incorporated charity registered in England and Wales. The address of their registered office is First College, Unit 3, Louth Station Estate, Louth, LN11 0JT.

These financial statements have been prepared in sterling, which is the functional currency of the entity.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

East Lindsey Information Technology Centre meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

2.2 Going concern

During the year and subsequent to the year end, the UK has experienced a pandemic of the Coronavirus. The potential effects to the charity and its future prospects cannot be fully quantified but the trustees remain committed to the protection of the charity. This is being regularly reviewed by the trustees. In addition the trustees are mindful of the significant ongoing support offered by the UK Government. Accordingly the financial statements have been prepared on a going concern basis.

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. Accounting policies (continued)

2.4 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. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of financial activities over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of financial activities as the related expenditure is incurred.

2.6 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 4% straight line (land is not depreciated)
Short-term leasehold property	- 10% straight line
Office equipment	- 25% straight line
Computer equipment	- 33% straight line

2. Accounting policies (continued)

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.10 Debtors

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

2.11 Cash at bank and in hand

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

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.14 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Income from donations and legacies

	Restricted funds 2020 £	**Unrestricted funds 2020 £**	**Total funds 2020 £**	*Total funds 2019 £*
Donations	-	-	**-**	*5,000*
Government grants	-	127,079	**127,079**	-
	-	127,079	**127,079**	*5,000*
Total 2019	*5,000*	-	*5,000*	

Government grants relate to the Covid-19 pandemic and include business support grants in addition to grants under the Coronavirus Job Retention Scheme.

4. Income from charitable activities

	Unrestricted funds 2020 £	**Total funds 2020 £**	*Total funds 2019 £*
Adult Income	230,055	**230,055**	*131,046*
Youth Income	498,360	**498,360**	*640,979*
Commercial training and services	108,093	**108,093**	*138,641*
Total 2020	836,508	**836,508**	*910,666*

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
School Meals Provision- First Meals Limited	261,567	**261,567**	*-*
School Meals Provision	-	**-**	*410,553*
Total 2020	261,567	**261,567**	*410,553*

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Investment income - local cash	643	**643**	*974*

7. Expenditure on raising funds

Other trading expenses

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
First Meals - operating costs	130,825	**130,825**	*-*
First meals- staff costs	135,279	**135,279**	*-*
Total 2020	266,104	**266,104**	*-*

8. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2019 £*
Charitable Activities	817	1,123,112	**1,123,929**	*1,550,700*
Total 2019	*488*	*1,550,212*	*1,550,700*	

9. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	*Total funds 2019 £*
Charitable Activities	949,664	174,265	**1,123,929**	*1,550,700*
Total 2019	*1,338,639*	*212,061*	*1,550,700*	

Analysis of direct costs

	Charitable Activities 2020 £	Total funds 2020 £	*Total funds 2019 £*
Staff costs	771,366	**771,366**	*955,394*
Materials and purchases	66,080	**66,080**	*250,661*
Subcontract tutors	81,294	**81,294**	*86,626*
Staff travel	22,759	**22,759**	*36,537*
Trainee allowances	147	**147**	*488*
Telephone	8,018	**8,018**	*8,933*
Total 2020	949,664	**949,664**	*1,338,639*

9. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2020 £	*Total funds 2019 £*
Depreciation	**28,950**	*25,892*
Rent and rates	**27,715**	*29,034*
Light and heat	**7,012**	*8,382*
Repairs and renewals	**42,523**	*54,541*
Advertising	**3,231**	*5,506*
Staff travel and training	**5,468**	*5,640*
Printing, postage and stationary	**5,528**	*6,259*
Insurance	**5,441**	*6,658*
Legal and professional	**5,224**	*4,984*
Bank charges	**28**	*-*
VAT absorbed	**22,269**	*19,120*
Sundry	**12,706**	*29,705*
Hire of equipment	**3,688**	*9,805*
Profit on disposals	**4,482**	*6,725*
Bad debt provision	**-**	*(190)*
Total 2020	**174,265**	*212,061*

10. Auditors' remuneration

The auditors' remuneration amounts to an auditor fee of £3,500 *(2019 - £3,500)*, and accountancy, taxation and support services of of £2,200 (*2019 - £2,200*).

11. Staff costs

	Group 2020 £	Group *2019* *£*	Company 2020 £	Company *2019* *£*
Wages and salaries	**798,244**	*839,910*	**678,651**	*839,910*
Social security costs	**59,620**	*64,375*	**51,948**	*64,375*
Contribution to defined contribution pension schemes	**48,781**	*51,109*	**40,767**	*51,109*
	906,645	*955,394*	**771,366**	*955,394*

The average number of persons employed by the Company during the year was as follows:

	Group 2020 No.	Group *2019* *No.*
All staff	**41**	*41*

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity are the Business Manager and the Contracts Manager. The total employee benefits paid to the two members of key management personnel including national insurance and pension contributions (2019: two members) was £134,034 (2019: £134,034).

12. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits *(2019 - £NIL)*.

During the year ended 31 July 2020, no Trustee expenses have been incurred *(2019 - £NIL)*.

13. Tangible fixed assets

Group and Company

	Freehold property £	Short-term leasehold property £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 August 2019	**572,829**	**94,138**	**165,577**	**250,112**	**1,082,656**
Additions	**-**	**-**	**3,464**	**21,446**	**24,910**
Disposals	**-**	**-**	**-**	**(2,510)**	**(2,510)**
At 31 July 2020	**572,829**	**94,138**	**169,041**	**269,048**	**1,105,056**
Depreciation					
At 1 August 2019	**361,290**	**93,529**	**142,119**	**242,317**	**839,255**
Charge for the year	**12,316**	**157**	**9,962**	**6,515**	**28,950**
At 31 July 2020	**373,606**	**93,686**	**152,081**	**248,832**	**868,205**
Net book value					
At 31 July 2020	**199,223**	**452**	**16,960**	**20,216**	**236,851**
At 31 July 2019	*211,539*	*609*	*23,458*	*7,795*	*243,401*

14. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 August 2019	3
At 31 July 2020	**3**
Net book value	
At 31 July 2020	**3**
At 31 July 2019	*3*

15. Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Principal activity	Class of shares	Holding
First Meals Limited	10729159	School meal provision	Ordinary	100%
The Big Idea (Lincolnshire) CIC	08158999	Dormant	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £
First Meals Limited	**261,567**	**268,108**	**(6,541)**

The net assets of First Meals Limited at the year end were £6,540 and the net assets of The Big Idea (Lincolnshire) CIC were £2. The Big Idea (Lincolnshire) CIC was dormant throughout the current and previous year. The registered office of the susidiairies is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

16. Stocks

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Raw materials and consumables	**1,031**	*1,922*	**-**	*1,922*

17. Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Due within one year				
Trade debtors	**52,533**	*45,519*	**45,297**	*45,516*
Amounts owed by group undertakings	**-**	*-*	**110,842**	*-*
Other debtors	**94,100**	*75,026*	**94,100**	*75,026*
Prepayments and accrued income	**30,683**	*40,878*	**30,648**	*40,878*
	177,316	*161,423*	**280,887**	*161,420*

18. Creditors: Amounts falling due within one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade creditors	**26,184**	*34,024*	**25,177**	*34,024*
Other taxation and social security	**16,073**	*37,951*	**20,020**	*37,951*
Pension fund loan payable	**9,077**	*6,417*	**9,077**	*6,417*
Accruals and deferred income	**31,173**	*25,548*	**27,868**	*25,548*
	82,507	*103,940*	**82,142**	*103,940*

19. Statement of funds

Statement of funds - current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
Unrestricted funds				
General Funds	1,270,318	1,225,797	(1,389,216)	1,106,899
Restricted funds				
Learning and Skills Council	9,975	-	(670)	9,305
Traineeship Bursary	4,512	-	(147)	4,365
	14,487	-	(817)	13,670
Total of funds	1,284,805	1,225,797	(1,390,033)	1,120,569

General Funds are funds for the use in the general futherance of the charitable objectives.

Restricted funds- Learning and Skills Council- constitutes a balance previously donated to be used in respect of the renovation of the Ida Road Property. This is being reduced in line with depreciation of the property.

Restricted funds- Traineeship Bursary- represents a balance for providing training grants.

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Balance at 31 July 2019 £
Unrestricted funds				
General Funds	*1,497,667*	*1,322,193*	*(1,549,542)*	*1,270,318*
Restricted funds				
Restricted Fund- Learning and Skills Council	*10,645*	*-*	*(670)*	*9,975*
Traineeship Bursary	*-*	*5,000*	*(488)*	*4,512*
	10,645	5,000	(1,158)	*14,487*
Total of funds	*1,508,312*	*1,327,193*	*(1,550,700)*	*1,284,805*

20. Summary of funds

Summary of funds - current year

	Balance at 1 August 2019 £	Income £	Expenditure £	Balance at 31 July 2020 £
General funds	**1,270,318**	**1,225,797**	**(1,389,216)**	**1,106,899**
Restricted funds	**14,487**	**-**	**(817)**	**13,670**
	1,284,805	**1,225,797**	**(1,390,033)**	**1,120,569**

20. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 August 2018 £	Income £	Expenditure £	Balance at 31 July 2019 £
General funds	*1,497,667*	*1,322,193*	*(1,549,542)*	*1,270,318*
Restricted funds	*10,645*	*5,000*	*(1,158)*	*14,487*
	1,508,312	*1,327,193*	*(1,550,700)*	*1,284,805*

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	236,851	**236,851**
Current assets	13,670	952,555	**966,225**
Creditors due within one year	-	(82,507)	**(82,507)**
Total	13,670	1,106,899	**1,120,569**

Analysis of net assets between funds - prior period

	Restricted funds 2019 £	*Unrestricted funds 2019 £*	*Total funds 2019 £*
Tangible fixed assets	-	243,401	*243,401*
Current assets	14,487	1,130,857	*1,145,344*
Creditors due within one year	-	(103,940)	*(103,940)*
Total	14,487	1,270,318	*1,284,805*

22. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2020 £	Group *2019* *£*
Net expenditure for the period (as per Statement of Financial Activities)	**(164,236)**	*(223,507)*
Adjustments for:		
Depreciation charges	**28,950**	*25,893*
Dividends, interests and rents from investments	**(643)**	*(974)*
Decrease/(increase) in stocks	**891**	*(226)*
Decrease/(increase) in debtors	**(15,894)**	*41,860*
Decrease in creditors	**(21,432)**	*(17,185)*
Net cash used in operating activities	**(172,364)**	*(174,139)*

23. Analysis of cash and cash equivalents

	Group 2020 £	Group *2019* *£*
Cash in hand	**787,878**	*981,999*
Total cash and cash equivalents	**787,878**	*981,999*

24. Analysis of changes in net debt

	At 1 August 2019 £	Cash flows £	At 31 July 2020 £
Cash at bank and in hand	981,999	(194,121)	787,878
Debt due within 1 year	(6,417)	(2,660)	(9,077)
	975,582	(196,781)	778,801

25. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge

25. Pension commitments (continued)

represents contributions payable by the group to the fund and amounted to £47,427 (2019: £51,109). Contributions totalling £nil (2019:£nil) were payable to the fund at the balance sheet date and are included in creditors.

26. Operating lease commitments

At 31 July 2020 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £	*Group 2019 £*	**Company 2020 £**	*Company 2019 £*
Not later than 1 year	**-**	*18,064*	**-**	*18,064*

27. Related party transactions

Some of the trustess represent companies that purchase training services from the company. The services provided are not on preferential terms.

Lincolnshire County Council - £176,902 (2019: £291,454) with a balance outstanding of £2,744 (2019: £8,827)
Duncan & Toplis - £424 (2019: £8,075) with a balance outstanding of £142 (2019: £nil)
PSPL- £745 (2019: £nil) with a balance outstanding of £231 (2019: £nil)

The provision of school meals is now operated through the trading subsidiary, First Meals Limited. This arrangement commenced on 1 August 2019. Costs relating to the provision of the meals are shown within expenditure on raising funds in the current year. Previously, costs were included within the charitable activity costs of the charity.