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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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<b>Trustees</b>	D M Antrobus G P Beevers R Leslie B Warrender (appointed 16 July 2020) D Wilson, Chairman
<b>Company registered number</b>	02728847
<b>Charity registered number</b>	1012890
<b>Registered office</b>	1-2 Mallard Way Pride Park Derby Derbyshire DE24 8GX
<b>Chief executive officer</b>	N Collishaw
<b>Independent auditors</b>	Bates Weston Audit Limited Statutory Auditor Chartered Accountants Canal Street Derby DE1 2RJ
<b>Bankers</b>	Bank of Scotland plc 20-22 Shandwick Place Edinburgh EH2 4RN
<b>Solicitors</b>	Nelsons Solicitors Limited Pennine House 8 Stanford Street Nottingham Nottinghamshire NG1 7BQ
<b>Investment advisors</b>	Investec Wealth & Management Limited The Colmore Building Colmore Circus Birmingham B4 6AT

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of British Plumbing Employers Council (Training) Limited (the "company") for the year ended 31 December 2020. The Trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) FRS 102, effective 1 January 2019.

The objectives of the Charity are to:

- Sponsor research into training needs in the Plumbing and Heating Industry.
- Support training and development of plumbing operatives.
- Encourage leadership, entrepreneurship, and innovation.
- Work in partnership with key stakeholders.
- Galvanise the industry in raising standards.
- To support the activities of the Plumbing & Heating Skills Partnership (PHSP).

**Strategies for achieving objectives**

The Trustees have agreed several key strategic priorities for 2021. The overall objective of the BPEC Charity is to improve the skills of those who work in the UK plumbing and heating industry as well as providing opportunities for personal growth and development and, from time to time, some limited qualifying activity outwith the UK.

To achieve this objective the following work strands will be delivered throughout 2021:

1. To invest in product development, such as, innovative learning materials, courses and qualifications that can be offered via the two trading companies – BPEC Certification Ltd and BPEC Services Ltd.
2. Supporting skills development activity through the Plumbing and Heating Skills Partnership (PHSP).
3. Delivering the SkillPLUMB skills competitions initiative across the UK.
4. Providing BPEC Awards (to projects which use plumbing knowledge and skills to improve the lives of others in the UK) and Grants (to raise the plumbing skills levels of disadvantaged groups) and such other Awards, including projects outwith the UK, as the trustees consider appropriate and reasonable and to review these annually.
5. Maintaining the 'BPEC Brief' to inform centres of education and training policy developments.

**Activities for achieving objectives**

The CEO will be responsible for overseeing the charitable activities. Project work will be outsourced to selected freelance consultants to deliver specific milestones. A key priority has been to commit resources to develop new courses and qualifications that support the learning needs of individuals working within the Plumbing and Domestic Heating Industry. The Trustees have extended financial support to its wholly owned subsidiary, BPEC Certification Ltd, to enable it to continue to operate as a registered End-point Assessment Organisation and to offer assessments across the new apprenticeship standards applying in England.

**Grant making policies**

The Trustees' policy is to focus principally on providing financial grants through the charity's grants and awards and to award such other grants as the Trustees consider appropriate. The trustees have allocated funds to support the activities of the PHSP which works closely with BSE Skills Ltd and other industry bodies that are involved in the development of apprenticeships, qualifications and occupational standards for the plumbing, mechanical services and other related industries.

**Volunteers**

In respect to our Skills Competitions activity, we occasionally receive support from some volunteers (past competitors and college tutors) in helping facilitate or deliver one or more of the SkillPLUMB events. Over and above this, we do not engage volunteers within our charitable activity.



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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Strategic report**

**Key financial performance indicators**

The charity does not currently use KPIs as a management tool, however the Trustees closely monitor the financial performance of the charity and its wholly owned subsidiary via progress against agreed budgets. The Trustees will, in the coming year, be reviewing its investment policy and strengthening the procedures to monitor the performance of its investment portfolio.

**Fundraising activities / income generation**

The Charity does not actively fundraise; it seeks to continue the charitable work agreed by the Trustees through the careful management of its existing resources.

This includes the returns on its investment portfolio, rents, service charges to the associated companies and sundry income from various initiatives, including the national skills competition events. From time to time, as and when available, surplus funds from its wholly owned subsidiary are gifted to the Charity.

**Investment policy and performance**

The Charity has established an investment policy, which seeks to maximise investment income while aiming also for an element of capital appreciation. The Charity's investments are now wholly managed by Investec Wealth & Management Limited. The current asset allocation of the portfolio is as follows:

**Medium Risk Category**

- 37% International equity
- 24% UK equity
- 16% Fixed interest
- 14% Alternative investments
- 4% Cash
- 5% UK property

The Trustees will continue to review the performance of the investment portfolio during 2021.

**Structure, Governance and Management**

**Introduction**

On behalf of the Trustees of the British Plumbing Employers Council (Training) Limited (BPEC) and its wholly owned subsidiary trading company BPEC Certification Limited (hereafter referred to as 'the group'); present their annual report and accounts.

**Governing Document**

BPEC is a charitable company limited by guarantee, incorporated on 3 July 1992. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association.

The charity and the group are constituted under a Memorandum of Association dated 3 July 1992, which was amended in May 2009 and is a registered charity (number 1012890).

**Method of appointment of Trustees**

The Trustees of the company are also Directors of the charity for the purposes of company law. As set out in the Articles of Association, the Chairman is appointed by the Trustees. Duncan Wilson was appointed as a new independent Chairman in December 2019 and is listed as a Director with Companies House.

Although there is the opportunity to appoint up to six Trustees, three of which are nominated by the Association of Plumbing and Heating Contractors Ltd (APHC) and three are nominated by the Scottish and Northern Ireland Plumbing Employers Federation (SNIPEF). The Trustee Board has agreed to reduce the number of trustees to

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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two each nominated from APHC and SNIPEF. All new nominees to become a Trustee are interviewed by the Chairman and CEO prior to their appointment to ensure they bring the mix of skills and attributes necessary for good governance and strategic planning.

To ensure impartiality between the Charity and its non-charity subsidiary, it has been agreed to recruit and appoint, one or more, non-trustee directors to the board of the subsidiary to ensure that due regard to the commercial interests of the non-charity subsidiary are fully advanced and considered in any decisions. The Trustees will always act in the best interests of the Charity and that the commercial interests of its subsidiary are not compromised.

**Method of appointment or election of Trustees**

All Trustees are familiar with the work of the charity. An induction programme is used to assist new Directors / Trustees in meeting their responsibilities as well as BPEC's requirements. Part of the induction programme provides the opportunity for a new Director / Trustee to discuss the work of the charity with the Chairman and CEO. An induction pack for all Trustees has been updated. The pack includes the following information:

- The history of BPEC.
- BPEC's vision, mission and values.
- Organisational structure.
- Strategic priorities.
- Guidance on becoming a trustee and company director.
- Conflicts of interest policy.
- Guidance on the register of interests and other appropriate declarations.
- Memorandum of Association and revised Articles of Association.
- Dates and details of board meetings.

Following induction, all new Trustees will undertake a formal training session that is provided by the Charities Commission. Charity Commission newsletters are circulated as appropriate to Trustees to keep them up to date with relevant changes that may impact on the BPEC charity / group.

**Organisational structure and decision making**

The Chairman along with the other Trustees direct and oversee the work of the charity. The Board meets at least twice per year to review progress of the strategic priorities, finances, new developments and any changes to legislation or good practice. The CEO is responsible for implementing the activities contained in the strategic plan and has delegated authority to other staff for managing the day-to-day operations of the charity and the non-charity subsidiary.

**Related Parties**

The group maintains a close relationship with the APHC and SNIPEF. Both organisations nominate individuals to act as Trustees, all of which have significant experience in the UK Plumbing and Heating Industry.

The employer link ensures there is strong leadership by the industry in directing the work of the charity and its subsidiary to help increase and develop the skills of those who operate in the Plumbing and Heating industry and that essential and appropriate training and qualifications are available.

Providing support for people seeking to enter the industry is a key part of the work of the Group as well as implementing a range of activities to help increase the knowledge and skills of those already employed in the Plumbing and Heating industry. Developing and increasing competence is also beneficial to the public through having access to a highly skilled and competent workforce.

The group also has a related party, BPEC Services Limited, which is wholly owned by SNIPEF and which has common Directors appointed by SNIPEF. BPEC Services Ltd shares the objectives of the BPEC Group and seeks to complement and support the work of the Group.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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**Risk Management**

An assessment of the potential risks faced by the charity is undertaken on an annual basis and a formal 'risk register' will be developed during 2021 and updated on a regular basis. The Trustees/Directors will review the register at Board meetings as part of their regular monitoring of the performance of the charity's subsidiary - BPEC Certification Ltd.

**Public Benefit**

The Trustees confirm they are fully aware of the information contained in the Charity Commission's general guidance on public benefit to ensure that the company's charitable aims, objectives and future activities fully deliver services that are of benefit to the public.

The principal objects of BPEC Training Ltd are set out in regulation 3(a) & (b) of the Memorandum of Association viz:

- 3(a) To promote and advance for the public benefit the education and training of persons employed or intending to be employed in the plumbing, mechanical services and other related industries both in the United Kingdom and elsewhere.
- 3(b) To promote useful research into any matters relating to the training for employment in the plumbing, mechanical services and other related industries and to publish and disseminate any useful results of such research for the public benefit.

The Trustees remain focused on channelling the efforts and resources of the charity to ensure it fulfils its principal objectives and its public benefit obligations.

During the period January to December 2020 the charity has been involved in the following activities:

**Achievements and performance**

**Plumbing and Heating Skills Partnership (PHSP)**

This partnership is continuing to be led by the charity's Chairman and brings together industry stakeholders providing strategic UK-wide oversight on the development of standards, apprenticeships and qualifications for the plumbing and heating industry and wider building engineering sector.

The UK Strategic group meeting took place in November 2020 and the PHSP's website has been maintained and updated (<https://phsp.org.uk/>).

**Occupational Standards/Apprenticeships/Qualifications in Scotland & Northern Ireland**

BPEC has also provided funding to support the review and update of the Plumbing National Occupational Standards, apprenticeship frameworks and qualifications in Scotland and Northern Ireland.

Throughout the year BPEC has also provided technical support, advice and guidance to SNIPEF in relation to their experienced worker project in Scotland.

**Domestic Plumbing & Heating Apprenticeship Standard in England**

The Trustees have agreed to allocate £4,000 of funding to support the 3-year review of the English Plumbing and Domestic Heating apprenticeship standard during 2021.

**Plumbing skills competitions**

Although the 2020 SkillPLUMB 'live' competitions were cancelled due to the Coronavirus pandemic various activity has continued to develop contingency plans implemented in collaboration with WorldSkills UK (WSUK) for the 2021 competition cycle.

BPEC continued to contract with Paul Dodds MBE to lead on this project activity as a freelance consultant. The CEO held monthly virtual meetings with Paul to review the progress of the following development work:

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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- Developing options to include digital elements into the competitions for next year (pre-competition activity and at qualifier stages - if live events are not possible).
  - Mapping the competition standards to the plumbing apprenticeship standards.
  - Developing support materials aimed at tutors and new competitors.
  - Keeping in contact with our SkillPLUMB sponsors, supporters and stakeholders.
- BPEC also continues to support the recruitment, selection and training of candidates to compete in the plumbing competition at the WorldSkills International events.

Because of the ongoing impact of Covid-19 globally, WorldSkills 2021 (due to take place in Shanghai, China) has been postponed until 2022. Ronnie Ferris (the UK plumbing training manager at WSUK) has been continuing to train the two former SkillPLUMB candidates, Sam Henderson and Conor Cruden (both from Scotland and SNIPEF apprentices) and provides regular updates of their progress to BPEC.

The Trustees remain fully committed to supporting the regional, national and international Plumbing skills competitions as a means of showcasing the best in apprenticeship training.

#### **Awards and Grants**

BPEC has made provision to continue its contingency fund that supports learners that have been let down by their training provider, e.g., their provider ceases to trade, leaving them without provider support. This fund continues to enable advice, guidance and support to be provided to learners and to access other appropriate training providers to enable them to continue and complete their studies.

#### **Training**

The charity continues to offer a range of free resources for apprentices and their employers as well as delivery materials in support of tutors in colleges and private training centres. These resources include:

- Aptitude test to assist in the selection of new apprentices.
- Downloadable plumbing textbook.
- Safety awareness materials.
- Essential plumbing skills manual.
- Gas ACS reassessment poster.
- Legionella risk assessment.
- Water Regulations video.
- Resources for schools.

The charity is continuing to develop new e-learning materials and several new products are available via the Amazon store.

Mark Antrobus (BPEC Trustee) continues to be an active member of the Yorkshire and Humberside Apprenticeship Ambassador Network. Mark provides the Board with regular updates on Network activity.

#### **BPEC Certification Limited**

Offering gas ACS assessments remains a key business activity. This is operated by the Certification Body (CB) under the quality standard ISO/IEC 17024:2012 (Conformity Assessment – General requirements for bodies operating certification of persons). This remains a highly competitive marketplace and our key objective is to maintain and develop further our extensive range of UK-wide approved centres.

The charity provided additional support to the Awarding Organisation (AO) in response to special measures introduced for the Coronavirus pandemic by the regulators (Ofqual) for all awarding organisations to implement for any students undertaking exams during the pandemic. The BPEC AO had to undertake substantial work to determine and implement one or more of the following changes to all their regulated qualifications:

- Provide guidance to centres to be able to calculate/estimate grades.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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- Adapt or create new assessments that could be delivered safely.
- Or propose to delay assessment.

A key criterion was that students must not be disadvantaged, so delaying assessment/or exams was not recommended. BPEC applied this process across seven of its regulated plumbing qualifications. Failure to carry out this work correctly would have damaged the reputation of the charity and disadvantaged learners and their employers completing their qualifications this year. It could also have created a risk to the public if plumbers gained qualifications and were not fully competent (e.g., create problems with scalding with hot water etc.). This work has been over-and-above what the awarding organisation would normally undertake, and it has highlighted the gulf between standards provided by different awarding organisations and demonstrated how BPEC stands out as the specialised awarding organisation provider for the plumbing and heating industry.

The Trustees agreed at the AGM in July that due to these factors and exceptional circumstances that the charity should support and fund this additional and extraordinary activity. They went onto to highlight that the charity should support such work as it highlights public benefit is clearly of benefit to the plumbing and heating industry.

The charity continues to support the development of the End-Point Assessment Organisation (EPAO). During 2020 BPEC gained approval to offer End-point Assessments for the new plumbing apprenticeship standard. This means BPEC now can offer EPAs across three apprenticeship standards (Smart Metering and Gas Engineering being the other two).

The Trustees reviewed, agreed and approved the following revisions to the loan arrangements for BPEC Certification Ltd:

- The period of repayment to be extended to a 10-year period. This means the loan will be repaid in full by at least the end of 2029 at the latest.
- The interest rate for 2020 and 2021 will be reduced to 0% and capped at 2.5% (for the duration of the term of the loan) onwards or when the pandemic is over/contained, and the economy and business performance begins to improve.
- The loan arrangements will be reviewed biannually by the trustees. The first review would take place in 2022.

**Policy on reserves**

The company has a policy of regularly reviewing (at least annually) the reserves it holds to ensure that sufficient working capital is available to cover its ongoing work in the succeeding 12 months and beyond and that sufficient funds are held.

The trustees work to ensure that:

- The company generates sufficient income from its investment portfolio to meet its charitable objectives to benefit the Plumbing and Heating Industry.
- Wherever possible the company maintains its capital reserves and generates income from its investment portfolio and from its wholly owned subsidiary, as gifted, from time to time.
- A key aim of the policy is to spend at least 85% of the investment income on charitable activities.
- When the trading subsidiary is able to gift aid surplus funds the income would be designated as follows:
  - 60% of gifted funds to be used for charitable projects.
  - 40% of gifted funds to be added to the investment portfolio, in order to increase investment income and future income.
- Investment income for the year to 31 December 2020 was £72,905.
- The company is able to support the activities of its wholly owned subsidiary which is the other principal source of new funds for the company – gifted from time to time.
- The trustees in setting the reserves policy have fully considered any known risks facing the company and the financial impact any such risks are likely to have on the financial wellbeing of the company.
- The company does not actively fundraise but seeks to fund its charitable work, agreed by its trustees,

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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through careful management of its resources in accordance with the annual budget set and agreed by the trustees.

- The value of the company's investment portfolio as at December 2020 was £3.592m.

The Company aims on an annual basis, to at least spend 85% of its annual investment income on charitable activities, which fall within its charitable objectives, and to use such other funds from its reserves as are necessary and prudent, for activities which are over and above the agreed annual charitable activity budget and which arise post the budget process, to meet its charitable objectives within the UK Plumbing and Heating Industry.

In calculating its reserves, the company excludes:

- The company's office premises in Derby currently valued at £900k.
- Vehicles and equipment necessary to undertake our work (charitable activities) currently valued at £25,000.
- Sums owed by BPEC Certification Ltd, (its wholly owned subsidiary) are £250,000, plus £9,000 of interest the company remains a source of additional income for the Charity.

**Investment powers**

The Trustees have the responsibility to invest the reserves of the Charity. The management of the investment portfolio has been delegated to the fund managers Investec Wealth & Management Limited, who present annually on the performance of the investment fund and provide regular updates throughout the year.

**Plans for the future**

The Coronavirus pandemic has had a significant impact on the Group and the original strategic priorities had to either be postponed or changed accordingly. The key priority during the pandemic has been to implement business continuity measures to ensure the survival of the Group. These measures will need to remain in place for the foreseeable future.

The Trustees approved a strategic plan focused on business recovery, the key principles of this plan are as follows:

- BPEC needs to become leaner and fitter.
- We should keep things as simple as possible for 2021.
- Produce a plan focusing on financial recovery.
- All business areas to become at least cost neutral by the end of 2021.
- To grow the businesses – particularly within the EPAO.

A longer-term strategic review process will be undertaken and completed when the pandemic has been contained (or a vaccination has been produced) during 2021.

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

**D Wilson**  
Chairman  
Date: 23 July 2021



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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

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The Trustees (who are also the directors of the Charity 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 Charity 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 Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and 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 Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PLUMBING EMPLOYERS  
COUNCIL (TRAINING) LIMITED**

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## **Opinion**

We have audited the financial statements of British Plumbing Employers Council (Training) Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Charity 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 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

## **Basis for opinion**

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

## **Conclusions relating to going concern**

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.



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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED (CONTINUED)**

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**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.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PLUMBING EMPLOYERS  
COUNCIL (TRAINING) LIMITED (CONTINUED)**

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**Responsibilities of trustees**

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

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

**Auditors' responsibilities for the audit of the financial statements**

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and industry in which it operates, we considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Charities Act 2011. Audit procedures performed by the engagement team included:

- Enquiry of management around actual and potential litigation and claims;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRITISH PLUMBING EMPLOYERS  
COUNCIL (TRAINING) LIMITED (CONTINUED)**

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**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.

**Wayne Thomas ACA (Senior Statutory Auditor)**

for and on behalf of

**Bates Weston Audit Limited**

Statutory Auditor

Chartered Accountants

Canal Street

Derby

DE1 2RJ

23 July 2021

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND  
EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>				
Donations and legacies	2	61,369	61,369	-
Other trading activities	3	820,278	820,278	1,086,489
Income from local listed investments		72,905	72,905	99,327
Other income	4	54,193	54,193	108,241
<b>Total income</b>		<b>1,008,745</b>	<b>1,008,745</b>	<b>1,294,057</b>
<b>Expenditure on:</b>				
Raising funds	5,6	862,679	862,679	1,124,700
Charitable activities	7	445,400	445,400	529,150
<b>Total expenditure</b>		<b>1,308,079</b>	<b>1,308,079</b>	<b>1,653,850</b>
Net gains on investments	14	98,253	98,253	380,251
<b>Net movement in funds</b>		<b>(201,081)</b>	<b>(201,081)</b>	<b>20,458</b>
<b>Reconciliation of funds:</b>				
Total funds brought forward		4,967,251	4,967,251	4,946,793
Net movement in funds		(201,081)	(201,081)	20,458
<b>Total funds carried forward</b>		<b>4,766,170</b>	<b>4,766,170</b>	<b>4,967,251</b>

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

The notes on pages 18 to 36 form part of these financial statements.

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02728847**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	12	28,655	17,567
Tangible assets	13	900,910	937,029
Investments	14	3,592,154	3,761,925
		<u>4,521,719</u>	<u>4,716,521</u>
<b>Current assets</b>			
Debtors	15	212,902	296,266
Cash at bank and in hand		216,694	166,642
		<u>429,596</u>	<u>462,908</u>
Creditors: amounts falling due within one year	16	(139,543)	(212,178)
<b>Net current assets</b>		<u>290,053</u>	<u>250,730</u>
<b>Total assets less current liabilities</b>		<u>4,811,772</u>	<u>4,967,251</u>
Creditors: amounts falling due after more than one year	17	(45,602)	-
<b>Total net assets</b>		<u><u>4,766,170</u></u>	<u><u>4,967,251</u></u>
<b>Charity funds</b>			
Unrestricted funds	18	4,766,170	4,967,251
<b>Total funds</b>		<u><u>4,766,170</u></u>	<u><u>4,967,251</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 and signed on their behalf by:

**D Wilson**  
Chairman

Date: 23 July 2021

The notes on pages 18 to 36 form part of these financial statements.

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02728847**

**CHARITY BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	12	28,655	17,567
Tangible assets	13	900,909	936,671
Investments	14	3,592,254	3,762,025
		<u>4,521,818</u>	<u>4,716,263</u>
<b>Current assets</b>			
Debtors	15	369,278	338,168
Cash at bank and in hand		64,158	21,762
		<u>433,436</u>	<u>359,930</u>
Creditors: amounts falling due within one year	16	(58,482)	(80,746)
<b>Net current assets</b>		<u>374,954</u>	<u>279,184</u>
<b>Total assets less current liabilities</b>		<u>4,896,772</u>	<u>4,995,447</u>
<b>Total net assets</b>		<u><u>4,896,772</u></u>	<u><u>4,995,447</u></u>
<b>Charity funds</b>			
Unrestricted funds	18	4,896,772	4,995,447
<b>Total funds</b>		<u><u>4,896,772</u></u>	<u><u>4,995,447</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 and signed on their behalf by:

**D Wilson**  
Chairman

Date: 23 July 2021

The notes on pages 18 to 36 form part of these financial statements.

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(269,027)	(19,003)
<b>Cash flows from investing activities</b>		
Dividends, interests and rents from investments	72,905	99,327
Purchase of intangible assets	(19,350)	(21,959)
Purchase of tangible fixed assets	(2,500)	(5,097)
Proceeds from sale of investments	274,372	316,278
Purchase of investments	(6,348)	(483,239)
<b>Net cash provided by/(used in) investing activities</b>	<b>319,079</b>	<b>(94,690)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>50,052</b>	<b>(113,693)</b>
Cash and cash equivalents at the beginning of the year	166,642	280,335
<b>Cash and cash equivalents at the end of the year</b>	<b>216,694</b>	<b>166,642</b>

The notes on pages 18 to 36 form part of these financial statements

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting policies**

**1.1 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.

British Plumbing Employers Council (Training) Limited 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 Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Charity 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.

**1.2 Income**

All income is recognised once the Charity 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. 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.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**1.3 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 raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

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



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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting policies (continued)**

**1.3 Expenditure (continued)**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**1.4 Government grants**

Government grants are credited to the Consolidated statement of financial activities as the related expenditure is incurred.

**1.5 Interest receivable**

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

**1.6 Taxation**

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

**1.7 Intangible assets and amortisation**

Intangible assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

Amortisation is provided on the following basis:

Computer Software	- 50 % straight line
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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting policies (continued)**

**1.8 Tangible fixed assets and depreciation**

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

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

Depreciation is provided on the following basis:

Freehold property	-	3% straight line
Office equipment	-	33% straight line
Computer equipment	-	50% straight line

**1.9 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.

**1.10 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.

**1.11 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.

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. Accounting policies (continued)**

**1.12 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 Charity 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.

**1.13 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.

**1.14 Operating leases**

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

**1.15 Pensions**

The company makes contributions to a defined contribution pension scheme on behalf of staff. Contributions are charged in the statement of financial activities as they fall due.

**1.16 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**2. Income from donations and legacies**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Government grants - CJRS	61,369	<b>61,369</b>	-

**3. Income from other trading activities**

**Income from non charitable trading activities**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Sales	820,278	<b>820,278</b>	1,086,489
<i>Total 2019</i>	1,086,489	1,086,489	

**4. Other incoming resources**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Rental income	18,014	<b>18,014</b>	27,857
Service charges	28,002	<b>28,002</b>	29,309
Other income	3,677	<b>3,677</b>	22,075
Skills competition	4,500	<b>4,500</b>	29,000
	54,193	<b>54,193</b>	108,241
<i>Total 2019</i>	108,241	108,241	

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**5. Expenditure on raising funds**

**Other trading expenses**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Cost of sales	165,941	<b>165,941</b>	197,984
Administration expenses	86,440	<b>86,440</b>	208,688
Staff costs	588,798	<b>588,798</b>	694,599
Depreciation	357	<b>357</b>	834
	<u>841,536</u>	<u><b>841,536</b></u>	<u>1,102,105</u>
<i>Total 2019</i>	<u>1,102,105</u>	<u>1,102,105</u>	

**6. Investment management costs**

	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Investment management fees	21,143	<b>21,143</b>	22,595
	<u>22,595</u>	<u><b>22,595</b></u>	
<i>Total 2019</i>	<u>22,595</u>	<u>22,595</u>	

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2020 £</b>	<b>Grant funding of activities 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Support and funding of plumbing, heating and gas industries	2,216	7,883	435,301	<b>445,400</b>	529,150
<i>Total 2019</i>	<u>28,082</u>	<u>31,721</u>	<u>469,347</u>	<u>529,150</u>	

**Analysis of support costs**

	<b>Total funds 2020 £</b>	<i>Total funds 2019 £</i>
Staff costs	<b>135,818</b>	147,901
Depreciation	<b>46,526</b>	39,924
Other personnel costs	<b>3,374</b>	25,123
IT and office costs	<b>110,106</b>	98,368
Governance costs	<b>8,455</b>	6,650
Utilities	<b>20,781</b>	23,028
Travel costs	<b>15,990</b>	31,568
Other admin costs	<b>21,282</b>	39,782
Insurance	<b>11,141</b>	10,500
Professional fees	<b>5,060</b>	17,472
Irrecoverable VAT	<b>7,308</b>	29,031
AO Extraordinary Activity	<b>49,460</b>	-
	<u><b>435,301</b></u>	<u>469,347</u>

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. Analysis of grants**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
<b>The group has made the following grants in the year:</b>		
Development grants	-	4,660
SNIPEF Apprenticeship competition	-	2,810
Plumbing and heating skills partnership	<b>7,883</b>	24,251
	<b>7,883</b>	<i>31,721</i>

**9. Auditors' remuneration**

	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>6,850</b>	<i>6,500</i>

**10. Staff costs**

	<b>Group</b>	<i>Group</i>	<b>Charity</b>	<i>Charity</i>
	<b>2020</b>	<i>2019</i>	<b>2020</b>	<i>2019</i>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries	<b>584,870</b>	655,805	<b>75,417</b>	66,707
Social security costs	<b>59,427</b>	76,141	<b>27,047</b>	25,991
Contribution to defined contribution pension schemes	<b>80,319</b>	110,554	<b>33,354</b>	55,203
	<b>724,616</b>	<i>842,500</i>	<b>135,818</b>	<i>147,901</i>

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

	<b>Group</b>	<i>Group</i>
	<b>2020</b>	<i>2019</i>
	<b>No.</b>	<b>No.</b>
Certification	<b>9</b>	12
Awarding organisation	<b>6</b>	5
Training	<b>10</b>	8
	<b>25</b>	<i>25</i>

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**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**10. Staff costs (continued)**

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

	<b>Group 2020 No.</b>	<i>Group 2019 No.</i>
In the band £60,001 - £70,000	-	1

The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Charity was £179,264 (2019 - £195,629).

Key management personnel is made up of the following members of staff:

Chief Executive Officer  
Head of Finance & Business Services  
Head of Operations and Development

**11. Trustees' remuneration and expenses**

During the year, one Trustee has received benefits from the Charity. As permitted by the Articles of Association adopted by special resolution on 21 May 2009, the Board have approved the contracted services of D Wilson as independent director and Chairman. The value of payments was as follows:

		<b>2020 £</b>	<i>2019 £</i>
D Wilson	Fees	<b>9,111</b>	-

During the year ended 31 December 2020, no Trustee expenses have been incurred (2019 - £9,021).



**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**12. Intangible assets**

**Group and Charity**

	Computer Software £
<b>Cost</b>	
At 1 January 2020	21,959
Additions	19,350
At 31 December 2020	<u>41,309</u>
<b>Amortisation</b>	
At 1 January 2020	4,392
Charge for the year	8,262
At 31 December 2020	<u>12,654</u>
<b>Net book value</b>	
At 31 December 2020	<u><u>28,655</u></u>
At 31 December 2019	<u><u>17,567</u></u>

**13. Tangible fixed assets**

**Group**

	Freehold property £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 January 2020	1,273,020	97,228	35,012	1,405,260
Additions	-	2,500	-	2,500
At 31 December 2020	<u>1,273,020</u>	<u>99,728</u>	<u>35,012</u>	<u>1,407,760</u>

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**13. Tangible fixed assets (continued)**

**Group (continued)**

	Freehold property £	Office equipment £	Computer equipment £	Total £
<b>Depreciation</b>				
At 1 January 2020	340,046	94,947	33,238	468,231
Charge for the year	34,832	2,175	1,612	38,619
At 31 December 2020	374,878	97,122	34,850	506,850
<b>Net book value</b>				
At 31 December 2020	898,142	2,606	162	900,910
At 31 December 2019	932,974	2,281	1,774	937,029
<b>Charity</b>				
	Freehold property £	Office equipment £	Computer equipment £	Total £
<b>Cost</b>				
At 1 January 2020	1,273,020	81,776	27,862	1,382,658
Additions	-	2,500	-	2,500
At 31 December 2020	1,273,020	84,276	27,862	1,385,158
<b>Depreciation</b>				
At 1 January 2020	340,046	79,852	26,089	445,987
Charge for the year	34,832	1,818	1,612	38,262
At 31 December 2020	374,878	81,670	27,701	484,249
<b>Net book value</b>				
At 31 December 2020	898,142	2,606	161	900,909
At 31 December 2019	932,974	1,924	1,773	936,671

**BRITISH PLUMBING EMPLOYERS COUNCIL (TRAINING) LIMITED**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**14. Fixed asset investments**

Charity	Investments in subsidiary companies £	Listed investments £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	100	3,761,925	3,762,025
Additions	-	6,348	6,348
Disposals	-	(274,372)	(274,372)
Revaluations	-	98,253	98,253
<b>At 31 December 2020</b>	<b>100</b>	<b>3,592,154</b>	<b>3,592,254</b>

Listed investments are recognised at their market value as reported by the investment advisors at the balance sheet date.

**15. Debtors**

	Group 2020 £	Group 2019 £	Charity 2020 £	Charity 2019 £
<b>Due after more than one year</b>				
Amounts owed by group undertakings	-	-	250,000	-
	-	-	250,000	-
<b>Due within one year</b>				
Trade debtors	138,322	166,309	-	6,305
Amounts owed by group undertakings	-	-	61,987	279,849
Other debtors	43,459	37,265	33,073	8,095
Prepayments and accrued income	31,121	92,692	24,218	43,919
	<b>212,902</b>	<b>296,266</b>	<b>369,278</b>	<b>338,168</b>

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**16. Creditors: Amounts falling due within one year**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
Bank loans	4,398	-	-	-
Trade creditors	56,194	97,883	27,564	28,612
Other taxation and social security	15,117	17,696	6,872	6,196
Other creditors	23,947	24,269	143	13,251
Accruals and deferred income	39,887	72,330	23,903	32,687
	<u>139,543</u>	<u>212,178</u>	<u>58,482</u>	<u>80,746</u>

	<b>Group and Charity 2020 £</b>	<i>Group and Charity 2019 £</i>
<b>Deferred income</b>		
Deferred income at 1 January 2020	9,212	4,189
Resources deferred during the year	9,500	9,212
Amounts released from previous periods	(9,212)	(4,189)
	<u>9,500</u>	<u>9,212</u>

Deferred income relates to small grants and sponsorship income received in advance.

**17. Creditors: Amounts falling due after more than one year**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Bank loans	45,602	-

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**18. Statement of funds**

**Statement of funds - current year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Freehold Property Fund	932,974	-	(34,832)	-	898,142
<b>General funds</b>					
General Funds	4,034,277	1,008,745	(1,273,247)	98,253	3,868,028
<b>Total Unrestricted funds</b>	<b>4,967,251</b>	<b>1,008,745</b>	<b>(1,308,079)</b>	<b>98,253</b>	<b>4,766,170</b>

**Statement of funds - prior year**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<b>Designated funds</b>					
Freehold Property Fund	965,842	-	(32,868)	-	932,974
<b>General funds</b>					
General Funds	3,980,951	1,294,057	(1,620,982)	380,251	4,034,277
<b>Total Unrestricted funds</b>	<b>4,946,793</b>	<b>1,294,057</b>	<b>(1,653,850)</b>	<b>380,251</b>	<b>4,967,251</b>

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**19. Summary of funds**

**Summary of funds - current year**

	Balance at 1 January 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	932,974	-	(34,832)	-	898,142
General funds	4,034,277	1,008,745	(1,273,247)	98,253	3,868,028
	<u>4,967,251</u>	<u>1,008,745</u>	<u>(1,308,079)</u>	<u>98,253</u>	<u>4,766,170</u>

**Summary of funds - prior year**

	Balance at 1 January 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 December 2019 £
Designated funds	965,842	-	(32,868)	-	932,974
General funds	3,980,951	1,294,057	(1,620,982)	380,251	4,034,277
	<u>4,946,793</u>	<u>1,294,057</u>	<u>(1,653,850)</u>	<u>380,251</u>	<u>4,967,251</u>

**20. Analysis of net assets between funds**

**Analysis of net assets between funds - current period**

	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	900,910	900,910
Intangible fixed assets	28,655	28,655
Fixed asset investments	3,592,154	3,592,154
Current assets	429,596	429,596
Creditors due within one year	(139,543)	(139,543)
Creditors due in more than one year	(45,602)	(45,602)
<b>Total</b>	<u>4,766,170</u>	<u>4,766,170</u>

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**20. Analysis of net assets between funds (continued)**

**Analysis of net assets between funds - prior period**

	<i>Unrestricted funds 2019 £</i>	<i>Total funds 2019 £</i>
Tangible fixed assets	937,029	937,029
Intangible fixed assets	17,567	17,567
Fixed asset investments	3,761,925	3,761,925
Current assets	462,908	462,908
Creditors due within one year	(212,178)	(212,178)
<b>Total</b>	<b>4,967,251</b>	<b>4,967,251</b>

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

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Net income/expenditure for the period (as per Statement of Financial Activities)	<b>(201,081)</b>	20,458
<b>Adjustments for:</b>		
Depreciation charges	<b>38,619</b>	36,365
Amortisation charges	<b>8,262</b>	4,392
(Gains) / losses on investments	<b>(98,253)</b>	60,468
Dividends, interests and rents from investments	<b>(72,905)</b>	(99,327)
Movement in debtors	<b>83,363</b>	(27,771)
Movement in creditors	<b>(27,032)</b>	(13,588)
<b>Net cash used in operating activities</b>	<b>(269,027)</b>	(19,003)

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**22. Analysis of cash and cash equivalents**

	<b>Group 2020 £</b>	<i>Group 2019 £</i>
Cash in hand	<b>216,694</b>	166,642
<b>Total cash and cash equivalents</b>	<b>216,694</b>	166,642

**23. Analysis of changes in net debt**

	<b>At 1 January 2020 £</b>	<b>Cash flows £</b>	<b>At 31 December 2020 £</b>
Cash at bank and in hand	<b>166,642</b>	<b>50,052</b>	<b>216,694</b>
Debt due within 1 year	-	<b>(4,398)</b>	<b>(4,398)</b>
Debt due after 1 year	-	<b>(45,602)</b>	<b>(45,602)</b>
	<b>166,642</b>	<b>52</b>	<b>166,694</b>

**24. Pension commitments**

From 1 July 2019 all employees were transferred in to a defined contributions scheme administered by Royal London. Contributions are currently between 3.75% and 8.3% for an employee and 7.25% and 16.6% for the employer.

Up to 30 June 2019 contributions were paid into a defined benefits scheme with the assets of the pension scheme held separately from those of the charitable Company in an independently administered fund operated by Plumbing Pensions (UK) Limited. This is a multi-employer defined benefit scheme, of which the charitable company is unable to identify its share of assets and liabilities in the scheme on a consistent and reasonable basis.

The charitable company may be required to make further contributions should a deficit arise but the pension scheme is currently in a surplus position as per the last actuarial valuation as at 5 April 2012.

In accordance with FRS 102 the pension cost represents contributions payable by the Group to the respective funds and amounted to £80,319 (2019 - £110,554). At the balance sheet date, £5,694 (2019 - £Nil) was owing to the fund.



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**25. Operating lease commitments**

At 31 December 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	<b>Group 2020 £</b>	<i>Group 2019 £</i>	<b>Charity 2020 £</b>	<i>Charity 2019 £</i>
<b>Amounts payable:</b>				
Not later than 1 year	<b>51,647</b>	62,361	<b>36,361</b>	36,689
Later than 1 year and not later than 5 years	<b>27,722</b>	66,664	<b>22,402</b>	46,058
	<b>79,369</b>	129,025	<b>58,763</b>	82,747

**26. Related party transactions**

The charitable company is limited by guarantee. The guarantors are the Scottish and Northern Ireland Plumbing Employers' Federation (SNIPEF Management Limited) and the Association of Plumbing and Heating Contractors Limited (APHCL).

BPEC Services Limited is operated in conjunction with the group and is controlled by Scottish and Northern Ireland Plumbing Employer' Federation (SNIPEF Management Limited).

**During the year the Group provided goods and services to the following related parties:**

BPEC Services Limited                      £112,342      (2019 - £139,666)

**During the year goods and services were provided by related parties to the Group:**

BPEC Services Limited                      £16,175      (2019 - £24,806)  
SNIPEF Management Limited              £7,400      (2019 - £18,500)

**Included in the Group's balance sheet are the following amounts in debtors from related parties:**

BPEC Services Limited                      £10,862      (2019 - £11,635 creditor)

**27. Controlling party**

The group is controlled by its members, the Scottish and Northern Ireland Plumbing Employers' Federation (SNIPEF) and the Association of Plumbing and Heating Contractors Limited (APHCL). The Directors are of the opinion that there is no ultimate controlling party.

**28. Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

<b>Name</b>	<b>Company number</b>	<b>Class of shares</b>	<b>Holding</b>	<b>Included in consolidation</b>
BPEC Certification Limited	03323774	Ordinary	100%	Yes

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**28. Principal subsidiaries (continued)**

The financial results of the subsidiary for the year were:

<b>Name</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Loss for the year £</b>	<b>Net liabilities £</b>
BPEC Certification Limited	859,130	(961,536)	(102,406)	(130,501)