

REGISTERED COMPANY NUMBER: 03513280 (England and Wales)  
REGISTERED CHARITY NUMBER: 1071609

Group Report of the Trustees and  
Consolidated Financial Statements for the Year Ended 31 March 2022  
for  
Maritime + Engineering  
College North West

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

Maritime + Engineering  
College North West

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for the Year Ended 31 March 2022

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Maritime + Engineering  
College North West

Report of the Trustees  
for the Year Ended 31 March 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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). As a charity registered in England and Wales, the charitable company also reports in accordance with the Charity Commission for England and Wales' guidance on public benefit and the Charities Act 2015.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The principal activity of the company and group in the year under review was that of the provision, through partnership, of technical training in engineering, manufacturing, construction and related skills. MECNW (The Engineering College) is a Group Training Association (GTA). GTAs are employer led, charity based industrial training companies, set up by the local engineering business community to meet their collective technical skills and educational needs. MECNW is one of the leading GTAs in a national network of approximately 30 similar GTA organisations across England.

### **Significant activities**

MECNW (The Engineering College) is an innovative education, training and enterprise centre, which has an extensive range of well-equipped engineering and construction workshops, as well as CAD/CAM/IT and Simulation suites. Adjacent classrooms are outfitted with information technology equipment to enable computer-aided design to complement the hands-on training in an overall "design and make" process. MECNW as a GTA also offers technical training and assessment to the clients existing workforce on a commercial basis to support the mainstream charitable activity.

Education and training programmes are further enhanced by the availability of the dry dock facility, which has direct access from the River Mersey. MECNW (The Engineering College) is therefore a unique provider, which enables services to be offered to meet the challenging demands of employers in the 21st century.

### **Public benefit**

In planning its objectives and activities for the year ended the charity has kept in mind the Charity Commission guidance on public benefit at its trustees' meetings.

The charity's objectives are to develop technical skills through education and training courses. The charity assists many young people to gain employment through apprenticeships and subsequently to develop industry related skills, obtain relevant qualifications and in turn contribute to the engineering community as skilled labour. Pre-employment programmes which include technical skills development are also offered to improve employment prospects for other young people awaiting an apprenticeship opportunity.

### **Coronavirus (Covid-19)**

MECNW (The Engineering College) has responded effectively and robustly to the challenges of Covid-19 in the region. Ongoing Covid specific Risk Assessments and an 'Infectious Diseases Policy' have driven an effective response to the implementation of a relevant and timely response with staff training, and a detailed learners information advice and guidance service, as well as support for the continuance of their training. Significant and ongoing investment has been made in; signage, PPE, sanitising products, and digital communications devices to support remote and distance learning. The college implemented a staff and learner contact communication system asking all individuals to confirm they were 'Covid symptom free' in advance of their first visit to the centre 'symptom free' declarations taken prior to entry.

The executive management team continues to track the government and NHS guidelines to remain abreast of the developing risks and proactive in our response to controlling the risk to staff and learners.

## **STRATEGIC REPORT**

### **Achievement and performance**

#### **Charitable activities**

**MECNW (The Engineering College):**

- is a centre of excellence, which meets employer demand for quality training and works in partnership for mutual benefit. The core product is Advanced and Higher Apprenticeships in the engineering, manufacturing, engineering-construction, and the energy sectors. Pre-apprenticeship courses support progression into apprenticeships and employment. There is also a range of commercial programmes for those in employment within the engineering, manufacturing, engineering construction and energy sectors.
- is a grade 2 (good overall) provider as rated by Ofsted, with some outstanding features including strong strategic leadership and management; with success rates consistently above the national average, with excellent skills development for learners; excellent facilities; very good health and safety practice and very effective partnership working
- retains its Investors in People Gold status for the third consecutive assessment and is approved and accredited by a range of professional bodies and institutions within the sectors covered including IET, IMechE, IMarEst, City&Guilds, EAL, ECITB, Pearson Group, and the Welding Institute (TWI)
- is an active and leading member of GTA England (Group Training Associations), with representation by the CEO as Deputy Chair of the board of directors of the national network of c30 companies of similar business models which includes the training divisions of several multi-national manufacturing businesses. MECNW (The Engineering College) performs in the upper quartile for both quality and relative financial performance and leads the development of advanced learning resources such as the Engineers Mate App and other innovative practices
- has a strong and active consultative partnership with Liverpool John Moores University (LJMU), based on developing practical programmes for the Liverpool City Region including the development of courses for Higher Apprenticeships
- has developed a commercial welding centre which has endorsements and approvals from the Welding Institute (TWI) and has opened a cross sector skills technical skills training and assessment centre which offers end point assessment (EPA) services across the country to apprentice training providers.
- has invested significantly in new technology and virtual reality suites to service the advanced manufacturing, digital technologies sectors, aligning the business to the aspirations of the LCR Local Enterprise Partnership (Manufacturing)
- is working in partnership with government and employers in the Grand Bahamas to develop and deliver innovative technical apprenticeships in heavy engineering

MECNW (The Engineering College) is not just another training provider with excellent facilities. It acts as a genuine conduit for the local community to access real jobs in sectors offering rewarding careers for a qualified workforce and acts in many respects as the voice of the engineering, manufacturing, construction and energy sectors in the local community. Innovation in developing skills solutions is very much a part of the group's portfolio of services and MECNW (The Engineering College) is in the vanguard of national developments working in a range of employer representative groups (formerly called Trailblazers) with large employers and government staff to create the new Apprenticeship Standards for England.

MECNW (The Engineering College) has delivered over circa 1500 new young engineers to the sector so far and is growing by reputation to be the training provider of choice for the local engineering, manufacturing, construction and energy sectors in the Liverpool City Region and wider North West. MECNW (The Engineering College) and is influential in the local engineering and further education communities and respected by the sector for strong employer engagement, strategic leadership and innovative approaches to developing new solutions for clients.

### **Financial review**

#### **Principal funding sources**

The principal funding source of MECNW (The Engineering College) is the Education and Skills Funding Agency (ESFA).



Report of the Trustees  
for the Year Ended 31 March 2022

## **STRATEGIC REPORT**

### **Financial review**

#### **Reserves policy**

The trustees of the charity recognise that there will be fluctuations in the charity's income, which can often be as a result of events outside their control. It is the policy of the trustees to build up and maintain a sufficient level of reserves to enable the charity to continue and to allow it to explore and secure alternative levels of funding should unexpected events occur.

The present funding arrangements are generally agreed in advance for the following twelve months. There can however be delays in receiving funds and in addition some of the commercial aspects of the charity's activities are not known with certainty in advance. For these reasons, the trustees consider that reserves should be held at a level to enable the charity to continue for a minimum of four months without additional sources of revenue.

Unrestricted funds at the year end total £1,055,008 (2021: £1,003,603) of which £360,475 (2021: £425,988) related to fixed assets.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

The company is a registered charity and a company limited by guarantee. It was incorporated on 13 February 1998 and is governed by its Memorandum and Articles of Association.

### **Trading name - 'The Engineering College'**

Whilst Maritime and Engineering College North West remains the registered company name at Companies House and with The Charity Commission, the company operates under the trading name 'The Engineering College'.

### **Recruitment and appointment of new trustees**

The Board keeps the skill requirements for the Trustee Body under review and in the event that a trustee permanently retires or additional new trustees are required, the Board sets up a nominations sub-committee to recruit the new trustee(s). New trustees may be appointed through dialogue with the major institutions with which the company engages.

### **Organisational structure**

The Trustees listed below were the members of the company, and represented the interests of Wirral Borough Council, the Lairdside area and the private sector. The trustees are appointed by the Board. There is no maximum number but the minimum number is three (agreed at the Board review in Autumn 2020).

The trustees meet approximately four times per year, and at their meetings agree the broad strategy and areas of activity of the company, including consideration of investment, reserves and risk management policies and performance. The day to day administration of the company is delegated to the Chief Executive Officer.

New Memorandum and Articles were filed at Companies House in 2021. The new Memorandum and Articles state that all Trustees are on appointment the Members of the Company.

### **Environment**

The Engineering College ensures that it is compliant with current legislation and maintains an up to date Environmental and Sustainability Policy to ensure that it is monitoring the introduction of new or modified legislation. The Engineering College works within the guidelines of the enforcing agencies for England and Wales.

### **Induction and training of new trustees**

The induction process for any newly-appointed trustee comprises an initial meeting with the Chair, the Board and Chief Executive Officer, followed by a series of short meetings with the Chief Executive. The welcome pack typically includes a brief history of the company, copy Board and sub-committee minutes, a copy of the last three years' annual report and accounts, a copy of the Memorandum and Articles of Association and a copy of the Charity Commission's guidance "The Essential Trustee: What You Need to Know."

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Related parties**

The charity has a subsidiary MEC North West Enterprises Limited, which operates certain trading activities. The surplus, if any, generated by the subsidiary is given by way of gift aid, to the charity.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
03513280 (England and Wales)

**Registered Charity number**  
1071609

**Registered office**  
Finance Department  
2nd Floor  
Monks Ferry  
Birkenhead  
CH41 5LH

### **Trustees**

P L Davies Company Director (resigned 21.6.21)  
I C Higby Company Director  
Councillor Mrs L A Rennie Elected member  
Mrs K Podmore Company Director  
C A Lavelle Solicitor  
M Barker  
A Evans  
R Caton (appointed 2.7.21)(resigned 7.3.22)  
M Hill (appointed 15.7.22)  
J Toner (appointed 15.7.22)

**Company Secretary**  
J S Weatherall

### **Auditors**

Haines Watts  
Statutory Auditor  
3rd Floor Pacific Chambers  
11-13 Victoria Street  
Liverpool  
Merseyside  
L2 5QQ

### **Bankers**

National Westminster Bank  
6 Grange Road West  
Charing Cross  
Birkenhead  
CH41 4DF

### **Solicitors**

Bermans LLP  
Exchange Station  
Tithebarn Street  
Liverpool  
L2 2QP

**Chief Executive Officer**  
T Weston

Maritime + Engineering  
College North West

Report of the Trustees  
for the Year Ended 31 March 2022

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Maritime + Engineering College North West for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

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 charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing those financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

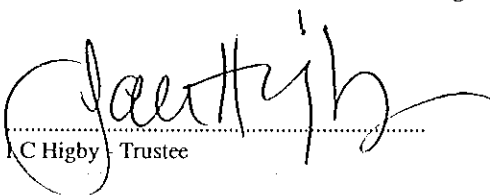
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**AUDITORS**

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on ..... 19.03.2022 ..... and signed on the board's behalf by:

  
C Higby Trustee

Report of the Independent Auditors to the Members of  
Maritime + Engineering  
College North West

**Opinion**

We have audited the financial statements of Maritime + Engineering College North West (the 'charitable company') and its subsidiary ('the group') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 the charitable company's affairs as at 31 March 2022 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 2006.

**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 and group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions 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 Group's Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group's Report of the Trustees has been prepared in accordance with applicable legal requirements.



Report of the Independent Auditors to the Members of  
Maritime + Engineering  
College North West

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

In the light of the knowledge and understanding of the charitable group and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable parent 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 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.

**Our 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 a Report of the Independent Auditors 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the company engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Reviewing financial statements disclosures and testing to supporting documentation to assess compliance with applicable law and regulations;
- Challenging assumptions and judgements made by management in its significant accounting estimates, in particular:
  - Depreciation - we carried out a review and recalculation of depreciation to assess its appropriateness for inclusion within the financial statements;
- Identifying and testing journals entries, in particularly any journal entries posted with unusual account combinations.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

Report of the Independent Auditors to the Members of  
Maritime + Engineering  
College North West

**Our responsibilities for the audit of the financial statements (continued)**

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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 Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charitable parent company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Forshaw BA FCA (Senior Statutory Auditor)

for and on behalf of Haines Watts

Statutory Auditor

3rd Floor Pacific Chambers

11-13 Victoria Street

Liverpool

Merseyside

L2 5QQ

Date:

19/07/2022

**Maritime + Engineering**  
**College North West**

**Consolidated Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**for the Year Ended 31 March 2022**

	Notes	Unrestricted funds £	Restricted funds £	31.3.22 Total funds £	31.3.21 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Charitable activities	3				
Education & Training		1,978,831	-	1,978,831	1,890,970
Other operating income	2	303,864	-	303,864	277,524
<b>Total</b>		<b>2,282,695</b>	<b>-</b>	<b>2,282,695</b>	<b>2,168,494</b>
<b>EXPENDITURE ON</b>					
Charitable activities	4				
Education & Training		2,231,290	-	2,231,290	2,134,743
<b>NET INCOME</b>		<b>51,405</b>	<b>-</b>	<b>51,405</b>	<b>33,751</b>
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		1,003,603	-	1,003,603	969,852
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>1,055,008</b>	<b>-</b>	<b>1,055,008</b>	<b>1,003,603</b>

The notes form part of these financial statements

**Maritime + Engineering**  
**College North West**

**Consolidated and Charity Balance Sheet**  
**31 March 2022**

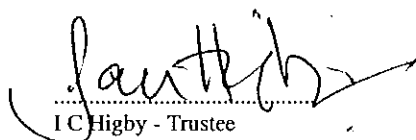
		2022 Group	2021 Group	2022 Charity	2021 Charity
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	8	360,475	425,988	360,475	425,988
Investments	9	-	-	2	2
		<u>360,475</u>	<u>425,988</u>	<u>360,477</u>	<u>425,990</u>
<b>CURRENT ASSETS</b>					
Debtors	10	439,621	296,895	430,619	297,288
Cash at bank		<u>424,020</u>	<u>430,663</u>	<u>424,022</u>	<u>430,268</u>
		<u>863,641</u>	<u>727,558</u>	<u>854,641</u>	<u>727,556</u>
<b>CREDITORS</b>					
Amounts falling due within one year	11	(130,677)	(103,875)	(121,679)	(103,875)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CURRENT ASSETS</b>		<u>732,964</u>	<u>623,683</u>	<u>732,962</u>	<u>623,681</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,093,439</u>	<u>1,049,671</u>	<u>1,093,439</u>	<u>1,049,671</u>
<b>CREDITORS</b>					
Amounts falling due after more than one year	12	(38,431)	(46,068)	(38,431)	(46,068)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET ASSETS</b>		<u>1,055,008</u>	<u>1,003,603</u>	<u>1,055,008</u>	<u>1,003,603</u>
<b>FUNDS</b>	16				
Unrestricted funds				<u>1,055,008</u>	<u>1,003,603</u>
<b>TOTAL FUNDS</b>				<u>1,055,008</u>	<u>1,003,603</u>

As permitted by s408 Companies Act 2006, the company has not presented its own statement of financial activities as it prepares group accounts. The company's net income for the financial year was £51,405 (2021: £33,751)

The financial statements were approved by the Board of Trustees and authorised for issue on 19.03.2022 and were signed on its behalf by:



C A Lavelle - Trustee



I C Higby - Trustee

The notes form part of these financial statements

Maritime + Engineering  
College North West

Cash Flow Statement  
for the Year Ended 31 March 2022

	Notes	31.3.22 £	31.3.21 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	43,648	84,572
Interest paid		-	(2,897)
Interest element of finance lease payments paid		<u>(1,786)</u>	<u>(2,160)</u>
Net cash provided by operating activities		<u>41,862</u>	<u>79,515</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		<u>(33,263)</u>	<u>(87,355)</u>
Net cash used in investing activities		<u>(33,263)</u>	<u>(87,355)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	50,000
Loan repayments in year		(15,131)	(19,409)
Capital repayments in year		<u>(111)</u>	<u>(5,553)</u>
Net cash provided by/(used in) financing activities		<u>(15,242)</u>	<u>25,038</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>6,643</b>	<b>17,198</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<b><u>430,663</u></b>	<b><u>413,465</u></b>
<b>Cash and cash equivalents at the end of the reporting period</b>		<b><u>424,020</u></b>	<b><u>430,663</u></b>

The notes form part of these financial statements



**Maritime + Engineering**  
**College North West**

**Notes to the Consolidated Cash Flow Statement**  
**for the Year Ended 31 March 2022**

<b>1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES</b>			
	<b>31.3.22</b>	<b>31.3.21</b>	
	<b>£</b>	<b>£</b>	
Net income for the reporting period (as per the Statement of Financial Activities)	51,405	33,751	
Adjustments for:			
Depreciation charges	69,592	120,996	
Interest paid	-	2,897	
Interest element of hire purchase and finance lease rental payments	1,786	2,160	
Loss/(profit) on disposal	29,183	-	
(Increase)/decrease in debtors	(142,726)	(12,071)	
(Decrease)/increase in creditors	34,408	(63,161)	
Net cash provided by operations	<u>43,648</u>	<u>84,572</u>	
<b>2. ANALYSIS OF CHANGES IN NET FUNDS</b>			
	<b>At 1.4.21</b>	<b>Cash flow</b>	<b>At 31.3.22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Net cash			
Cash at bank and in hand	<u>430,663</u>	<u>(6,643)</u>	<u>424,020</u>
	<u>430,663</u>	<u>(6,643)</u>	<u>424,020</u>
Debt			
Finance leases	(111)	111	-
Debts falling due within 1 year	(15,729)	7,494	(8,235)
Debts falling due after 1 year	<u>(46,068)</u>	<u>7,637</u>	<u>(38,431)</u>
	<u>(61,908)</u>	<u>15,242</u>	<u>(46,666)</u>
Total	<u>368,755</u>	<u>(8,599)</u>	<u>377,354</u>

The notes form part of these financial statements

Notes to the Financial Statements  
for the Year Ended 31 March 2022

**1. ACCOUNTING POLICIES**

**Company information**

Maritime + Engineering College North West is a private company limited by guarantee incorporated in England and Wales. The registered office is 2<sup>nd</sup> Floor, Monks Ferry, Birkenhead, CH41 5LH.

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

The Statement of Financial Activities and balance sheet consolidate the financial statements of the Charity and its subsidiary undertakings. The results, assets and liabilities of the subsidiaries are consolidated on a line by line basis.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

**Income**

All incoming resources are recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities

Income from apprentice training are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in relevant funds on the balance sheet.

Where received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and it's recognition is deferred and included in creditors as deferred income until the performance related conditions are met. Where entitlement occurs before the income is received, the income is accrued and included in debtors as deferred income.

Donations

Donations are recognised on a receivable basis (where there are no performance related conditions) where the receipt is probable and the amount can be measured reliably.

Other income

Other income included the hire of facilities, is recognised in the period it is receivable and to the extent that the Charity has provided the goods or services.

Government grants

The company has received funding from the UK government in relation to Covid 19 and ESFA funding. Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grant will be received.

**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

The notes form part of these financial statements

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

**1. ACCOUNTING POLICIES - continued**

**Expenditure (continued)**

Governance costs include the costs attributable to the compliance with constitutional and statutory requirements, including audit, strategic management and other professional costs.

**Tangible fixed assets**

Tangible fixed assets are measured at their original cost value. Cost value includes all costs expended in bring the asset into its intended working condition. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, or if held under finance lease, over the lease term, whichever is the shorter.

Long leasehold	- 2.5% on cost
Plant and machinery	- 20% on reducing balance and 20% on cost
Fixtures and fittings	- various rates between 10% and 60% on cost

**Taxation**

The charity is exempt from corporation tax on its charitable activities.

**Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

**Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to the statement of financial activities over the relevant period. The capital element of the future payments is treated as a liability.

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

**Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Irrecoverable vat**

Irrecoverable VAT is treated as a separate expense and charged to income and expenditure.

**Fixed asset investments**

In the separate accounts of the Charity, interests in subsidiaries are initially measured at cost and subsequently measured are cost less impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals are recognised immediately in the statements of financial activities.

**2. OTHER OPERATING INCOME**

	Group 31.3.22	Group 31.3.21	Charity 31.3.22	Charity 31.3.21
	£	£	£	£
Commercial Training	165,864	76,233	-	-
Rents received	138,000	138,000	138,000	138,000
Furlough Scheme	-	63,291	-	63,291
	<u>303,864</u>	<u>277,524</u>	<u>138,000</u>	<u>201,291</u>

The notes form part of these financial statements

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

**3. INCOME FROM CHARITABLE ACTIVITIES**

		Group 31.3.22 £	Group 31.3.21 £	Charity 31.3.22 £	Charity 31.3.21 £
Activity					
Modern Apprentice Training - engineering	Education & Training	1,719,888	1,567,099	1,719,888	1,567,099
Other income	Education & Training	173,943	181,297	173,943	181,297
Schools	Education & Training	85,000	142,574	85,000	142,574
		<u>1,978,831</u>	<u>1,890,970</u>	<u>1,978,831</u>	<u>1,890,970</u>

**4. CHARITABLE ACTIVITIES COSTS**

	Direct Costs £
Education & Training	<u>2,231,290</u>

**5. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	Group 31.3.22 £	Group 31.3.21 £	Charity 31.3.22 £	Charity 31.3.21 £
Depreciation – owned assets	69,592	120,996	69,592	120,996
Loss on disposal	29,183	-	29,183	-
Hire of plant and machinery	35,164	24,554	35,164	24,554
Auditor's remuneration	<u>13,530</u>	<u>11,375</u>	<u>11,925</u>	<u>11,375</u>

**6. TRUSTEES' REMUNERATION AND BENEFITS**

During the year to 31 March 2022 no trustees were paid remuneration (2021 - £nil).

**Trustees' expenses**

During the year to 31 March 2022 no trustees were reimbursed expenses (2021 - £nil).

**7. STAFF COSTS**

Group and Charity	31.3.22 £	31.3.21 £
Wages and salaries	1,085,217	1,043,328
Social security costs	99,833	89,833
Other pension costs	94,339	79,187
	<u>1,279,388</u>	<u>1,212,348</u>

The average monthly number of employees during the year was as follows:

	31.3.22	31.3.21
Average monthly number of employees	<u>43</u>	<u>41</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

7. STAFF COSTS - continued

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

	31.3.22	31.3.21
£70,001 - £80,000	<u>1</u>	<u>1</u>

8. TANGIBLE FIXED ASSETS  
Group and Charity:

	Long leasehold £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2021	25,000	506,054	1,084,390	1,615,444
Additions	-	1,019	32,244	33,263
Disposals	-	(9,831)	(166,732)	(176,563)
At 31 March 2022	<u>25,000</u>	<u>497,242</u>	<u>949,902</u>	<u>1,472,144</u>
<b>DEPRECIATION</b>				
At 1 April 2021	25,000	429,068	735,388	1,189,456
Charge for year	-	10,961	58,631	69,592
Eliminated on disposal	-	(6,051)	(141,328)	(147,379)
At 31 March 2022	<u>25,000</u>	<u>433,978</u>	<u>652,691</u>	<u>1,111,669</u>
<b>NET BOOK VALUE</b>				
At 31 March 2022	<u>-</u>	<u>63,264</u>	<u>297,211</u>	<u>360,475</u>
At 31 March 2021	<u>-</u>	<u>76,986</u>	<u>349,002</u>	<u>425,988</u>

9. FIXED ASSET INVESTMENTS

	Group 31.3.22 £	Group 31.3.21 £	Charity 31.3.22 £	Charity 31.3.21 £
Investments in subsidiaries	<u>-</u>	<u>-</u>	<u>2</u>	<u>2</u>

Shares in  
group  
undertakings  
£

<b>MARKET VALUE</b>	
At 1 April 2021 and 31 March 2022	<u>2</u>

<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>2</u>

At 31 March 2021	<u>2</u>
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There were no investment assets outside the UK.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

**9. FIXED ASSET INVESTMENTS - continued**

The company's investments at the balance sheet date in the share capital of companies include the following:

**MEC North West (Enterprises) Limited**

Registered office:

Nature of business: Provision of training courses

Class of share:	%
Ordinary shares	holding 100

	31.3.22	31.3.21
	£	£
Aggregate capital and reserves	<u>2</u>	<u>2</u>

A summary of the financial statements of the subsidiaries is :

	31.3.22	31.3.21
	£	£
Turnover	165,864	76,233
Expenses	(165,864)	(76,233)
Net profit for the year	<u>-</u>	<u>-</u>

Fixed asset investments are stated at cost less provision for diminution in value.

Maritime + Engineering College North West also has two dormant subsidiaries, The Engineering College Limited and The Engineering College Enterprises Limited.

**10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 31.3.22	Group 31.3.21	Charity 31.3.22	Charity 31.3.21
	£	£	£	£
Trade debtors	113,199	101,951	96,849	101,321
Other debtors	1,200	1,200	1,200	1,200
VAT	-	7,372	-	7,372
Prepayments	75,930	53,344	70,590	50,344
Accrued income	249,292	133,028	249,292	133,028
Amounts owed to group undertakings	-	-	12,688	4,023
	<u>439,621</u>	<u>296,895</u>	<u>430,619</u>	<u>297,288</u>

**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group 31.3.22	Group 31.3.21	Charity 31.3.22	Charity 31.3.21
	£	£	£	£
Other loans (see note 13)	8,235	15,729	8,235	15,729
Finance lease (see note 14)	-	111	-	111
Trade creditors	60,931	41,146	60,931	41,146
Social security & other taxes	26,780	24,936	26,780	24,936
VAT	3,188	-	3,188	-
Other creditors	1,597	953	1,597	953
Accrued expenses	29,946	21,000	20,948	21,000
	<u>130,677</u>	<u>103,875</u>	<u>121,679</u>	<u>103,875</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 31.3.22 £	Group 31.3.21 £	Charity 31.3.22 £	Charity 31.3.21 £
Other loans (see note 13)	38,431	46,068	38,431	46,068
	<u>38,431</u>	<u>46,068</u>	<u>38,431</u>	<u>46,068</u>

13. LOANS

An analysis of the maturity of loans is given below:

	31.3.22 £	31.3.21 £
Amounts falling due within one year on demand: Other loans	<u>8,235</u>	<u>15,729</u>
Amounts falling due between two and five years: Other loans - 2-5 years	<u>38,431</u>	<u>46,068</u>

14. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	31.3.22 £	31.3.21 £
Net obligations repayable: Within one year	<u>-</u>	<u>111</u>
	Non-cancellable operating leases	
	31.3.22 £	31.3.21 £
Within one year	32,121	29,371
Between one and five years	71,628	67,731
	<u>103,749</u>	<u>97,110</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	31.3.22 £	31.3.21 £
Finance leases	<u>-</u>	<u>111</u>

Debts are secured on the assets held under finance lease agreements.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

16. MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
<b>Unrestricted funds</b>			
General fund	1,003,603	51,405	1,055,008
<b>TOTAL FUNDS</b>	<u>1,003,603</u>	<u>51,405</u>	<u>1,055,008</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,282,695	(2,231,290)	51,405
<b>TOTAL FUNDS</b>	<u>2,282,695</u>	<u>(2,231,290)</u>	<u>51,405</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
<b>Unrestricted funds</b>			
General fund	969,852	33,751	1,003,603
<b>TOTAL FUNDS</b>	<u>969,852</u>	<u>33,751</u>	<u>1,003,603</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	2,127,806	(2,094,055)	33,751
<b>TOTAL FUNDS</b>	<u>2,127,806</u>	<u>(2,094,055)</u>	<u>33,751</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

**17. EMPLOYEE BENEFIT OBLIGATIONS**

The charity operates a contributory pension scheme. It is a defined contribution scheme and contributions are charged in the Statement of Financial Activities as they accrue. The charge for the year was £94,339 (2021 - £79,187) and at 31 March 2021 pension contributions of £1,797 (2021: £953) were payable and included within other creditors.

**18. ULTIMATE CONTROLLING PARTY**

The company is controlled by the Board of Trustees.

**19. MEMBERS GUARANTEE**

The charity is a company limited by guarantee and has no share capital. The members of the company are the trustees named on page 4. In the event of the charity being wound up, the liability in respect of the guarantee is limited by £1 per member of the charity.

**20. LONG LEASEHOLD PROPERTY**

The company operates from a long leasehold property, under the terms of a 125 year lease (subject to a peppercorn rent), which commenced in 1999. This lease is treated as an operating lease.