

**ENGINEERING SERVICES TRAINING TRUST LIMITED**  
**(a company limited by guarantee)**

Registered No. 02674888  
Charity Registration No. 1007703

Annual report and financial statements  
For the year ended 29 February 2024

**ENGINEERING SERVICES TRAINING TRUST LIMITED**  
(a company limited by guarantee)

**Annual Report and Financial Statements**  
**For the year ended 29 February 2024**

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# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

Annual Report and Financial Statements  
For the year ended 29 February 2024

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## COMPANY INFORMATION

Board of Trustees	M C James S Chenia L C Gillespie R J Grant (Appointed 13 November 2023)
Secretary	M C James
Nominating Bodies	The Building Engineering Services Association B&ESA Ltd
Registered Office	Old Mansion House Eamont Bridge Penrith Cumbria CA10 2BX
Company Number	02674888
Charity Registration Number	1007703
Independent Auditor	Armstrong Watson Audit Limited James Watson House Montgomery Way Rosehill Carlisle CA1 2UU
Bankers	Lloyds TSB 6 Lowther Street Carlisle CA3 8DB
Investment Fund Providers	Cazenove Capital Management Schroder & Co Limited 1 London Wall Place London EC2Y 5AU

# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Report of the Trustees**

**For the year ended 29 February 2024**

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The Trustees submit their report together with the audited financial statements for the year ended 29 February 2024. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and the 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 2019).

### **Name and Registered Office of Charity**

The name of the charity is Engineering Services Training Trust Limited. Its registered office is:

Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX

and its principal operating address is:

Rotherwick House, 3 Thomas More Street, Saint Katharine's & Wapping, London, E1W 1YZ.

### **Constitution and Registration**

The charity was formed as a company limited by guarantee on 31 December 1991; is governed by the terms of its Memorandum and Articles of Association; and is registered with the Charity Commission.

### **Objectives and Activities**

The charity was established to promote and advance, for the public benefit, the education and training of persons employed or intending to be employed in building engineering services and related industries, in the UK and elsewhere. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its activities.

The Trustees are satisfied that the reported or expected benefits of the funding the charity has provided meet their required success criteria.

### **Organisation of the Charity**

The charity's operations are controlled by the Board of Trustees, responsible for the legal, statutory and financial obligations. In particular the Board is responsible for:

- the overall control, monitoring and review of the policies, responsibilities and activities of the charity;
- approval of specific quantifiable objectives in line with the aims of the charity;
- approval of plans to meet objectives;
- monitoring progress towards the objectives;
- defining roles of operation in respect of financial procedures, controls and limits of authority; and
- setting criteria and benchmarks for investment fund policies and management.

As the charity has no directly employed staff, support services are provided as required by The Building Engineering Services Association. In the opinion of the Trustees, the value of these services is not sufficiently material to require disclosure in the financial statements as a gift in kind.

# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Report of the Trustees** **For the year ended 29 February 2024**

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### **Trustees**

The Trustees of the charity during the year were:

S A Hardy (Resigned 25 January 2024)  
M C James  
S Chenia  
L C Gillespie  
R J Grant (Appointed 13 November 2023)

The Trustees had no financial interest in either the charity or in any material contract during the year relating to the activities of the charity.

Key management personnel are deemed to be the Trustees. No Trustee receives any remuneration.

### **Appointment and Induction of Trustees**

Trustees are appointed by the nominating bodies, The Building Engineering Services Association and B&ESA Limited, in accordance with the charity's Memorandum and Articles of Association, as and when required in order to maintain an effective balance of knowledge and relevant experience. In addition to general induction, training for new Trustees will be provided where necessary on charity, legal and financial matters.

### **Statement of Trustees' Responsibilities**

The Trustees, who are also the directors of Engineering Services Training Trust Limited for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Investment Powers**

The Memorandum and Articles of Association of the charity place no restrictions on the power of investment of the Trustees.

# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Report of the Trustees** **For the year ended 29 February 2024**

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### **Risk Management**

In the opinion of the Trustees, the only major risk to which the charity could be exposed is that the value of its investments could reduce through significant market turmoil or by fraud. They believe that both of these issues are covered by the placement of the charity's funds, other than working capital, with a reputable fund manager selected after careful review.

The Trustees are satisfied that internal risks, which could derive from the selection of projects or unauthorised bank payments have been minimised by the various policies, procedures and mandates which are in place and regularly reviewed.

The Trustees continue to assess the potential implications of the United Kingdom withdrawing from the European Union. Although there is an appreciation that there is a level of uncertainty associated with this, no significant direct implications are expected.

### **Reserves Policy**

Accumulated funds are invested as outlined in the financial statements and the general policy is that returns on these investments will be used to fund charitable activities. Neither this, nor the capital benchmark which the Trustees use to monitor reserves, is a financial limit and the policy of the Trustees is that, subject to rigorous review criteria being met, the charity's funds and reserves should be used in a manner where and when they can provide maximum benefit within its objectives.

The value of the Unrestricted General Fund at 29 February 2024 was £2,856,346 (2023: £2,877,794).

The Trustees' capital benchmark at 29 February 2024 was £2,849,754 (2023: £3,158,800 (based on RPI), reflecting a surplus of £6,592 (2023: deficit of £281,006). Following advice from the charity's investment manager, the trustees have changed the inflation basis from RPI to CPI in the year ended 29 February 2024 as they believe this is a more realistic benchmark figure.

### **Review of Income and Expenditure**

The charity's principal funding source is the income which it receives from listed investments. At £114,378, the investment income received was higher compared to the previous year's figure of £110,080. In the current year, the charity has provided funding of £130,000 (2023 £68,675). The Charity has funded £105,000 to the Building Engineering Services Association for a competence mapping project to define what skills employees require to perform tasks in the industry. The charity has also funded £25,000 of funding to perform Apprenticeship standards reviews. Taking into account the overall total of grants provided or authorised in the year resulting in net expenditure before investment activity of £26,364 for the year (2023 – net income of £30,760). After a gain on investments of £4,916 (2023 – loss of £24,326), there was a net decrease in funds of £21,448 (2023 – increase £6,434).

### **Review of Developments and Future Prospects**

The Trustees have decided that the charity will continue to act as a charity for the benefit of training in building engineering services and other related industries. It will seek actively to support initiatives and projects that are consistent with its Memorandum and Articles of Association. This policy will be the subject of regular review to ensure that the most appropriate use of the charity's funds is being made.

### **Related parties**

Related party transactions are fully disclosed within note 14 to the financial statements.

# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

(a company limited by guarantee)

## **Report of the Trustees** **For the year ended 29 February 2024**

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### **Public Benefit statement**

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

### **Investments**

Details of the investment transactions in the year are set out in note 9 to the financial statements.

### **Statement as to Disclosure of Information to Auditor**

In so far as the Trustees are aware at the time of approving the Trustees' Annual Report:

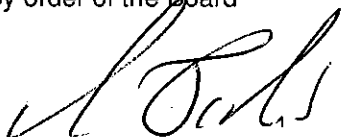
- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditor is unaware, and
- the Trustees, having made enquiries of fellow directors and the charity's auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### **Auditor**

Armstrong Watson Audit Limited have expressed their willingness to continue in office. A resolution to reappoint them in accordance with Section 485 of the Companies Act 2006 will be put to the annual general meeting.

This report has been prepared in accordance with the Small Companies regime of the Companies Act 2006.

By order of the Board



M C James  
Trustee

Date: 11 September 2024



# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Report of the Independent Auditors For the year ended 29 February 2024**

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### **Opinion**

We have audited the financial statements of Engineering Services Training Trust Limited (the 'charitable company') for the year ended 29 February 2024 which comprise the Statement of financial activities, the Balance sheet, the 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 charitable company's affairs as at 29 February 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2003.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

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## **Report of the Independent Auditors For the year ended 29 February 2024**

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### **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 information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **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:

### **Auditor's 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 auditor's 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.

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Report of the Independent Auditors For the year ended 29 February 2024

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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 extent to which the audit was considered capable of detecting irregularities including fraud.**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, was as follows:

- 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 sector;
- we assessed the extent of compliance with the laws and regulations identified as key to the entity 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 charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non compliance with laws and regulations; and
- reviewing the key areas of the financial statements most susceptible to fraud whilst tailoring our audit plans.

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;
- investigated the rationale behind significant or unusual transactions;

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

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

# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**


## **Report of the Independent Auditors For the year ended 29 February 2024**

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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](http://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 trustees, 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 trustees 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.

  
[Joanna Gray \(Sep 23, 2024 15:56 GMT+1\)](#)

Joanna Gray (Senior Statutory Auditor)

for and on behalf of Armstrong Watson Audit Limited  
Chartered Accountants and Statutory Auditor

Rosehill

Carlisle

CA1 2UU

Date 23/09/2024



# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Statement of Financial Activities For the year ended 29 February 2024

	Note	Unrestricted Funds 2024 £	Unrestricted Funds 2023 £
<b>Income</b>			
Investment income	2	114,378	110,080
<b>Total</b>		114,378	110,080
<b>Expenditure</b>			
Raising funds	3	(5,693)	(5,537)
Charitable activities	4	(135,049)	(73,783)
<b>Total</b>		(140,742)	(79,320)
Net (expenditure) / income before gains and losses on investments		(26,364)	30,760
Net gains / (losses) on investments	8	4,916	(24,326)
<b>Net movement in funds</b>		(21,448)	6,434
Fund balance brought forward		2,877,794	2,871,360
<b>Fund balance carried forward</b>	11	2,856,346	2,877,794

All gains and losses recognised in the year are included above.

The notes on pages 13 to 18 form part of these financial statements

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

Balance Sheet as at 29 February 2024  
Registered No 02674888

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Investments	9	2,819,166	2,704,274
<b>Current assets</b>			
Cash at bank and in hand		172,299	244,513
		172,299	244,513
<b>Liabilities</b>			
Creditors: amounts falling due within one year	10	(135,119)	(70,993)
<b>Net current assets</b>		37,180	173,520
<b>Total assets less current liabilities</b>		2,856,346	2,877,794
<b>Funds</b>			
Unrestricted General fund (including revaluation reserve)	12	2,856,346	2,877,794

These financial statements have been prepared in accordance with the special provisions of the Companies Act 2006 relating to small companies.

The financial statements were approved and authorised for issue by the board on 11 September 2024 and signed on its behalf.

  
M C James  
Trustee

The notes on pages 13 to 18 form part of these financial statements

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Statement of Cash Flows

### For the year ended 29 February 2024

	Note	2024	2023
		£	£
<b>Cash flows from operating activities</b>			
Net movement in funds		(21,448)	6,434
Increase / (Decrease) in creditors	10	64,126	(118)
(Gains) / losses on investments		(4,916)	24,326
<b>Net cash inflow from operating activities</b>		37,762	30,642
<b>Cash flows from investing activities</b>			
Investment income reinvested in the fund	9	(114,378)	(110,080)
Proceeds from sale of investments		4,402	6,338
<b>Net cash outflow from investing activities</b>		(109,976)	(103,742)
<b>Net decrease in cash and cash equivalents</b>		(72,214)	(73,100)
Cash and cash equivalents at the start of the year		244,513	317,613
<b>Cash and cash equivalents at the end of the year</b>		172,299	244,513
<b>Cash and cash equivalents consists of:</b>			
Cash at bank and in hand		172,299	244,513

The notes on pages 13 to 18 form part of these financial statements



# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Notes to the Financial Statements**

### **For the year ended 29 February 2024**

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#### **1 Accounting Policies**

##### **1.1 General Information**

Engineering Services Training Trust Limited ('the charity') is a charitable company limited by guarantee incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is:

Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX

and its principal place of operation:

Rotherwick House, 3 Thomas More Street, Saint Katharine's & Wapping, London, E1W 1YZ

The charity was established to promote and advance, for the public benefit, the education and training of persons employed or intending to be employed in building engineering services and related industries, in the UK and elsewhere. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its activities.

These financial statements have been presented in pound sterling which is the functional currency of the charity.

##### **1.2 Basis of Preparation**

The charity is a public benefit entity and 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 (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS102) and the Companies Act 2006. Assets and liabilities are initially recognised at historical cost, as modified by the revaluation of investments to market value.

##### **1.3 Investment Income**

Investment income is included in the Statement of Financial Activities when it is declared by the investment manager. Bank interest is included in the Statement of Financial Activities on a receivable basis.

##### **1.4 Fund Accounting**

Unrestricted general funds represent funds, which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

##### **1.5 Expenditure and Irrecoverable VAT**

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

- Raising funds – investment management fees;
- Grants payable – amounts granted to individuals or institutions in relation to the charity's primary purpose; and
- Other – amounts which do not fall into any other heading.

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Notes to the Financial Statements For the year ended 29 February 2024

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### 1.6 Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

### 1.7 Creditors

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

### 1.8 Financial Instruments

Financial assets and liabilities are recognised when the charity becomes party to the contractual provisions of the financial instrument. The charity holds only basic financial instruments, which comprise cash and cash equivalents, other payables, and other financial instruments.

#### *Financial assets – classified as basic financial instruments*

- *Cash and cash equivalents*  
Cash and cash equivalents include cash in hand, deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

#### *Financial liabilities – classified as basic financial instruments*

- *Other payables and loans and borrowings*  
Trade and other payables and loans and borrowings are initially measured at the transaction price, including any transaction costs, and subsequently measured at amortised cost using the effective interest method. Amounts that are payable within one year are measured at the undiscounted amount of the cash expected to be paid.

### 1.9 Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In applying the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

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.

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Notes to the Financial Statements

### For the year ended 29 February 2024

#### 1.10 Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Pt. 11, Ch. 3 of the Corporation Tax Act 2010 or s. 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### 1.11 Going Concern

The financial statements have been prepared on a going concern basis. The Trustees, having considered the financial position of the charity for a period of at least twelve months from the date of signing these financial statements, have no reason to believe that a material uncertainty exists that may cast doubt about the ability of the charity to continue as a going concern.

Accordingly, the Trustees have a reasonable expectation that the charity will continue in operational existence and thus they adopt the going concern basis of accounting in preparing the financial statements.

#### 2 Investment Income

	Unrestricted 2024 £	Unrestricted 2023 £
Distributions from UK listed investments	114,378	110,080
	<u>114,378</u>	<u>110,080</u>

#### 3 Raising Funds

	Unrestricted 2024 £	Unrestricted 2023 £
Professional fees	5,693	5,537
	<u>5,693</u>	<u>5,537</u>

#### 4 Charitable Activities

	Unrestricted 2024 £	Unrestricted 2023 £
<b>Direct Costs</b>		
Grants payable	130,000	68,675
<b>Support costs</b>		
Audit fees	4,867	4,926
Bank charges	182	182
	<u>135,049</u>	<u>73,783</u>

#### 5 Information Regarding Trustees

No Trustee received or waived any remuneration, fees or expenses from the charity during the year (2023 - £nil).

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Notes to the Financial Statements For the year ended 29 February 2024

### 6 Staff Costs

No staff costs were incurred directly by the charity during the year (2023 - £nil). The entity had no employees in the current or prior period.

### 7 Corporation Tax

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 8 (Losses) / Gains on Investment assets

	Unrestricted 2024 £	Unrestricted 2023 £
Realised (losses) / gains	(2)	198
Unrealised gains / (losses)	4,918	(24,524)
	<u>4,916</u>	<u>(24,326)</u>

### 9 Fixed Asset Investments

	Unrestricted 2024 £	Unrestricted 2023 £
<b>Listed investments (at valuation):</b>		
Market value at 1 March	2,704,274	2,624,858
Additions	114,378	110,080
Disposals	(4,402)	(6,338)
Net investment (loss) / gain	<u>4,916</u>	<u>(24,326)</u>
Market value at 28 February	<u>2,819,166</u>	<u>2,704,274</u>
Cost at 28 February	<u>2,378,205</u>	<u>2,268,231</u>

Each of the investments included in the above, represents more than 5% of the total market value as follows at the end of the period:

		Market Value 2024 £		Market Value 2023 £
Cazenove Charity UCITS Fund	31.37%	896,252	31.43%	904,540
Cazenove Charity NURS Fund	66.96%	<u>1,912,732</u>	62.54%	<u>1,799,734</u>

# ENGINEERING SERVICES TRAINING TRUST LIMITED

(a company limited by guarantee)

## Notes to the Financial Statements

### For the year ended 29 February 2024

#### 10 Creditors falling due within one year

	Unrestricted 2024 £	Unrestricted 2023 £
Grants payable	129,300	66,313
Accruals	5,819	4,680
	<u>135,119</u>	<u>70,993</u>

#### 11 Analysis of Funds

	Unrestricted 2024 £	Unrestricted 2023 £
<b>Unrestricted general fund</b>		
At 1 March	2,877,794	2,871,360
Income	114,378	110,080
Expenditure	(140,742)	(79,320)
Investment gains / (losses)	4,916	(24,326)
	<u>2,856,346</u>	<u>2,877,794</u>
At 29 February		

#### 12 Analysis of Net Assets

	Unrestricted 2024 £	Unrestricted 2023 £
<b>Unrestricted funds</b>		
Investments	2,819,166	2,704,274
Cash at bank	172,299	244,513
Net current liabilities	(135,119)	(70,993)
	<u>2,856,346</u>	<u>2,877,794</u>

#### 13 Financial Instruments

Financial assets that are debt instruments measured at amortised costs:

	Unrestricted 2024 £	Unrestricted 2023 £
Cash at bank and in hand	<u>172,299</u>	<u>244,513</u>

#### 14 Related Party Transactions

The Building Engineering Services Association (BESA) and its subsidiaries are considered by the Trustees to be related parties of the charity.

During the year grants of £105,000 (2023: £68,675) were agreed for projects within BESA by the charity. At the year end, grants as yet unclaimed by BESA amounted to £105,000 (2023: £65,400).



# **ENGINEERING SERVICES TRAINING TRUST LIMITED**

**(a company limited by guarantee)**

## **Notes to the Financial Statements For the year ended 29 February 2024**

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### **15 Legal Status of the Charity**

The charity is incorporated as a company limited by guarantee, having no share capital. In accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 29 February 2024 and 28 February 2023 there were two members as follows:

The Building Engineering Services Association, a registered trade and employers association operating in the United Kingdom. Certification office number 043/E.

B&ESA Limited, a company registered in England 00852809, The Company is the parent company of a group of companies who operate in the building services industry.

Consolidated accounts for both entities are available from Old Mansion House, Eamont Bridge, Penrith, Cumbria, CA10 2BX.

### **16 Controlling Party**

The Building Engineering Services Association (BESA) has the power to appoint six out of a maximum of eight Trustees.

The charity has no ultimate controlling party due to no individual having control over BESA.



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Final Audit Report

2024-09-23

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