



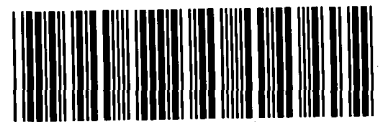
## **PUBLISHING QUALIFICATIONS BOARD**

**Company Registration No. 2607034**

**Charity Registration No. 1002928**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

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# Publishing Qualifications Board

## Company Information

Chair	Elisabeth Tribe
Directors/Trustees	Elisabeth Tribe Rebecca Smart Jonathan Glasspool Edward Milford Robin Hunt Emma Brown
Chief Executive	Peter McKay
Secretary	Peter McKay
Company Number	2607034 (England and Wales)
Registered Charity Number	1002928
Registered Office	6 Bell Yard London WC2A 2JR
Auditors	Clarke Huttun Summit Court Barnet London EN5 5YR
Bankers	National Westminster Bank 98 Wandsworth High Street London SW18 4JZ
Business Address	6 Bell Yard London WC2A 2JR

# Publishing Qualifications Board

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# **Publishing Qualifications Board**

## **Trustees' Report For the year ended 31 December 2016**

The Trustees, who are also the Directors, submit their annual Directors' Report together with the financial statements of the Charity for the year ending 31 December 2016, which are also prepared to meet the requirements for a Directors' Report and accounts for Companies Act purposes.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the Charity's Articles of Association, the Companies Act 2006, the Charities Act 2011 and 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 (FRS102) (effective 1 January 2015).

### **Structure, governance and management**

The Publishing Qualifications Board is a company limited by guarantee. It is a Registered Charity whose objects are the promotion and furtherance of commercial education in the field of book publishing, writing and the information industries.

The Publishing Training Centre Foundation, a company limited by guarantee (Company No. 1253854) and also a Registered Charity (Registered Charity No. 1083081), is the sole member of the Publishing Qualifications Board.

The Trustees, who are also the Directors for the purpose of company law, and who served during the year, were:

Elisabeth Tribe  
Rebecca Smart  
Jonathan Glasspool  
Edward Milford  
Robin Hunt

Emma Brown (appointed 12/04/2016)

None of the Trustees have any beneficial interest in the company.

The members undertake to contribute a maximum of £1 in the event of a winding up.

The day-to-day management is delegated to the Chief Executive, Peter McKay, who on a monthly basis provides detailed financial and operational information to the Trustees.

New Trustees are briefed by the Chief Executive and are given full information on the history of the Charity, Articles of Association, the business plan and recent financial performance of the Charity.

Under the Articles of Association of the Board, the Publishing Training Centre Foundation which is also a Registered Charity (Charity no: 1083081) is the sole member of the Charity. Membership of the Charity is not transferable

The number of Trustees shall be no less than five and no more than twelve. The board normally meets quarterly.

Trustees are elected by the members or co-opted by the Trustees. When considering co-opting Trustees, the Board has regard to the requirement for any specialist skills needed.

A Trustee term of office is five years.

A retiring Trustee may be reappointed providing that no Trustee shall serve more than two terms of office.

# **Publishing Qualifications Board**

## **Trustees' Report (Continued) For the year ended 31 December 2016**

The powers of the Trustees to invest monies of the Board are clearly laid in the Articles of Association.

The Trustees, under the guidance of the Chief Executive, consistently review the principal risks and uncertainties that the group faces and implements agreed procedures to minimise or manage any potential impact on the group should those risks materialise.

There were no connected charities other than The Publishing Training Centre Foundation.

### **Objectives and Activities**

The Publishing Qualifications Board (PQB) was established to further the education of persons employed in or wishing to pursue a career in publishing, writing and information industries, and related fields of activity, by the establishment, administration and award of vocational, European, international and other qualifications in respect of competence.

Although the National Vocational Qualifications (NVQs) in Publishing are no longer offered, PQB focuses on the delivery, through Distance Learning and online services, of a variety of competence and assessment-based programmes. These are designed to improve knowledge and performance in a range of publishing-related disciplines to the widest possible group of delegates.

These courses are recognised by the publishing community as indicators of professional competence. The courses facilitate entry to a variety of publishing careers, especially within the freelance proofreading and editing fields.

All PQB courses have at their core detailed and carefully moderated performance evaluation and reporting, so that delegates and employers can assess levels of excellence and knowledge. Qualifications are awarded at a level of pass, merit or distinction.

### **Achievements and Performance**

The Publishing Qualifications Board's accredited courses contribute significantly to the wide offering of training by the group. Our course portfolio now comprises six programmes: three (Basic Proofreading, Basic Editing and Intermediate Editing) are available in both a downloadable and a correspondence version, Successful Editorial Freelancing is a mixture of mail correspondence and email delivery and Grammar at Work and Understanding Book Publishing are fully online programmes. 700 delegates embarked on the Distance Learning programmes in 2016 compared to 658 in 2015.

The Prisoners' Education Trust (which provides educational opportunities for men and women prisoners to make a positive change in their lives) support people in prison to study our Distance Learning courses.

Spread the Word, a charity based in London, offers aspiring publishing professionals from a background underrepresented in publishing, training, placement and support. The Foundation provides Distance Learning programmes to these students.

The integration of the new Distance and E-Learning site with the website has been completed. The new version of the Basic Proofreading by Distance Learning, released in September 2016, was successfully hosted on the new platform.

# **Publishing Qualifications Board**

## **Trustees' Report (Continued) For the year ended 31 December 2016**

### **Financial Review**

Revenue increased by 7% to £262k (2015: £244k)

The charitable activities represent 90% of the total resources expended for the year.

The cost of governance of the Group equates to 6% of the total resources expended for the year.

During 2016, a total number of 700 (2015: 658) delegates enrolled on various Distance Learning programmes and the breakdown is as follows:

- 499 enrolled on Basic Proofreading
- 83 enrolled on Copy-Editing/Basic Editing/Intermediate Editing
- 83 enrolled on Grammar at Work
- 15 enrolled on Successful Editorial Freelancing
- 20 enrolled on Understanding Book Publishing

### **Reserves**

As at 31 December 2016, the Unrestricted Reserves were £20,020. The Unrestricted Reserves are held as a cushion of finance during economic downturn and are also available for future plans approved by the Board.

This is the first year that the PQB is holding unrestricted reserves.

It is the policy of the PQB that we aim for unrestricted funds that have not been designated for new projects to be at a level equivalent to between three and six months' expenditure on revenue items and charitable assets combined. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

### **Public Benefit**

The Publishing Qualifications Board has referred to the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning future activities. In particular the Trustees consider how planned activities will contribute to the aims and objectives they have set.

### **Future Plans**

The launch of a Creative Copywriting course and Grammar by Distance Learning is scheduled for 2017.

Learning platform: Migration of all existing courses from the current to the new platform, which should result in lower annual running costs.

# Publishing Qualifications Board

## Statement of Trustees' Responsibilities

The Trustees, who are also the Directors of the Publishing Qualifications Board for the purpose of company law, are responsible for preparing the Trustees' report and the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (Financial Reporting standard 102 and applicable law).

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that year.

In preparing these accounts, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently.
- Observe the methods and principles in the Charities SORP.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

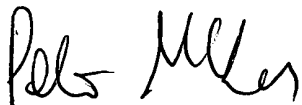
### Disclosure of Information to Auditors

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

### Auditors

Clarke Hutton have signified their willingness to continue in office.

The Board approved this report on: 12<sup>th</sup> April 2017



Peter McKay  
Secretary

# **Publishing Qualifications Board**

## **Independent Auditors' Report To the Members of Publishing Qualifications Board**

We have audited the financial statements of the Publishing Qualifications Board for the year ended 31 December 2016 on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting standard applicable in the UK and Republic of Ireland".

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

### **Respective responsibilities of Trustees and Auditors**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the Directors of the Publishing Qualifications Board for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the Audit of the Accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



# **Publishing Qualifications Board**

## **Independent Auditors' Report (Continued) To the Members of Publishing Qualifications Board**

### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the Charity's affairs at 31 December 2016 and of its incoming resources and application of resources, including its income and expenditure account, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- have been prepared in accordance with the requirements of the Companies Act 2006

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.



Mr. Karl Huttun (Senior Statutory Auditor)  
For and on Behalf of Clarke Huttun, Statutory Auditor

Chartered Accountants  
Summit Court  
Barnet  
London  
EN5 5YR

Dated: 12<sup>th</sup> April 2017

# Publishing Qualifications Board

## Statement of Financial Activities For the year ended 31st December 2016

	Notes	2016 Unrestricted funds	2015 Unrestricted funds
		£	£
Courses	4	262,144	244,346
Total income		262,144	244,346
<b>Expenditure on:</b>			
Publicity & Promotion	5	24,690	31,726
<b>Charitable activities</b>			
Courses		217,434	212,620
<b>Total expenditure</b>	6	<b>242,124</b>	<b>244,346</b>
<b>Net movement in funds</b>		20,020	-
<b>Fund balances at 1 January 2016</b>		-	-
<b>Fund balances at 31 December 2016</b>		20,020	-

All activities are continuing. The notes on pages 10 to 15 form part of these accounts.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# Publishing Qualifications Board

## Charity Balance Sheet as at 31 December 2016

	Notes	2016 £	2015 £
<b>Current Assets</b>			
Debtors	9	11,530	10,524
Cash at bank and in hand		109,672	74,556
		-----	-----
		121,202	85,080
		-----	-----
<b>Creditors:</b>			
Amounts falling due within one year	10	(101,182)	(85,080)
		-----	-----
Net Current Assets		20,020	-
		-----	-----
<b>Net Assets</b>		20,020	-
		=====	=====
<b>Income funds</b>			
Unrestricted funds		20,020	-
		-----	-----
<b>Total funds</b>		20,020	-
		=====	=====

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

The Financial statements were approved by the Board of Management on: 12 April 2017



(Elisabeth Tribe)

Company Registration No.: 1002928

# Publishing Qualifications Board

## Statement of Cash Flows For the year ended 31 December 2016

	Note	2016	2015
		£	£
Cash generated/used in Operating Activities	A	35,116	(6,095)
		=====	=====
Increase/(Decrease) in Cash and Cash Equivalents	B	35,116	(6,095)
		=====	=====
Cash and Cash equivalents at the beginning of the year		74,556	80,651
		=====	=====
Total cash and cash equivalents at the end of the year		109,672	74,556
		=====	=====

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

	2016	2015
	£	£
Net Income/Expenditure	20,020	-
Increase/(Decrease) in debtors	(1,006)	(7,109)
Increase/(Decrease) in creditors	16,102	1,014
	-----	-----
Net inflow/(outflow) cash flow from operating activities	35,116	(6,095)
	-----	-----

### B. Reconciliation of net cash flow to movement in net funds

	2016	2015
	£	£
Balance at 1 Jan 2016	74,556	80,651
Net cash inflow	35,116	(6,095)
	-----	-----
Balance at 31 Dec 2016	109,672	74,556
	-----	-----

# **Publishing Qualifications Board**

## **Notes to the Financial Statements For the year ended 31 December 2016**

### **1 Accounting Policies**

#### **1.1 Accounting Basis and Standards**

The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in UK £ Sterling which is the functional currency of the Charity.

The financial statements have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the Publishing Qualifications Board.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (effective 1 January 2015), (Charities SORP (FRS102)), the Financial Reporting standard applicable in the UK & Republic of Ireland (FRS102) and the Companies Act 2006.

The significant accounting policies applied in the preparation of these financial statements are set out on pages 10–15. These policies have been consistently applied to all years presented unless otherwise stated.

#### **1.2 Preparation of the accounts on a going concern basis**

The reported surplus is £20k. The Trustees are of the view that the Charity is a going concern as measures taken in the past to reduce operating costs and improve revenue performance have started to yield positive result. The balance sheet current ratio is 1.2:1.

#### **1.3 Income**

Income is recognised when the Charity have entitlement to the funds any performance conditions attached to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably. For the Distance Learning courses, entitlement to the fees is taken when the student enrolls but subject to a thirty day cooling off period.

# **Publishing Qualifications Board**

## **Notes to the Financial Statements For the year ended 31 December 2016**

### **1.4 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of publicity & promotion
- Expenditure on charitable activities includes support and governance costs

Support costs are those functions that assist the work of the Charity but do not directly undertake charitable activities. Support costs include back office costs, personnel, payroll and governance costs which support the activities of the Board. Governance costs are those incurred in connection with administration of the Charity and compliance of constitutional and statutory requirements.

The Board identifies the costs of its support functions. It then identifies those costs which relate to the governance function. Having identified its governance costs, the remaining support costs together with governance costs are allocated to the one key charitable activity undertaken in the year.

### **1.5 Value Added Tax**

The Publishing Qualifications Board is part of a VAT group. It is normally able to reclaim from HM Revenue & Customs (HMRC) all VAT it pays on goods and services it buys. However to do so, it has to remain within a partial exemption limit. If, in any financial year, the limit is exceeded the group would be unable to recover that part of the VAT it incurred in providing exempt supplies.

A limit of £7,250 is set by HMRC as the total of VAT incurred, which relates to exempt supplies. Exempt supplies as defined are those that the group provides where the charge made is exempt from VAT. The main supplies that fall under this heading are the provision of Distance Learning courses.

However, the turnover for the Distance Learning supply has placed the ability to remain under the limit in jeopardy. £12,264 of irrecoverable VAT has been provided for in the accounts to meet this liability.

### **1.6 Fund accounting**

The Charity's Unrestricted General Funds consist of funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

# Publishing Qualifications Board

## Notes to the Financial Statements For the year ended 31 December 2016

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

In the application of the Charity's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

### 2 Legal status of the Board

The Board is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

### 3 Principal activity of the Board

This is clearly laid out on page 2.

### 4 Income from charitable activities

	2016	2015
	£	£
Distance Learning courses	262,144	244,346
	-----	-----
	<b>262,144</b>	<b>244,346</b>
	-----	-----

All income from charitable activities was attributable to the unrestricted funds.

### 5 Publicity and Promotion

These are the costs incurred in promoting the educational activities of the Charity. They include advertisements in print and digital media. All costs were attributable to the unrestricted funds.

# Publishing Qualifications Board

## Notes to the Financial Statements For the year ended 31 December 2016

### 6 Analysis of expenditure on charitable activities

	Activities undertaken directly	Support costs	Total
	£	£	£
Distance Learning courses	101,823	115,611	217,434
	<u>101,823</u>	<u>115,611</u>	<u>217,434</u>

All costs for 2016 (2015: £212,620) were attributable to unrestricted funds.

### 7a Analysis of support & Governance costs

	Support	Governance	Total	Basis
	£	£	£	
Office costs (inc Rent)	15,448	3,862	19,310	Allocated on time
Human Resources (inc pension)	67,903	10,319	78,222	Allocated on time
Information Technology	2,538	-	2,538	Support
Other (inc irrecoverable VAT)	14,226	315	14,541	Support
Audit fee	-	1,000	1,000	Governance
Total	<u>100,115</u>	<u>15,496</u>	<u>115,611</u>	

### 7b Governance costs

	2016	2015
	£	£
Auditor's remuneration	1,000	1,000
Support costs	14,496	13,682
	<u>15,496</u>	<u>14,682</u>

Governance costs include payments to the auditors of £1,000 (2015: £1,000) for audit fees and £nil (2015: £nil) for other services.



# Publishing Qualifications Board

## Notes to the Financial Statements For the year ended 31 December 2016

### 8 Analysis of staff costs, Trustee Remuneration and Expenses and the cost of personnel

The average number of employees, analysed by function, during the year was:

	2016	2015
Courses	2	3
Governance	1	1
Publicity & Promotion	1	1
	-----	-----
	4	5
	-----	-----

The average number of full-time equivalent employees was 3 (2015: 4).

Their aggregate remuneration comprised:

	2016	2015
	£	£
Wages and salaries	62,719	59,913
Social security costs	5,654	4,399
Pension costs	9,849	5,570
	-----	-----
	78,222	69,882
	=====	=====

There were no employees whose annual remuneration was £60,000 or more.

#### Trustees' Remuneration

None of the Trustees (or any persons connected with them) received any remuneration during the current and prior year in their capacity as Trustees. Total travel and subsistence expenses were £nil (2015: £nil).

# Publishing Qualifications Board

## Notes to the Financial Statements For the year ended 31 December 2016

### 9 Debtors

	2016	2015
	£	£
Trade debtors	3,867	3,285
Prepayments	7,663	7,239
	-----	-----
	<b>11,530</b>	<b>10,524</b>
	-----	-----

### 10 Creditors: amount falling due within one year

	2016	2015
	£	£
Accruals	101,182	85,080
	-----	-----
	<b>101,182</b>	<b>85,080</b>
	-----	-----

### 11 Related party transactions

In 2016 the following transactions took place between the Charity and The Publishing Training Centre Foundation:

- The transfer of £140,301 (2015: £148,559) as contribution towards the publicity & promotion, support and governance costs of the Group.
- In the current year no other related party transactions were reported either from the Trustees and management.

### 12 Contingent liabilities

There were no contingent liabilities at the year end.

### 13 Capital commitments

There were no capital commitments either authorised by the Trustees or contracted for at the balance sheet date.