

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)

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EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 JULY 2021**

| | |
|----------------------------------|--|
| Trustees | L J Duckett 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 |

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2021

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

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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**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.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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**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.

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**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.

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**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.

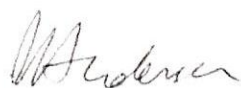
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance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



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

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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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 |
| | | <u>214,860</u> | <u>236,851</u> |
| Current assets | | | |
| Stocks | 16 | 1,488 | 1,031 |
| Debtors | 17 | 378,117 | 177,316 |
| Cash at bank and in hand | | 585,588 | 787,878 |
| | | <u>965,193</u> | <u>966,225</u> |
| Creditors: amounts falling due within one year | 18 | (124,649) | (82,507) |
| Net current assets | | <u>840,544</u> | <u>883,718</u> |
| Total assets less current liabilities | | <u>1,055,404</u> | <u>1,120,569</u> |
| Net assets excluding pension asset | | <u>1,055,404</u> | <u>1,120,569</u> |
| Total net assets | | <u><u>1,055,404</u></u> | <u><u>1,120,569</u></u> |
| Charity funds | | | |
| Restricted funds | 19 | 12,841 | 13,670 |
| Unrestricted funds | 19 | 1,042,563 | 1,106,899 |
| Total funds | | <u><u>1,055,404</u></u> | <u><u>1,120,569</u></u> |

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 |

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

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 | | <u>1,055,404</u> | <u>1,127,110</u> |

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)

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

3. Income from donations and legacies

| | Unrestricted funds 2021 £ | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|-------------------|--|---------------------------------------|---------------------------------------|
| 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 £ | <i>Total funds 2020 £</i> |
|----------------------------------|--|---------------------------------------|---------------------------------------|
| 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 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Total funds 2021 £ | <i>Total funds 2020 £</i> |
|----------------------------------|---------------------------------------|---------------------------------------|
| 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 £2,350 (2020 - £2,200).

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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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 |
| | <u>804,628</u> | <u>906,645</u> | <u>682,630</u> | <u>771,366</u> |

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

| | Group 2021 No. | Group 2020 No. |
|-----------|-------------------------------|-------------------------------|
| All staff | <u>41</u> | <u>41</u> |

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).

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 | <u>572,829</u> | <u>92,568</u> | <u>177,256</u> | <u>269,048</u> | <u>1,111,701</u> |
| 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 | <u>383,411</u> | <u>92,568</u> | <u>164,389</u> | <u>256,473</u> | <u>896,841</u> |
| Net book value | | | | | |
| At 31 July 2021 | <u>189,418</u> | <u>-</u> | <u>12,867</u> | <u>12,575</u> | <u>214,860</u> |
| At 31 July 2020 | <u>201,734</u> | <u>451</u> | <u>14,450</u> | <u>20,216</u> | <u>236,851</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

14. Fixed asset investments

| Company | Investments in subsidiary companies £ |
|---------------------------|--|
| Cost or valuation | |
| At 1 August 2020 | 3 |
| | 3 |
| At 31 July 2021 | 3 |
| Net book value | |
| At 31 July 2021 | 3 |
| <i>At 31 July 2020</i> | 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 subsidiaries is Unit 3 Louth Station Estate Louth Lincolnshire LN11 0JT.

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |
| | <u>13,670</u> | <u>-</u> | <u>(829)</u> | <u>12,841</u> |
| Total of funds | <u><u>1,120,569</u></u> | <u><u>1,107,705</u></u> | <u><u>(1,172,870)</u></u> | <u><u>1,055,404</u></u> |

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.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021**

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 |
| | <u>14,487</u> | <u>-</u> | <u>(817)</u> | <u>13,670</u> |
| Total of funds | <u><u>1,284,805</u></u> | <u><u>1,225,797</u></u> | <u><u>(1,390,033)</u></u> | <u><u>1,120,569</u></u> |

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 |
| | <u>1,120,569</u> | <u>1,107,705</u> | <u>(1,172,870)</u> | <u>1,055,404</u> |

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 |
| | <u>1,284,805</u> | <u>1,225,797</u> | <u>(1,390,033)</u> | <u>1,120,569</u> |

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 | <u>12,841</u> | <u>1,042,563</u> | <u>1,055,404</u> |

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 | <u>13,670</u> | <u>1,106,899</u> | <u>1,120,569</u> |

EAST LINDSEY INFORMATION TECHNOLOGY CENTRE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2021

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 trustees 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)