

Details

Status	Registered
Legal form	Charitable company
Company number	03958541
Registered	2000-04-10
Register	View on the Charity Commission register

Contact

Address	Stafford House 120-122 High Street Orpington Kent BR6 0JS
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Activities

Objects: ENCOURAGE TRAINING OF PERSONS EMPLOYED IN THE ELECTRICAL INSTALLATION ENGINEERING INDUSTRY AND SUCH OTHER INDUSTRIES OR INDUSTRY AS THE DIRECTORS MAY DECIDE FROM TIME TO TIME (EACH OF WHICH IS HEREINAFTER REFERRED TO AS THE "INDUSTRY").

Activities: apprenticeship training in the building services engineering sector in England and Wales

Classification

- **How:** Makes Grants To Organisations, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£38,697,547	£38,697,927	£46,912,906	349
2024-07-31	£46,804,079	£48,758,732	£42,975,197	380
2023-07-31	£44,392,739	£48,619,022	£41,328,395	502
2022-07-31	£40,611,641	£43,618,448	£42,564,824	366
2021-07-31	£35,961,162	£40,301,109	£46,002,012	395

Trustees

Name	Role	Appointed
Sir John Menzies Low	Chair	2022-11-01
Alastair Stuart Green		2022-07-21
Catherine Anne Watt		2025-07-04
Christopher Prendergast		2025-07-14
JOHN ALLOTT		2012-01-30
Jason Poulter		2022-10-13
John George Lelliott		2021-03-24
RICHARD JEREMY CLARKE		
Sheila Fraser-Whyte		2023-06-29
Stuart Mills		2026-05-18

JTL

England & Wales - Charity number 1080254

Accounts



JTL

(A Company limited by guarantee)

**GROUP CONSOLIDATED FINANCIAL
STATEMENTS**

Company Registration No 03958541

Charity No 01080254

Year ended 31st July 2025

JTL

(A company limited by guarantee)

Group Consolidated Financial Statements

Year Ended 31st July 2025



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JTL**(A company limited by guarantee)****Group Consolidated Financial Statements****Year Ended 31st July 2025**

Charity registration number 01080254
Company registration number 03958541

Trustees

Sir John Low (Chair)

J Allott

R Clarke

A Eldred

S Fraser Whyte

A Green

J Lelliott OBE

J Poulter

C Prendergast (Appointed 14th July 2025)

T Shelley

E Staley (Resigned 20th March 2025)

C Watt (Appointed 4th July 2025)

Chief Executive C Claydon

Registered Office

Stafford House

120-122 High Street

Orpington

Kent

BR6 0JS

Professional Advisers**Auditors**

Menzies LLP

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

Solicitors

Stone King LLP

Boundry House

91 Charterhouse Street

London

EC1M 6HR

Bankers

Barclays Bank PLC 1

Churchill Place

London

E14 5HP

Investment Managers

Barclays Wealth Management

1 Churchill Place

London

E14 5HP



Structure, Governance and Management

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of JTL (the charity and the group) for the year ended 31st July 2025.

Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and to the date of this report are as follows:

Electrical Contractors' Association	Unite the Union	Independent
• Andrew Eldred • Alastair Green • Catherine Watt • Chris Prendergast	• John Allott • Richard Clarke • Jason Poulter	• Sir John Low (Chair) • Sheila Fraser-Whyte • John Lelliott • Tracey Shelley

Charitable Objects

The charity's objects set out in its Articles of Association are "to encourage training of persons employed in the electrical installation engineering industry and such other industries as the Trustees may decide".

The charitable company's principal activities during the year were the delivery of Advanced Apprenticeships in Electrotechnical and Plumbing and Mechanical Engineering Services.

Vision and Values

JTL's vision is:

To be the training organisation of choice to the building services engineering sector.

The company's values are:



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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2025



Structure and Members

JTL is a charitable company limited by guarantee and was set up on 23rd March 2000. Formerly, the company operated as JT Limited which was incorporated in 1989. JTL's company registration number is 03958541 and its charity number is 01080254. The charity is governed by its Articles of Association.

The company's members are Unite the Union and the Electrical Contractors' Association. The members have a liability not exceeding £10 per member.

Recruitment and Training of Trustees

The Articles of Association entitle Unite the Union and the Electrical Contractors' Association to each appoint up to four Trustees and a further independent Trustee to be Chair. The Trustees may appoint up to a further four independent Trustees. The company is administered by the Board of Trustees, with the Chief Executive (appointed by the Trustees) managing the day-to-day operations of the charity.

Trustee recruitment is undertaken in accordance with the Articles of Association. Induction and training are provided by the management and company's professional advisors on a regular basis.

Related Parties

The principal transactions with related parties are with the Joint Industry Board for the Electrical Contracting Industry (JIBECI) and the Joint Industry Board for Plumbing and Mechanical Engineering Services (JIB PMES). This relates to the registration of all apprentices with the relevant Joint Industry Board for the purpose of receiving apprentice cards and cards recognising their craft competence at the end of the apprenticeship. The registration fees are agreed annually with the relevant JIB and formalised in an annual agreement signed by each organisation.

The arrangement is believed to provide added value to JTL apprentices and is subject to regular review by the JTL Board.

Compliance with Trustees' Duties under Section 172(1) Companies Act 2006

Trustees must act in the way they consider, in good faith, would be most likely to promote JTL's success to achieve its charitable purposes. The Trustees, in doing so, delegate day to day management and decision-making to the Chief Executive and other members of the Executive Leadership Team, who are required to act to further JTL's strategy and to ensure that activities are carried out in compliance with agreed plans and policies and external regulations and in accordance with JTL's values. The Trustees receive regular reports on JTL's performance and plans. In carrying out their duties, the Trustees have regard (amongst other matters) to:

- **The likely long-term consequences of any decision**

The Trustees contribute proactively to JTL's strategic vision and five year strategy and annual business plan and regularly review the financial and quality plans. The long-term likely impact of the plans for

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JTL has been considered as well as the consequences of their decisions.

- **The interests of the charity's employees**

Trustees review the actions in place to promote staff health and wellbeing. JTL seeks to implement good people management to enable staff to fulfil their potential, with a specific focus on under-represented groups and in line with equality, diversity and safeguarding principles.

- **The need to foster the charity's business relationships with suppliers, customers and others**

JTL continually strives to make partnerships with suppliers, customers, and others more equitable, collaborative and with a view to gaining better value for money and improving the learner experience. Significant engagement took place during the year ended July 2025 with employers, learners and stakeholders to ensure that their expectations and interests are well understood and considered in future strategic and business development.

- **The impact of the charity's operations on the community and the environment**

JTL has published its Corporate and Social Responsibility Statement on its website.

The organisational structure is designed to support a safe environment for all stakeholders that come in contact with JTL, especially employees and learners. JTL continues to invest and improve its safeguarding to ensure that it better protects all those with whom it works.

- **Maintaining a reputation for high standards of business conduct**

JTL strives to achieve its strategic goals; it seeks to demonstrate in all areas the same values that we wish to see in the people we work with and those we aim to influence. JTL's values and the behaviours, including a commitment to safeguarding, are embedded in its staff recruitment, induction, and appraisal procedures.

Governance and Key Management Personnel

The governance of JTL takes the form of a non-executive Board of Trustees which meets quarterly. In addition, there are formal Board Sub-Committees including Investment, Remuneration & Nominations, Audit and Risk, Quality, Standards & Safeguarding and Health & Safety. The Board has agreed formal Standing Orders for its own operation and formal Terms of Reference for each of the Sub-Committees.

Regular skills audits of Board members are conducted to ensure that, across its membership, it has a good understanding of all key areas of business undertaken by and relevant to JTL. The results are reviewed by the Board and the outcomes influence subjects for future training for Board members.

An independent external review of JTL's Board effectiveness was conducted by Board Alchemy in 2025. The review found that JTL operates with a high standard of governance appropriate to its scale and charitable purpose. JTL adheres to the guidance provided by the Charity Governance Code and the Code of Good Governance for Independent Training Providers published by the Association of Employment and Learning Providers (AELP). The external review has been received and considered by

JTL**(A company limited by guarantee)****Trustees' Annual Report (Including Strategic Report)****Year Ended 31st July 2025**

the Board with any subsequent actions to be taken forward as agreed by the Board.

The Board delegates the day-to-day operations of JTL to the executive team through a formal Delegated Levels of Authority document which is reviewed periodically by the Board. The executive team is led by the Chief Executive supported by the Executive Leadership Team which consists of the following roles, each with responsibility for defined functions:

- Group Director of Finance & Corporate Services
- Director of Operations

Key Management Personnel Remuneration

The key management personnel of the charity include the Trustees and the Executive Leadership Team. The Trustees of the charity give their time freely and are not remunerated.

The Chief Executive's remuneration is set annually by the Remuneration & Nominations Committee. The Remuneration & Nominations Committee is made up of the Chair and three other trustees nominated by the ECA, Unite the Union and the independent directors. It is the responsibility of the Remuneration Committee to set the pay of the Executive Directors.

The Remuneration Committee also has responsibility to consider the recommendation of the Chief Executive regarding the overall remuneration of the organisation. This recommendation is based on organisational and staff performance, market testing conducted by the Group Director of Finance & Corporate Services, Consumer Price Index data and feedback from the members on their likely pay awards. The decision of the Remuneration & Nominations Committee is then applied through a performance related pay process led by the Chief Executive and Executive Leadership Team.

Employees

The average monthly full-time equivalent number of employees of JTL for the year ended 31st July 2025 was 368 (2024: 370)

JTL communicates with its staff through a number of channels including regular executive vlogs, webinars, newsletters, Executive Leadership Team meetings, other manager and staff meetings, a staff forum and the intranet as well as regional staff conferences.

JTL ensures that no discrimination is shown on the grounds of any protected characteristics such as: race, colour, nationality, ethnic or national origin, gender, gender reassignment, religion or belief, sexual orientation, age, marital status including civil partnerships, pregnancy and maternity, caring responsibilities or disability (the latter is subject to the industry's safety requirements).

Rewarding everyone fairly, regardless of gender, is at the heart of the leadership team's agenda. However, women are under-represented in the building services engineering sector and assessors are required to be occupationally competent in their discipline, which currently limits the number of female applicants. Our gender split is currently 73% male and 27% female which reflects JTL's reliance

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on a nationwide team of predominantly male occupationally competent assessors.

JTL acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions of the Modern Slavery Act 2015. The organisation understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains. No labour provided to JTL in the pursuance of its services is obtained by means of slavery or human trafficking.

JTL is a Disability Confident Employer and actively seeks to attract and recruit disabled people by providing a fully inclusive and accessible recruitment process. All disabled people who meet the minimum criteria for our vacancies are interviewed. We are supportive of our employees who may become disabled during their employment; they are supported, and reasonable adjustments proactively offered as required. Training, career progression and promotion for all disabled persons employed by the company is encouraged. All employees and people working with JTL are expected to treat all people with respect and appropriate disability equality awareness briefings take place on a regular basis.

JTL has an obligation to meet the Prevent Duty requirements as defined by the Counter Terrorism and Security Act 2015. In meeting this duty, JTL has developed a training programme for all staff, has a Prevent strategy in place with its policies and key documents reflecting the Prevent Duty.

Aims and Objectives

The JTL Executive Leadership Team presented to the Board, who approved the five-year corporate plan, and underpinning one-year business plan. The three strategic objectives of the organisation for 2024/25 were:

- Maintaining a relentless focus on quality.
- Make JTL apprenticeships financially sustainable.
- Innovate and adapt for the changing needs of industry.

The Trustees believe that JTL has made acceptable progress against its charitable objects and its strategic and business plan objectives.

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Public benefit Statement

The Trustees have had regard to their responsibilities in demonstrating public benefit as set out in guidance provided by the Charity Commission. The charity has and continues to demonstrate a number of areas of public benefit within its core charitable objective of the advancement of education, in the form of advanced apprenticeship training, achieving high levels of success through the support and mentoring offered throughout the typically four-year apprenticeship period.

Given the many challenges facing society today, JTL continues to pay attention to mental health support for its learners, staff and others. JTL partners with the Electrical Industries Charity to offer targeted support for individuals in particular need.

The impact on beneficiaries is through the training of persons employed in, or wishing to enter, the building services engineering sector to obtain qualifications for life. In doing so this ensures the success and prosperity of the sector by supporting and improving an appropriately trained and skilled workforce. The high achievement rates of JTL apprentices are a good indicator of the effectiveness of its programmes and therefore the value for money obtained for the public purse.

JTL also continues to offer its employer grant schemes including an adoption grant for employers who take on apprentices who have been made redundant during their apprenticeship to help them complete their apprenticeship successfully.

JTL provides all its apprentices with access to our Learning Management System (LEDA), high-quality textbooks, learning materials and toolkits to support their progress and achievement without the need to incur the costs associated with such purchases.

JTL introduced LEDA in 2024 as a new digital learning resource. LEDA is an award-winning platform which has been developed by JTL to provide apprentices with access to learning resources from induction to bespoke apprenticeship resources including preparing apprentices for their end point assessment. Since the introduction of LEDA JTL has enrolled over 10,000 users with further development underway to create JTL Advance which will support CPD for all employers and apprentices through their career.

All apprenticeship courses are fully accessible and available free of charge to its learners, as the costs are met by the government and employers or are underwritten by JTL's charitable funds.

JTL offers our apprentices a chance to stay in touch and continue their development through JTL Toolbox, a free online support package specifically aimed at employers and those who have completed or are near to completing their apprenticeship. Power Up is a CPD platform within Toolbox which offers free taster training sessions to electricians which will help them in their day-to-day job role and support their continued professional training need.

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Streamlined energy and carbon reporting (SECR)

In accordance with the requirement of the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the Directors would like to disclose the following information for the period ending 31 July 2025:

	31 July 2025	31 July 2024
	tonnes CO ₂ e	tonnes CO ₂ e
	£	£
Scope 1 (direct emissions) – natural gas and company vehicles	200	230
Scope 2 (indirect emissions) – electricity	94	110
Scope 3 – Own User Vehicles	263	319
Total	557	659

An decrease in carbon output of 102 tonnes in 24/25 against 23/24 is against a backdrop of an increase in our estate and a gradual phasing out of Petrol and Diesel Company Cars. A total of a 46 Tonne reduction in carbon emissions can be attributed to energy reduction in buildings and cleaner cars enabled by the salary sacrifice car scheme. A further 56 tonne reduction in own user car tailpipe emissions suggests that those who do not elect for a salary sacrifice car are self selecting cleaner vehicles

Methodologies used within the calculation.

The Group has used the actual KWH data from the monthly energy invoices it receives from suppliers and internally stored data on both company owned and employee own vehicles doing business miles and then applied the "Government conversion factors for the Group reporting" to calculate the CO₂e content.

Energy efficient actions taken this year.

- A Solar Photovoltaic (PV) system was installed at the London South Training centre, carbon offsetting results are already being realised.
- The move away from company cars and internal combustion engines continues with the ceasing of company cars and the introduction of the electric and hybrid (,75g) car salary sacrifice scheme.
- All new centres have energy efficient measures built in and include, low energy lighting schemes, combined VRF heating and cooling systems where economically practical,

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improved insulation and water consumption measures.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE



JTL Management

A Business Plan was agreed for 2024/25 which focused on embedding the new organisational structure to enable improvements in operations and ensuring high quality practices that delivered apprenticeships that are financially sustainable. This work was framed around the vision to be the training organisation of choice to the building services engineering sector and delivering the best learning experience for our apprentices and their employers.



JTL Statistics

During the year JTL:

- recruited 1,675 (2024: 2,190) apprentices.
- delivered 1,232 (2024: 1,493) apprentice achievements.
- market share in the core electrotechnical discipline is 22.4% (2024: 26%)
- According to ESFA published data, JTL's overall current achievement rate is 61% (2023/24: 64.7%). This compares with a national average across all apprenticeships of 51.2%.
- At 31st July 2025, JTL had 7,007 (2024: 7,774) apprentices in training.



JTL Centres and Subcontractors/ College Partners

JTL continues to fund subcontracted fees for its apprentices in training who do not attend a JTL centre to enable them to successfully complete the appropriate off-the- job learning elements of the apprenticeship. JTL employs occupationally qualified and competent field staff who regularly monitor, review and assess the apprentices' progress.

The new business model for JTL will continue to prioritise delivery of off-the-job learning from its own centres and where this is not possible, to work with preferred delivery partners where the quality is good, and it meets employer needs. JTL will continue to rebalance the use of subcontractors through increasing the utilisation of its own centres.

JTL**(A company limited by guarantee)****Trustees' Annual Report (Including Strategic Report)****Year Ended 31st July 2025****Quality**

Quality is a key factor in evaluating the impact of our training on both employers and apprentices. The Education Inspection Framework, annual Self-Assessment Report and Quality Improvement Plan form a key foundation of JTL's quality activities, ensuring that our training programmes deliver a high-quality learning experience that benefits both apprentices and employers. In August 2023, JTL was re-inspected by Ofsted and once again achieved a "Grade 2 - Good" inspection report. JTL's focus on the quality of its provision results in it continuing to have achievement rates well above the national average in its core disciplines of electrotechnical and plumbing.

In addition, JTL holds BS EN ISO 9001:2015 for quality management systems and Committed 2 Equality's Gold standard for Equality.

JTL employs a rolling internal audit and quality assurance programme which includes ongoing monitoring of delivery partners in line with the ESFA Subcontracting Standard as well as JTL's quality standards.

**Equality, Diversity and Safeguarding**

JTL is committed to a policy of equality and diversity for everyone. No applicant for a training scheme place with JTL, apprentice, customer or member of staff shall knowingly receive less favourable treatment on the grounds of their protected characteristics, nor will any other condition or requirement that cannot be justified disadvantage them.

JTL is committed to safeguarding and promoting the welfare of children, young people, and vulnerable adults, and expects all staff to share this commitment. This commitment is further evidenced by JTL's achievement of the Leaders in Safeguarding accreditation, which recognises the organisation's strong safeguarding practices and culture. The building services engineering industry is generally regarded as a white, male industry and JTL continues to address this stereotyping through its growing apprentice ambassador scheme which sees existing female and ethnic minority apprentices working with schools and at careers events to promote the opportunities in the industry as well as to network with each other. Ambassadors have also taken to social media to promote the industry and benefits of apprenticeships.

**FINANCIAL REVIEW**

The JTL strategy set out by the Executive Leadership Team includes, as one of its three objectives, a strategic objective of achieving financial sustainability. This included specifically delivering improvement from the previous year and the aim being to break even by July 2025.

The principal funding source is the Department for Education. The charity uses this income source to further its aims and objectives including increasing apprentice learner numbers and enhancing and innovating its provision.

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The charity did not undertake any fundraising activities during the year, nor did it engage any professional fundraisers or commercial participators. As such, it is not subject to any fundraising regulation schemes.

Income from investments is generated via a responsible and ethical approach implemented by the Investment Managers, Barclays. The Consolidated Statement of Financial Activities for the year shows net income before net gains on investments for the year of £3,620 (2024: Loss £1,954,653) after losses on property revaluation of £455,148 (2024: £360,104).

Develop Training Limited a wholly owned subsidiary of JTL was disposed of on the 31st October 2024. During the 3 month period from 1st August 2024 to the 31st October 2024 total income generated during this period was £1,973,390 and expenditure totalled £1,779,889 resulting in a gain of £193,501. The subsidiary was disposed of on the 31st October 2024 for £4.3M

The revaluation reserve at the year-end was £2,633,068 (2024: £2,633,068). Net movement in funds for the year amounted to a gain of £3,937,709 (2024: gain of £1,646,802) after investment gains of £3,934,089 (2024: £3,625,859), and losses on property revaluation of £455,148 (2024: losses £384,508).

This resulted in a net asset position, all held as unrestricted funds as at 31st July 2025, of £46,912,906 (2024: £42,975,197). The Trustees are satisfied with the net asset position at the year end and are confident that sufficient funds are available to meet future needs.

For the charity alone, total income for the year amounted to £34,695,796 (2024: £37,599,799), with a net decrease in funds of £410,629 (2024: gain of £2,491,093). Total donations from CompEx Certification Limited under the Gift Aid scheme in the year to 31st July 2025 was £173,207 (2024: £277,071). The 2025 profit amount was not accrued at the end of the year following clarification of Financial Reporting Standard 102. The subsidiaries had total income for the period of £4,304,545 (2024: £10,278,790) and costs of £3,997,568 (2024: £10,710,325).



Audit and Risk Committee (ARC)

The Audit and Risk Committee was active throughout 2024/25. In addition to standard agenda items covering company and financial performance, internal and external audit activity and preparation of the financial statements, the Committee also considered a number of items in focus at its meetings



Investments

Under the Articles of Association, the charity has the power to make any investments which the Trustees see fit.

In terms of investment funds, JTL's objective is to achieve capital growth, whilst maintaining a balanced risk profile over the medium term and to deliver annual net gains to support the consolidated financial position, as set out in the five year strategy and annual business plan. JTL's funds are managed solely by Barclay's Wealth with funds invested on a medium risk profile.

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In terms of socially responsible investing, regular discussions are held at the Board, JTL Investment Committee and with the investment managers regarding the approach taken on behalf of JTL. The Investment Committee is aware that the investments are managed by the charity department of Barclays who have an established ethical investing offering. This is made up of a 3-stage process that includes:

- A negative screen which is applied using MSCI ESG Business Involvement Screening Research to remove companies whose primary businesses are focused around tobacco, alcohol, armaments, gambling, adult entertainment or fossil fuels.
- Independently calculated MSCI ESG results are then used to remove companies that do not meet a minimum threshold around environmental, social and corporate governance characteristics.
- Positive Analysis - Companies are identified that help to address at least one of the UN's Sustainable Development goals.

During the year, the overall return of the portfolio was 2.19% (2024 14.32%). The JTL portfolio has performed comparatively better than the ARC (Asset Risk Consultants) Sterling Steady Growth Charity Index which delivered a return of 6.09% (2024 10.49%) during the same period. Performance reflects market volatility and reduced investment levels due to withdrawals.



Subsidiaries

In addition to the investment funds, JTL has a wholly owned subsidiary, CompEx Certification Limited. Develop Training Limited, also a wholly owned subsidiary, was disposed of during the year.

CompEx Certification Limited

The principal business of CompEx Certification Limited is the operation of the CompEx Certification Scheme. The CompEx Scheme is the global solution for validating core competency of employees and contract staff of major users in the gas, oil and chemical sectors for both offshore and onshore activities.

CompEx Certification Limited has, under contract to the Engineering Equipment and Materials Users Association (EEMUA), managed and operated the CompEx Scheme since it was developed in 1994 and, in April 2014, acquired the Scheme from EEMUA.

Develop Training

Acquired in September 2019.

Develop Training is an accredited commercial course provider of compliance, technical, and safety training for the utilities and construction, healthcare, facilities management, and telecommunication sectors. The training provided has a direct relevance to the building services engineering sector and complemented JTL's apprenticeship output as well as offering CPD and upskilling opportunities to the sector's workforce. Since its acquisition in 2019 the company had been loss making.

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A plan to turn around Develop Training Limited was implemented through strict financial management, rigorous governance and oversight from the JTL Board. This enabled significant improvements for the long term sustainability of Develop Training Limited and resulted in the company being acquired by RelyOn Nutec in November 2024 for £4.3M.



Reserves Policy

The general reserves of the group at 31 July 2025 were £46,912,906 (2024: £42,975,197) of which £14,108,936 (2024: £15,450,210) is represented by tangible and intangible fixed assets. Free reserves, defined as excluding such funds attributed to these assets, were £32,803,970 (2024: £27,524,987).

The current reserves policy requires that unrestricted funds held by the charity should be more than six months £19,348,962 (2024: £24,487,920) and less than twelve months £38,697,927 (2024: £48,975,840) of the resources expended. After allowing for factors detailed in Charity Commission guidance for best practice, the charity's reserves are in line with this policy. At this level the charity would be able to continue to honour its commitments to employers and learners until appropriate alternative arrangements can be made.

The Trustees consider that in light of the above and the current economic climate, the amount in reserves is appropriate.



Principal Risks and Uncertainties

The Board ensures, through the specific delegation of responsibilities, that the Executive Leadership Team will manage significant business risks through a combination of risk identification, analysis, evaluation, control and action planning so as to contain risk within limits acceptable to the Board.

In line with JTL's risk management policy and framework, risks are logged on JTL's risk register and reviewed regularly. The most significant risks are then reviewed and discussed monthly by the Executive Leadership Team and quarterly by the Finance, Audit and Risk Committee and reported to the Board.

The most significant risks currently identified are:

- Learners fail to achieve their qualification resulting in low achievement rates and removal of DfE funding due to insufficient contact, insufficient assessment, poor teaching and lack of pastoral engagement having negative consequences on teamer safeguarding and wellbeing.
- Failure to invest in change management and failure to embed the required transition to deliver improved quality and financial sustainability in line with the strategic objectives resulting in inadequate systems, cultural divergence and resulting poor performance leading to poor quality provision and sub-optimal attainment for apprentices.

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Failure to meet the threshold requirements of the Apprenticeship Accountability Framework (AAF) leads to increased intervention by DfE including additional contractual conditions (e.g. restrictions on recruitment) up to and including contract termination. The Trustees have assessed these major risks and are satisfied that adequate steps are being taken to mitigate exposure and reduce the risks.



Plans for future periods

JTL's core business is delivering high quality apprenticeships to the building services engineering sector. In 2024, after consultation with employers, learners and stakeholders, JTL published its Corporate Strategy which will focus on three key priorities as follows:

- deliver a high-quality apprenticeship, create and maintain a financially sustainable business and adapt and innovate to meet the changing needs of the industry.

Following the restructure JTL has taken significant steps towards achieving its strategic objectives. JTL continues to embed the new structure and consolidate the new practices it has identified to deliver quality outcomes for learners. JTL has maintained the position with regards to growth and will look to focus on developing and delivering for the apprentices before returning to growth next year. Whilst growth will be on a small scale in 2025/26 it will then accelerate in the following two years (years four and five of the strategic plan). At the same time, it remains committed to consolidating its provision on its traditional electrical market and reviewing how best to offer plumbing on a sustainable basis.

Furthermore, JTL intends to continue reviewing and improving its delivery strategy and will look to establish more of its own centres in target areas to best meet the needs of employers and learners. JTL remains committed to the implementation of a technology strategy and has set out a digital journey. This includes increased alignment and automation of systems and processes based around the LEAN principles.

As part of this restructuring and refocusing of its business, JTL will also continue to improve the Group dynamics in order to increase synergy between the businesses developing the shared services model through a central group services model. Training relevant to the post-apprenticeship sector of the workforce will be taken forward through JTL's training centres, addressing the known training and CPD needs of the electrical sector through greater targeting of its commercial course offerings. Governance control across the Group will also ensure that the quality, financial sustainability and innovation aspirations are driven forward across all group entities.

Underpinning everything will be the focus on the quality of provision and ensuring that the expectations of our customers, learners, funding bodies and the industry are not only met but exceeded. In doing this JTL also wants to be an enjoyable, fulfilling and exciting place to work, an organisation which people are proud to be part of and one which rewards excellence and achievement.

JTL continues to monitor external opportunities as long as these support the JTL objectives, ethos and the overall business strategy.

JTL**(A company limited by guarantee)****Trustees' Annual Report (Including Strategic Report)****Year Ended 31st July 2025****Going Concern**

The Trustees have assessed the latest financial results and future forecasts to ensure the charity has adequate resources to continue in operational existence for the foreseeable future. The improvements to date and planned work going forward provide assurance on the financial sustainability of the group. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Trustees' Responsibilities Statement

Trustees (who are also directors of JTL for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure of the charitable company and the group 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 in the Charities Statement of Recommended Practice (SORP) 2019 (FRS102).
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

JTL

(A company limited by guarantee)

Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2025



Disclosure of information to the auditors

We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Signed on behalf of the Board of Trustees

Signed by:

24F72EF08E4B447...

Sir John Low, Chair of the Trustees

Date: 17-Dec-2025

JTL
(A company limited by guarantee)

MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL

Opinion

We have audited the financial statements of JTL (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2025 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2025 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.

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.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, Employment and Health and Safety legislation, GDPR and the Ofsted framework. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: payments to fictitious employees, claims for non-existent apprentices, payments to fictitious suppliers, the posting of unusual journals and complex transactions that could manipulate the financial results and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.
- Audit procedures performed by the engagement team included:
 - identifying and assessing the design and 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;
 - challenging assumptions and judgements made by management in its significant accounts estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This description forms part of our Auditors' report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

DocuSigned by:

634F24DE92A4471...
Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP
Date: 17-Dec-2025

JTL
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE) ACCOUNT
FOR THE YEAR ENDED 31 JULY 2025**

	Note	Unrestricted funds 2025 £	Continuing operations 2025 £	Discontinued operations 2025 £	Total funds 2025 £	<i>As restated Continuing operations 2024 £</i>	<i>Discontinued operations 2024 £</i>	<i>As restated Total funds 2024 £</i>
Income from:								
Charitable activities	4	33,928,414	33,928,414	-	33,928,414	34,638,886	-	34,638,886
Other trading activities	5	4,304,545	2,331,155	1,973,390	4,304,545	2,257,068	7,905,594	10,162,662
Investments	6	468,588	468,588	-	468,588	461,131	-	461,131
Total income		38,701,547	36,728,157	1,973,390	38,701,547	37,357,085	7,905,594	45,262,679
Expenditure on:								
Raising funds	7,8	3,997,568	2,217,679	1,779,889	3,997,568	2,015,199	8,092,765	10,107,964
Charitable activities		34,245,211	34,245,211	-	34,245,211	36,749,264	-	36,749,264
Other expenditure	10	455,148	455,148	-	455,148	360,104	-	360,104
Total expenditure		38,697,927	36,918,038	1,779,889	38,697,927	39,124,567	8,092,765	47,217,332
Net income/(expenditure) before net gains on investments		3,620	(189,881)	193,501	3,620	(1,767,482)	(187,171)	(1,954,653)
Net gains on investments		3,934,089	3,934,089	-	3,934,089	3,625,859	-	3,625,859
Net income/(expenditure) carried forward		3,937,709	3,744,208	193,501	3,937,709	1,858,377	(187,171)	1,671,206

JTL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2025

		Unrestricted funds 2025 £	Continuing operations 2025 £	Discontinued operations 2025 £	Total funds 2025 £	Continuing operations 2024 £	Discontinued operations 2024 £	As restated Total funds 2024 £
	Note							
Net income/(expenditure) brought forward		3,937,709	3,744,208	193,501	3,937,709	1,858,377	(187,171)	1,671,206
Transfers between funds	23	-	(514,866)	514,866	-	-	-	-
Net movement in funds before other recognised gains/(losses)		3,937,709	3,229,342	708,367	3,937,709	1,858,377	(187,171)	1,671,206
Other recognised gains/(losses):								
Losses on revaluation of fixed assets		-	-	-	-	(24,404)	-	(24,404)
Net movement in funds		3,937,709	3,229,342	708,367	3,937,709	1,833,973	(187,171)	1,646,802
Reconciliation of funds:								
Total funds brought forward		41,948,543	43,683,564	(708,367)	42,975,197	41,849,591	(521,196)	41,328,395
Net movement in funds		3,937,709	3,229,342	708,367	3,937,709	1,833,973	(187,171)	1,646,802
Total funds carried forward		45,886,252	46,912,906	-	45,886,252	43,683,564	(708,367)	42,975,197

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

The notes on pages 27 to 49 form part of these financial statements.

JTL
(A company limited by guarantee)
REGISTERED NUMBER: 03958541

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	15	358,243	256,897
Tangible assets	16	13,750,693	15,193,313
Investments	18	31,109,710	30,288,623
Investment property	17	2,502,530	-
		<u>47,721,176</u>	<u>45,738,833</u>
Current assets			
Debtors	20	4,235,153	5,627,895
Cash at bank and in hand		1,918,725	1,480,339
		<u>6,153,878</u>	<u>7,108,234</u>
Current liabilities			
Creditors: amounts falling due within one year	21	(6,516,792)	(9,336,353)
Net current liabilities		<u>(362,914)</u>	<u>(2,228,119)</u>
Total assets less current liabilities		<u>47,358,262</u>	<u>43,510,714</u>
Provisions for liabilities		(445,356)	(535,517)
Total net assets		<u><u>46,912,906</u></u>	<u><u>42,975,197</u></u>
Charity funds			
Unrestricted funds	23	46,912,906	42,975,197
Total funds		<u><u>46,912,906</u></u>	<u><u>42,975,197</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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

 24F72EF08E4B447...
Sir John Low
 Chair of the Trustees

Date: 17-Dec-2025

The notes on pages 27 to 49 form part of these financial statements.

JTL
(A company limited by guarantee)
REGISTERED NUMBER: 03958541

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	16	13,750,693	14,826,658
Investments	18	31,109,712	30,420,626
Investment property	17	2,502,530	-
		47,362,935	45,247,284
Current assets			
Debtors	20	4,634,919	9,082,256
Cash at bank and in hand		1,673,250	1,251,556
		6,308,169	10,333,812
Current liabilities			
Creditors: amounts falling due within one year	21	(6,396,874)	(8,006,674)
Net current liabilities / assets			
		(88,705)	2,327,138
Total assets less current liabilities			
		47,274,230	47,574,422
Provisions for liabilities		(445,356)	(334,919)
Total net assets			
		46,828,874	47,239,503
Charity funds			
Unrestricted funds	23	46,828,874	47,239,503
Total funds			
		46,828,874	47,239,503

The Company's net movement in funds for the year was £(410,629) (2024 - £2,491,093).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

24F72EF08E4B447...
Sir John Low
Chair of the Trustees

Date: 17-Dec-2025

The notes on pages 27 to 49 form part of these financial statements.

JTL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2025

	Note	2025 £	2024 £
Cash flows from operating activities			
Net cash used in operating activities	26	3,263,860	(627,626)
Cash flows from investing activities			
Dividends, interests and rents from investments		414,860	461,131
Purchase of intangible assets		(182,392)	(157,546)
Purchase of tangible fixed assets		(2,576,586)	(3,350,499)
Purchase of investment property		(22,530)	-
Payments to acquire investments		(7,436,796)	(3,689,935)
Receipts from sales of investments		10,911,179	6,106,221
Movement in cash held by investment managers		(3,933,209)	245,489
Net cash used in investing activities		(2,825,474)	(385,139)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		438,386	(1,012,765)
Cash and cash equivalents at the beginning of the year		1,480,339	2,493,104
Cash and cash equivalents at the end of the year	27,28	1,918,725	1,480,339

The notes on pages 27 to 49 form part of these financial statements

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

1. General information

JTL is a charitable company limited by guarantee and is incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are delivering Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

JTL 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the accounts of JTL and its wholly owned subsidiaries undertakings, CompEx Certification Limited and Develop Training Limited (up to 31 October 2024).

The charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.3 Going concern

The trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. Develop Training Limited, a subsidiary of JTL, was disposed of during the year thus eliminating future negative financial impact on the group

The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing these financial statements.

2.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. All funds received during the year were unrestricted.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes gains on disposals of tangible fixed assets, recognised upon completion of the sale.

2.6 Expenditure

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

- Expenditure on charitable activities comprises costs which directly relate to education and training activities as well as an allocation of support costs, see note (2.7).
- Costs of raising funds, which includes:
 - Trading expenditure consists of expenditure relating to the operation of the trading subsidiaries CompEx Certification Limited and Develop Training Limited (disposed during the year).
 - Investment management expenses which consist of amounts charged by Investment Managers for managing the charity's investments.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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.

2.7 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

2.8 Freehold Land and Buildings

Freehold Land and Property is initially recorded at cost; it is then independently revalued every third year to reflect its fair value. Any gain in value is reflected in the carrying value of the asset and the revaluation reserve.

Any loss in value from cost or previous valuation is first charged against any accumulated gain in the revaluation reserve for that asset with any balance charged to expenses within the Statement of Financial Activities.

Freehold Land is recorded at cost and is not revalued or depreciated.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.9 Intangible assets and amortisation

Intangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the amortisation rate applied was:

Computer Software	- 25 % straight line
-------------------	----------------------

2.10 Tangible fixed assets and depreciation

With the exception of freehold property, tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the depreciation rates were:

Freehold property (Buildings only)	- 2% straight line
Short-term leasehold property	- Over the term of the lease
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10% - 25% straight line
Computer equipment	- 25% straight line
Software / IT consultancy	- 25% straight line

No depreciation is provided for on Freehold Land

2.11 Investments

Investments are recognised initially at fair value, which at year end is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at a mark to market at fair value with changes recognised in 'net gains or losses on investments' in the consolidated statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

2.12 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

2. Accounting policies (continued)

2.13 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2.14 Leases

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

2.15 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.16 Termination benefits

Termination benefits are recognised as a liability and an expense when the company is demonstrably committed to either: terminating the employment of an employee or group of employees before the normal retirement date; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

The company is demonstrably committed when it has a detailed formal plan for the termination and is without realistic possibility of withdrawal. Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date.

2.17 Financial instruments

The charity holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Financial assets: Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.

All other investments are classified as basic financial instruments and held at their fair value.

Financial Liabilities: Trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 20. Basic taxation and social security are not included in the financial instrument's disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.

2.18 Reclassification

In year ended 31 July 2025 the accounting treatment for grants from the Department for Education was amended to better reflect the substance of the transactions. In the prior year an amount of both income and expenditure relating to these grants was recognised within Charitable activities, however the nature of these grants is such that they are not true transactions for the charity and they will only be recognised within a control account within the balance sheet. This change reduced prior year Charitable income and expenditure both by £1,541,400 and have a nil effect on the results for the year. There has been no affect on group reserves in respect of this adjustment.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

3. Critical accounting estimates and areas of judgement

Judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements;

- Depreciation rates for tangible fixed assets
- Provision for bad and doubtful debts

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are estimates and assumptions made by the trustees in relation to property valuations and the estimated useful lives of fixed assets that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from charitable activities

	Unrestricted funds 2025 £	Total funds 2025 £	As restated Total funds 2024 £
ESFA and Welsh Assembly income receivable	33,034,737	33,034,737	34,274,197
Other income receivable	893,677	893,677	364,689
	33,928,414	33,928,414	34,638,886
Total 2024 as restated	34,638,886	34,638,886	

Other income receivable of £893,677 (2024: £364,689) comprises of income from various sources including employer contributions, commercial courses, room hire, rental income, miscellaneous income and royalties.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Trading income in subsidiaries	4,304,545	4,304,545	10,162,662
Total 2024	10,162,662	10,162,662	

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NOTES TO THE FINANCIAL STATEMENTS
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6. Investment income

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Dividends and interest from listed investments	468,588	468,588	461,131
<i>Total 2024</i>	461,131	461,131	

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Direct trading expenses	1,085,765	1,085,765	3,346,328
Direct trading expenses - wages and salaries	422,321	422,321	1,492,756
Fundraising trading expenses - NI	48,680	48,680	152,122
Fundraising trading expenses - pension costs	12,085	12,085	35,982
Support costs of trading	2,325,736	2,325,736	4,976,228
	3,894,587	3,894,587	10,003,416
<i>Total 2024</i>	10,003,416	10,003,416	

8. Investment management costs

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Investment management fees	102,981	102,981	104,548
<i>Total 2024</i>	104,548	104,548	

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NOTES TO THE FINANCIAL STATEMENTS
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9. Analysis of grants

	Grants to Individuals 2025 £	Total funds 2025 £	<i>As restated Total funds 2024 £</i>
Grants, Education and training	2,175	2,175	4,400
<i>Total 2024 as restated</i>	4,400	4,400	

10. Other expenditure

	Unrestricted funds 2025 £	Total funds 2025 £	<i>Total funds 2024 £</i>
Impairment Charge	455,148	455,148	360,104
<i>Total 2024</i>	360,104	360,104	

See also note 16.

11. Analysis of expenditure by activities

	Activities undertaken directly 2025 £	Grant funding of activities 2025 £	Support costs 2025 £	Total funds 2025 £	<i>As restated Total funds 2024 £</i>
Education and training	28,327,351	2,175	5,915,685	34,245,211	36,749,264
<i>Total 2024 as restated</i>	31,766,229	4,400	4,978,635	36,749,264	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

11. Analysis of expenditure by activities (continued)

Analysis of support costs

	Education and training 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	4,357,810	4,357,810	3,359,957
Depreciation	63,643	63,643	42,402
Finance	3,392	3,392	2,752
Information technology	353,663	353,663	395,741
Office and other costs	814,868	814,868	803,384
Other staff costs	176,794	176,794	214,639
Governance costs	145,515	145,515	159,760
	5,915,685	5,915,685	4,978,635
Total 2024	4,978,635	4,978,635	

12. Auditors' remuneration

	2025 £	2024 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	44,225	40,945
Fees payable to the Company's auditor in respect of:		
The auditing of accounts of subsidiaries of the Charity	12,915	21,360
Accountancy and tax services	7,130	7,900

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

13. Staff costs

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Wages and salaries	15,633,223	18,162,813	14,042,996	14,232,599
Social security costs	1,877,885	1,958,655	1,681,867	1,568,165
Contribution to defined contribution pension schemes	1,962,280	2,004,307	1,805,750	1,821,880
	19,473,388	22,125,775	17,530,613	17,622,644

During the year termination payments of £125,894 (2024:£224,719) were paid, of this £31,988 (2024: £41,278) was Develop Training Limited.

In addition redundancy and settlement costs of £91,850 were incurred in relation to the disposal of Develop Training Limited during the year.

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Directors	3	7	2	4
Operations	297	364	258	308
Support	92	114	89	68
	392	485	349	380

The average headcount expressed as full-time equivalents was:

	Group 2025 £	<i>Group 2024 £</i>	Company 2025 £	<i>Company 2024 £</i>
Directors	3	6	2	4
Operations	292	354	254	300
Support	89	110	85	66
	384	470	341	370

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NOTES TO THE FINANCIAL STATEMENTS
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13. Staff costs (continued)

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

	Group 2025 £	Group 2024 £
In the band £60,001 - £70,000	16	12
In the band £70,001 - £80,000	10	9
In the band £80,001 - £90,000	4	2
In the band £90,001 - £100,000	1	-
In the band £120,001 - £130,000	1	1
In the band £130,001 - £140,000	1	2
In the band £180,001 - £190,000	1	-
In the band £200,001 - £210,000	-	1
In the band £240,001 - £250,000	1	-

14. Trustees' and Key Management Personnel Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the period, six trustees were reimbursed £1,798 (2024: 3 trustees, £472) for expenses relating to travel costs.

The Charity considers its key management personnel comprise of:

- The Trustees
- Chief Executive Officer
- Director of Finance & Corporate services
- Director of Operations

As noted above no trustees were remunerated during the year. The total amount of employee benefits received by key management personnel (Salary, Employer NI, Employers Pension, Benefit in Kind etc.) was £627,301 (2024: £888,336). Included within key management personnel last year were also Director of Learning & Innovation, Director of Policy & External Relations, Human Resources Director, Interim Director of Finance & Resources, and National Delivery Director.

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15. Intangible assets

Group	Computer software £	Goodwill £	Total £
Cost			
At 1 August 2024	336,456	24,001	360,457
Additions	182,392	-	182,392
Disposals	(20,000)	(24,001)	(44,001)
At 31 July 2025	498,848	-	498,848
Amortisation			
At 1 August 2024	79,559	24,001	103,560
Charge for the year	75,213	-	75,213
On disposals	(14,167)	(24,001)	(38,168)
At 31 July 2025	140,605	-	140,605
Net book value			
At 31 July 2025	358,243	-	358,243
At 31 July 2024	256,897	-	256,897

There are no intangible assets within the parent entity.

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Cost or valuation							
At 1 August 2024	13,549,991	402,640	59,980	3,037,968	438,701	529,446	18,018,726
Additions	942,567	-	-	1,518,895	103,124	12,000	2,576,586
Disposals	(953)	(402,640)	(59,980)	(447,816)	(90,938)	-	(1,002,327)
Transfers to Investment property	(2,480,000)	-	-	-	-	-	(2,480,000)
At 31 July 2025	12,011,605	-	-	4,109,047	450,887	541,446	17,112,985
Depreciation							
At 1 August 2024	360,104	203,048	25,664	1,600,292	224,696	411,609	2,825,413
Charge for the year	186,101	20,093	3,749	302,817	92,045	71,234	676,039
On disposals	-	(223,141)	(29,413)	(263,989)	(77,765)	-	(594,308)
Impairment charge	455,148	-	-	-	-	-	455,148
At 31 July 2025	1,001,353	-	-	1,639,120	238,976	482,843	3,362,292

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NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets (continued)

Group (continued)

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Net book value							
At 31 July 2025	11,010,252	-	-	2,469,927	211,911	58,603	13,750,693
At 31 July 2024	13,189,887	199,592	34,316	1,437,676	214,005	117,837	15,193,313

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NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets (continued)

Company

	Freehold property £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Cost or valuation					
At 1 August 2024	13,549,991	2,816,400	371,857	529,446	17,267,694
Additions	942,567	1,518,895	103,124	12,000	2,576,586
Disposals	(953)	(226,248)	(24,094)	-	(251,295)
Transfers to Investment property	(2,480,000)	-	-	-	(2,480,000)
At 31 July 2025	12,011,605	4,109,047	450,887	541,446	17,112,985
Depreciation					
At 1 August 2024	360,104	1,495,744	173,578	411,609	2,441,035
Charge for the year	186,101	289,900	89,191	71,234	636,426
On disposals	-	(146,524)	(23,793)	-	(170,317)
Impairment charge	455,148	-	-	-	455,148
At 31 July 2025	1,001,353	1,639,120	238,976	482,843	3,362,292
Net book value					
At 31 July 2025	11,010,252	2,469,927	211,911	58,603	13,750,693
At 31 July 2024	13,189,887	1,320,656	198,279	117,837	14,826,659

All fixed assets are initially recorded at cost. The freehold properties were last professionally revalued in the year ended 31 July 2024. One property has come into operational use in the year and therefore was revalued at year ended 31 July 2025, an amount of £455,148 has been recognised as an impairment charge within the Statement of Financial Activities.

The transfers represent properties leased to a subsidiary disposed of within the year, Develop Training Limited. Following this disposal, these properties are no longer occupied by a group entity and therefore no longer qualify for intra-group exemption under FRS 102 Section 9. Consequently, these properties have been reclassified from tangible fixed assets to investment properties, see note 17.

The Group has adopted a policy of revaluation for tangible fixed assets. Had these assets been measured at historic cost, the carrying values would have been as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Freehold property	8,320,113	10,314,297	8,320,113	10,314,297

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NOTES TO THE FINANCIAL STATEMENTS
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16. Tangible fixed assets (continued)

Included in the net book value of property displayed above are the following amounts ascribable to land:

	Group 2025 £	Group 2024 £
Freehold land	2,779,200	3,535,200

17. Investment property

Group and Company

	Freehold investment property £
Valuation	
Additions	22,530
Transfers from tangible fixed assets	2,480,000
At 31 July 2025	2,502,530

During the year, the charity disposed of its wholly owned subsidiary, Develop Training Limited, which previously occupied a number of properties leased from the parent charity. As a result of the disposal, these properties are no longer used for charitable or group operational purposes and have been reclassified as investment properties in accordance with FRS 102 Section 16.

The fair value of the reclassified properties at the date of transfer was £2,480,000, based on external valuation at the year ended 31 July 2024, the trustees consider this to be an appropriate valuation at the point of transfer on 31 October 2024.

Rental income from investment properties during the year, from the date of transfer, amounted to £158,935, and no direct operating expenses were incurred.

The trustees consider the reclassification appropriate given the change in use and the loss of group exemption under FRS 102 for intra-group leases.

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NOTES TO THE FINANCIAL STATEMENTS
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18. Fixed asset investments

Group	Listed investments £		
Cost or valuation			
At 1 August 2024			30,288,623
Additions			7,436,796
Disposals			(10,911,179)
Revaluations			362,261
Movement in cash held by investment managers			3,933,209
			<u>31,109,710</u>
At 31 July 2025			<u>31,109,710</u>
Net book value			
At 31 July 2025			31,109,710
At 31 July 2024			<u>30,288,623</u>
			<u>30,288,623</u>
Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2024	132,003	30,288,623	30,420,626
Additions	-	7,436,796	7,436,796
Disposals	(132,001)	(10,911,179)	(11,043,180)
Revaluations	-	362,261	362,261
Movement in cash held by investment managers	-	3,933,209	3,933,209
	<u>2</u>	<u>31,109,710</u>	<u>31,109,712</u>
At 31 July 2025	<u>2</u>	<u>31,109,710</u>	<u>31,109,712</u>
Net book value			
At 31 July 2025	2	31,109,710	31,109,712
At 31 July 2024	<u>132,003</u>	<u>30,288,623</u>	<u>30,420,626</u>

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NOTES TO THE FINANCIAL STATEMENTS
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Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Develop Training Limited (to 31 October 2024)	06115331	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
CompEx Certification Limited	02336110	Stafford House, 120-122 High Street, Orpington, Kent, BR6 0JS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Develop Training Limited (to 31 October 2024)	1,983,933	(1,993,380)	(9,447)	-
CompEx Certification Limited	2,339,084	(2,255,051)	84,033	84,035
Group and Company				

	2025 £	2024 £
Investments at fair value comprise:		
Equities	20,500,989	24,281,153
Securities	6,723,114	4,532,899
Cash within investment portfolio	3,885,607	1,474,571
	31,109,710	30,288,623

The fair value of listed investments is determined by reference to the bid (sale) price at close of business on the date of the valuation or fair value if the market value is unavailable.

19. Discontinued operations and disposal of subsidiary

On 31 October 2024, Develop Training Limited, a company that provides technical and safety training, was disposed of. This disposal ensured that JTL was able to continue to meet its charitable objectives. Consideration of £4,245,000 was received and a group gain on disposal of £3,571,828 has been recognised, which has increased group reserves. An intercompany loan balance of £455,903 was written off at this date. The income and expenditure from Develop Training Limited has been included as a discontinued operation within the Consolidated Statement of Financial Activities.

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NOTES TO THE FINANCIAL STATEMENTS
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20. Debtors

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Due within one year				
Trade debtors	2,923,459	4,153,714	2,640,878	2,885,667
Amounts owed by group undertakings	-	-	792,527	5,133,316
Other debtors	169,737	206,579	169,737	206,579
Prepayments and accrued income	1,141,957	1,267,602	1,031,777	856,694
	4,235,153	5,627,895	4,634,919	9,082,256

As at the year end, JTL was owed £792,527 (2024: £459,757) from CompEx Certification Limited.

21. Creditors: Amounts falling due within one year

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Trade creditors	1,837,834	3,064,762	1,778,719	2,602,873
Other taxation and social security	488,176	756,037	488,176	427,950
Other creditors	322,269	418,802	278,743	314,520
Accruals and deferred income	3,868,513	5,096,752	3,851,236	4,661,331
	6,516,792	9,336,353	6,396,874	8,006,674

Deferred income relates to the license and apprenticeship fees being recognised over the period that they relate to.

	Group 2025 £	Group 2024 £
Deferred income		
Deferred income at 1 August 2024	1,035,415	775,410
Resources deferred during the year	399,918	1,105,564
Amounts released from previous periods	(756,628)	(845,559)
	678,705	1,035,415

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NOTES TO THE FINANCIAL STATEMENTS
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22. Provisions

Group

	Dilapidations £
At 1 August 2024	535,517
Additions	116,624
Amounts used	(206,785)
	445,356

Company

	Dilapidations £
At 1 August 2024	334,919
Additions	110,437
	445,356

23. Statement of funds

Statement of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2025 £
Unrestricted funds					
General Funds	40,342,129	38,647,819	(38,697,927)	3,987,817	44,279,838
Revaluation reserve	2,633,068	-	-	-	2,633,068
	42,975,197	38,647,819	(38,697,927)	3,987,817	46,912,906

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NOTES TO THE FINANCIAL STATEMENTS
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23. Statement of funds (continued)

Statement of funds - prior year

	<i>Balance at 1 August 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 July 2024</i> £
Unrestricted funds					
General Funds	38,670,923	46,804,079	(48,734,328)	3,601,455	40,342,129
Revaluation reserve	2,657,472	-	(24,404)	-	2,633,068
	<u>41,328,395</u>	<u>46,804,079</u>	<u>(48,758,732)</u>	<u>3,601,455</u>	<u>42,975,197</u>

24. Summary of funds

Summary of funds - current year

	Balance at 1 August 2024 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2025 £
General funds	<u>42,975,197</u>	<u>38,647,819</u>	<u>(38,697,927)</u>	<u>3,987,817</u>	<u>46,912,906</u>

Summary of funds - prior year

	<i>Balance at 1 August 2023</i> £	<i>Income</i> £	<i>Expenditure</i> £	<i>Gains/ (Losses)</i> £	<i>Balance at 31 July 2024</i> £
General funds	<u>41,328,395</u>	<u>46,804,079</u>	<u>(48,758,732)</u>	<u>3,601,455</u>	<u>42,975,197</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2025

25. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	13,750,693	13,750,693
Intangible fixed assets	358,243	358,243
Fixed asset investments	31,109,710	31,109,710
Investment property	2,502,530	2,502,530
Current assets	6,153,878	6,153,878
Creditors due within one year	(6,516,792)	(6,516,792)
Provisions for liabilities and charges	(445,356)	(445,356)
Total	46,912,906	46,912,906

Analysis of net assets between funds - prior year

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	15,193,313	15,193,313
Intangible fixed assets	256,897	256,897
Fixed asset investments	30,288,623	30,288,623
Current assets	7,108,234	7,108,234
Creditors due within one year	(9,336,353)	(9,336,353)
Provisions for liabilities and charges	(535,517)	(535,517)
Total	42,975,197	42,975,197

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FOR THE YEAR ENDED 31 JULY 2025

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

	Group 2025 £	<i>Group 2024 £</i>
Net income for the year (as per Statement of Financial Activities)	3,937,709	1,671,206
Adjustments for:		
Depreciation charges	676,039	630,407
Amortisation charges	75,213	40,157
Gains on investments	(362,261)	(3,623,292)
Dividends, interests and rents from investments	(414,860)	(461,131)
Loss on the sale of fixed assets	413,852	152,012
(Increase)/decrease in debtors	1,392,742	620,271
Decrease in creditors	(2,819,561)	(86,003)
Impairment of fixed assets	455,148	360,104
Increase in provisions	(90,161)	68,643
Net cash provided by/(used in) operating activities	3,263,860	(627,626)

27. Analysis of cash and cash equivalents

	Group 2025 £	<i>Group 2024 £</i>
Cash in hand	1,918,725	1,480,339

28. Analysis of changes in net debt

	At 1 August 2024 £	Cash flows £	Acquisition and disposal of subsidiaries £	At 31 July 2025 £
Cash at bank and in hand	1,480,339	(3,806,614)	4,245,000	1,918,725
	1,480,339	(3,806,614)	4,245,000	1,918,725

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NOTES TO THE FINANCIAL STATEMENTS
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29. Operating lease commitments

At 31 July 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Not later than 1 year	620,863	1,002,436	620,863	523,885
Later than 1 year and not later than 5 years	729,169	1,091,677	729,169	691,640
Later than 5 years	1,063,144	201,600	1,063,144	201,600
	<u>2,413,176</u>	<u>2,295,713</u>	<u>2,413,176</u>	<u>1,417,125</u>

30. Related party transactions

JTL had the following transactions and year end balances with the Joint Industry Board for the Electrical Contracting Industry (“JIB”) which has as its constituent parties the ECA and Unite the Union.

Information about related party transactions and outstanding balances is set out below:

	Expenditure	Outstanding balances
Joint Industry Board		
For the year ending 31 July 2025 / Balance as at 31 July 2025	205,078	2,338
For the year ending 31 July 2024 / Balance as at 31 July 2024	226,357	120

Amounts payable to ECA includes the BUPA annual membership, plus additional services. Amounts payable to JIB relate to Electrotechnical and Plumbing Apprentice registration fees and Health & Safety Assessment fees.

JTL

England & Wales - Charity number 1080254

Accounts



JTL

(A company limited by guarantee)

Group Consolidated Financial Statements

Company Registration No 03958541

Charity No 01080254

Year ended 31st July 2024

JTL
(A company limited by guarantee)

Group Consolidated Financial Statements

Year Ended 31st July 2024



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Group Consolidated Financial Statements

Year Ended 31st July 2024



Charity registration number	01080254
Company registration number	03958541
Trustees	Sir John Low (Chair) J Allott R Clarke A Eldred E Staley A Green S Fraser-Whyte J Lelliott OBE J Poulter T Shelley
Chief Executive	C Claydon
Company Secretary	C Turner (Resigned 25 th March 2024)
Registered Office	Stafford House 120-122 High Street Orpington Kent BR6 0JS

Professional Advisers

Auditors

Menzies LLP
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Investment Managers

Barclays Wealth Management
1 Churchill Place
London
E14 5HP

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Trustees’ Annual Report (Including Strategic Report)

Year Ended 31st July 2024

Structure, Governance and Management

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of JTL (the charity and the group) for the year ended 31st July 2024.

Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and to the date of this report are as follows:

Electrical Contractors’ Association	Unite the Union	Independent
• Andrew Eldred • Alastair Green • Elizabeth Staley	• John Allott • Richard Clarke • Jason Poulter	• Sir John Low (Chair) • Sheila Fraser Whyte • John Lelliott • Tracey Shelley

Charitable Objects

The charity's objects set out in its Articles of Association are "to encourage training of persons employed in the electrical installation engineering industry and such other industries as the Trustees may decide".

The charitable company's principal activities during the year were the delivery of Advanced Apprenticeships in Electrotechnical and Plumbing and Mechanical Engineering Services.

Vision and Values

JTL's vision is:

To be the training organization of choice to the building services engineering sector.

The company’s values are:



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Year Ended 31st July 2024



Structure and Members

JTL is a charitable company limited by guarantee and was set up on 23rd March 2000. Formerly, the company operated as JT Limited which was incorporated in 1989. JTL's company registration number is 03958541 and its charity number is 01080254. The charity is governed by its Articles of Association.

The company's members are Unite the Union and the Electrical Contractors' Association. The members have a liability not exceeding £10 per member.

Recruitment and Training of Trustees

The Articles of Association entitle Unite the Union and the Electrical Contractors' Association to each appoint up to four Trustees and a further independent Trustee to be Chairman. The Trustees may appoint up to a further four independent Trustees. The company is administered by the Board of Trustees, with the Chief Executive (appointed by the Trustees) managing the day-to-day operations of the charity.

Trustee recruitment is undertaken in accordance with the Articles of Association. Induction and training are provided by the management and company's professional advisors on a regular basis.

Related Parties

The principal transactions with related parties are with the Joint Industry Board for the Electrical Contracting Industry (JIBECI) and the Joint Industry Board for Plumbing and Mechanical Engineering Services (JIB PMES). This relates to the registration of all apprentices with the relevant Joint Industry Board for the purpose of receiving apprentice cards and cards recognising their craft competence at the end of the apprenticeship. The registration fees are agreed annually with the relevant JIB and formalised in an annual agreement signed by each organisation.

The arrangement is believed to provide added value to JTL apprentices and is subject to regular review by the JTL Board.

Compliance with Trustees' Duties under Section 172(1) Companies Act 2006

Trustees must act in the way they consider, in good faith, would be most likely to promote JTL's success to achieve its charitable purposes. The Trustees, in doing so, delegate day to day management and decision-making to the Chief Executive and other members of the Executive Management Team, who are required to act to further JTL's strategy and to ensure that activities are carried out in compliance with agreed plans and policies and external regulations and in accordance with JTL's values. The Trustees receive regular reports on JTL's performance and plans. In carrying out their duties, the Trustees have regard (amongst other matters) to:

- **The likely long-term consequences of any decision**

The Trustees contribute proactively to JTL's strategic vision and five year strategy and annual business plan and regularly review the financial and quality plans. The long-term likely impact of the plans for JTL has been considered as well as the consequences of their decisions.

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- **The interests of the charity's employees**

Trustees review the actions in place to promote staff health and wellbeing. JTL seeks to implement good people management to enable staff to fulfil their potential, with a specific focus on under-represented groups and in line with equality, diversity and safeguarding principles.

- **The need to foster the charity's business relationships with suppliers, customers and others**

JTL continually strives to make partnerships with suppliers, customers, and others more equitable, collaborative and with a view to gaining better value for money and improving the learner experience. Significant engagement took place during the year ended July 2024 with employers, learners and stakeholders to ensure that their expectations and interests are well understood and taken into account in future strategic and business development.

- **The impact of the charity's operations on the community and the environment**

JTL has published its Corporate and Social Responsibility Statement on its website.

The organisational structure is designed to support a safe environment for all stakeholders that come in contact with JTL, especially employees and learners. JTL continues to invest and improve its safeguarding to ensure that it better protects all those with whom it works.

- **Maintaining a reputation for high standards of business conduct**

JTL strives to achieve its strategic goals; it seeks to demonstrate in all areas the same values that we wish to see in the people we work with and those we aim to influence. JTL's values and the behaviours, including a commitment to safeguarding, are embedded in its staff recruitment, induction, and appraisal procedures.

Governance and Key Management Personnel

The governance of JTL takes the form of a non-executive Board of Trustees which meets quarterly. In addition, there are formal Board Sub-Committees including Investment, Remuneration & Nominations, Audit & Risk, Quality, Standards & Safeguarding and Health & Safety. The Board has agreed formal Standing Orders for its own operation and formal Terms of Reference for each of the Sub-Committees.

Regular skills audits of Board members are conducted in order to ensure that, across its membership, it has a good understanding of all key areas of business undertaken by and relevant to JTL. The results are reviewed by the Board and the outcomes influence subjects for future training for Board members.

The Board also conducts an annual self-evaluation of its performance. The evaluation is influenced by the Charity Governance Code and the Code of Good Governance for Independent Training Providers published by the Association of Employment and Learning Providers (AELP). The results of the self-evaluation are considered by the Board and appropriate action taken to address areas for improvement.

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The Board delegates the day-to-day operations of JTL to the executive team through a formal Delegated Levels of Authority document which is reviewed periodically by the Board. The executive team is led by the Chief Executive supported by the Executive Leadership Team (ELT) which consists of the following roles, each with responsibility for defined functions:

- Group Director of Finance & Corporate Services
- National Delivery Director

Key Management Personnel Remuneration

The key management personnel of the charity include the Trustees and the ELT. The Trustees of the charity give their time freely and are not remunerated.

The Chief Executive's remuneration is set annually by the Remuneration & Nominations Committee. The Remuneration & Nominations Committee is made up of the Chairman and three other trustees nominated by the ECA, Unite the Union and the independent directors. It is the responsibility of the Remuneration Committee to set the pay of the Executive Directors.

The Remuneration Committee also has responsibility to consider the recommendation of the Chief Executive regarding the overall remuneration of the organisation. This recommendation is based on organisational and staff performance, market testing conducted by the Group Director of Finance & Corporate Services, Consumer Price Index data and feedback from the members on their likely pay awards. The decision of the Remuneration & Nominations Committee is then applied through a performance related pay process led by the Chief Executive and ELT.

Employees

The average monthly full-time equivalent number of employees of JTL for the year ended 31st July 2024 was 370 (2023: 388)

JTL communicates with its staff through a number of channels including regular executive vlogs, webinars, newsletters, ELT meetings, other manager and staff meetings, a staff forum and the intranet as well as an annual staff conference.

JTL ensures that no discrimination is shown on the grounds of any protected characteristics such as: race, colour, nationality, ethnic or national origin, gender, gender reassignment religion or belief, sexual orientation, age, marital status including civil partnerships, pregnancy and maternity, caring responsibilities or disability (the latter is subject to the industry's safety requirements).

Rewarding everyone fairly, regardless of gender, is at the heart of the leadership team's agenda. However, women are under-represented in the building services engineering sector and assessors are required to be occupationally competent in their discipline, which currently limits the number of female applicants. Our gender split is currently 75% male and 25% female which reflects JTL's reliance on a nationwide team of predominantly male occupationally competent assessors.

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JTL acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions of the Modern Slavery Act 2015. The organisation understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains. No labour provided to JTL in the pursuance of its services is obtained by means of slavery or human trafficking.

JTL is a Disability Confident Employer and actively seeks to attract and recruit disabled people by providing a fully inclusive and accessible recruitment process. All disabled people who meet the minimum criteria for our vacancies are interviewed. We are supportive of our employees who may become disabled during their employment; they are supported, and reasonable adjustments proactively offered as required. Training, career progression and promotion for all disabled persons employed by the company is encouraged. All employees and people working with JTL are expected to treat all people with respect and appropriate disability equality awareness briefings take place on a regular basis.

JTL has an obligation to meet the Prevent Duty requirements as defined by the Counter Terrorism and Security Act 2015. In meeting this duty, JTL has developed a training programme for all staff, has a Prevent strategy in place with its policies and key documents reflecting the Prevent Duty.

Aims and Objectives

The JTL Executive Management Team present to the Board, who approved the five-year corporate plan, and underpinning one-year business plan. The three strategic objectives of the organisation for 2023/24 were:

- Maintaining a relentless focus on quality.
- Make JTL apprenticeships financially sustainable.
- Innovate and adapt for the changing needs of industry.

The Trustees believe that JTL has made acceptable progress against its charitable objects and its strategic and business plan objectives.

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Public benefit Statement

The Trustees have had regard to their responsibilities in demonstrating public benefit as set out in guidance provided by the Charity Commission. The charity has and continues to demonstrate a number of areas of public benefit within its core charitable objective of the advancement of education, in the form of advanced apprenticeship training, achieving high levels of success through the support and mentoring offered throughout the typically four-year apprenticeship period.

Given the challenges faced during and following the pandemic, JTL has paid particular attention to mental health support for its learners, many of whom were badly affected by the uncertainties of the situation and the impact on their learning, employment and family circumstances. JTL partners with the Electrical Industries Charity to offer targeted support for individuals in particular need.

The impact on beneficiaries is through the training of persons employed in, or wishing to enter, the building services engineering sector to obtain qualifications for life. In doing so this ensures the success and prosperity of the sector by supporting and improving an appropriately trained and skilled workforce. The high achievement rates of JTL apprentices are a good indicator of the effectiveness of its programmes and therefore the value for money obtained for the public purse.

JTL also continues to offer its employer grant schemes including an adoption grant for employers who take on apprentices who have been made redundant during their apprenticeship to help them complete their apprenticeship successfully.

JTL provides all its apprentices with free, high-quality textbooks, learning materials and toolkits to support their progress and achievement without the need to incur the costs associated with such purchases.

All apprenticeship courses are fully accessible and available free of charge to its learners, as the costs are met by the government and employers or are underwritten by JTL's charitable funds.

JTL offers our apprentices a chance to stay in touch and continue their development through JTL Toolbox, a free online support package specifically aimed at employers and those who have completed or are near to completing their apprenticeship. Power Up is a CPD platform within Toolbox which offers free taster training sessions to electricians which will help them in their day-to-day job role and support their continued professional training need.

JTL has also introduced LEDA, a new digital learning resource. LEDA is an award-winning platform which has been developed by JTL to provide apprentices with access to learning resources from induction to bespoke apprenticeship resources including preparing apprentices for their end point assessment. Since the introduction of LEDA JTL has enrolled over 10,000 users with further development underway to create JTL Advance which will support CPD for all employers and apprentices through their career.

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Streamlined energy and carbon reporting (SECR)

In accordance with the requirement of the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the Directors would like to disclose the following information for the period ending 31 July 2024

	31 July 2024 tonnes CO ₂ e £	31 July 2023 tonnes CO ₂ e £
Scope 1 (direct emissions) – natural gas	230	282
Scope 2 (indirect emissions) – electricity	110	88
Scope 3 – electricity transmission/distribution and employee cars	319	244
Total	659	614

An increased carbon output of 45 tonnes in 2024 against 2023, however, carbon associated with gas consumption is down by 52 tonnes and carbon associated with scope 2 electricity is only up by 22 tonnes, this is positive considering the increased number of properties.

Scope 3 has increased by 75 tonnes mainly due to increased mileage and associated carbon as assessors conducting more site visits in own cars and the remaining petrol and diesel company cars.

Methodologies used within the calculation.

The Group has used the actual KWH data from the monthly energy invoices it receives from suppliers and internally stored data on both company owned and employee own vehicles doing business miles and then applied the "Government conversion factors for the Group reporting" to calculate the CO₂e content.

Energy efficient actions taken this year.

A number of steps to becoming more energy efficient has already been initiated, this year the following action was undertaken:

- A Solar Photovoltaic (PV) system was installed at the Hull Training centre, carbon offsetting results are already being realised.
- The move away from company cars and internal combustion engines continues with the ceasing of company cars and the introduction of the electric and hybrid (,75g) car salary sacrifice scheme.
- All new centres have energy efficient measures built in and include as a minimum, low energy lighting schemes, combined VRF heating and cooling systems where economically practical, improved insulation and water consumption reduction measures.
- As our estate evolves based on operational requirements, assessments on building fabrics and energy use is reviewed and designed in by our appointed RICS surveyor and internal infrastructure and projects team

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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE



JTL Management

A Business Plan was agreed for 2023/24 which focused on a restructure of the company's operating model and embedding high quality practices that delivered apprenticeships in a financially sustainable delivery model. This work was framed around the vision to be the training organisation of choice to the building services engineering sector and delivering the best learning experience for our apprentices and their employers.



JTL Statistics

During the year JTL:

- recruited 2,190 (2023: 2,630) apprentices.
- delivered 1,493 (2023: 1,351) apprentice achievements.
- market share in the core electrotechnical discipline is 26% (2023: 28.2%)
- According to ESFA published data, JTL's overall achievement rate was 64.7% (2022/23: 63.4%). This compares with a national average across all apprenticeships of 51.2%.
- At 31st July 2024, JTL had 7,774 (2023: 8,147) apprentices in training.



JTL Centres and Subcontractors/ College Partners

JTL continues to fund subcontracted fees for its apprentices in training who do not attend a JTL centre to enable them to successfully complete the appropriate off-the- job learning elements of the apprenticeship. JTL employs occupationally qualified and competent field staff who regularly monitor, review and assess the apprentices' progress.

The new business model for JTL will seek to prioritise delivery of off-the-job learning from its own centres and where this is not possible, to work with preferred delivery partners where the quality is good, and it meets employer needs. JTL will continue to rebalance the use of subcontractors through increasing the utilisation of its own centres.



Quality

Quality is a key factor in evaluating the impact of our training on both employers and apprentices. The Education Inspection Framework, annual Self-Assessment Report and Quality Improvement Plan form a key foundation of JTL's quality activities, ensuring that our training programmes deliver a high quality learning experience that benefits both apprentices and employers. In August 2023, JTL was re-inspected by Ofsted and once again achieved a "Grade 2 - Good" inspection report. JTL's focus on the quality of its provision results in it continuing to have achievement rates well above the national average in its core disciplines of electrotechnical and plumbing

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In addition, JTL holds BS EN ISO 9001:2015 for quality management systems, the Matrix standard for Information, Advice and Guidance and Committed 2 Equality's Gold standard for Equality.

JTL employs a rolling internal audit and quality assurance programme which includes ongoing monitoring of delivery partners in line with the ESFA Subcontracting Standard as well as JTL's quality standards.

Equality, Diversity and Safeguarding

JTL is committed to a policy of equality and diversity for everyone. No applicant for a training scheme place with JTL, apprentice, customer or member of staff shall knowingly receive less favourable treatment on the grounds of their protected characteristics, nor will any other condition or requirement that cannot be justified disadvantage them.

JTL is also committed to safeguarding and promoting the welfare of children and young people and expects all staff to share this commitment.

The building services engineering industry is generally regarded as a white, male industry and JTL continues to address this stereotyping through its growing apprentice ambassador scheme which sees existing female and ethnic minority apprentices working with schools and at careers events to promote the opportunities in the industry as well as to network with each other. Ambassadors have also taken to social media to promote the industry and benefits of apprenticeships.



FINANCIAL REVIEW

The JTL strategy set out by the Executive Leadership Team includes, as one of its three objectives, a strategic objective of achieving financial sustainability. This included specifically delivering improvement from the previous year and the aim being to break even by July 2025.

The principal funding source is the Department for Education's Education and Skills Funding Agency. The charity uses this income source to further its aims and objectives including increasing apprentice learner numbers and enhancing and innovating its provision.

No fundraising is carried out and any income from investments is generated via a responsible and ethical approach implemented by the Investment Managers, Barclays.

The Consolidated Statement of Financial Activities for the year shows an operating loss for the year of £1,954,653 (2023: Loss £4,226,283) after losses on property revaluation of £360,104 (2023: £2,785,854). The revaluation reserve at the year-end was £2,633,068 (2023: £2,657,472). Net movement in funds for the year amounted to a gain of £1,646,802 (2023: loss of £1,236,429) after investment gains of £3,625,859 (2023: £332,382), and losses on property revaluation of £384,508 (2023: gains £2,657,472).

This resulted in a net asset position, all held as unrestricted funds as at 31st July 2024, of £42,975,197 (2023: £41,328,395). The Trustees are satisfied with the net asset position at the year end and are confident that sufficient funds are available to meet future needs

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For the charity alone, total income for the year amounted to £37,599,799 (2023: £35,491,060), with a net increase in funds of £2,491,093 (2023: loss of £574,350). Total donations from CompEx Certification Limited and Develop Training Group Limited under the Gift Aid scheme in the year to 31st July 2024 was £277,071 (2023: £362,567). The 2024 profit amount was not accrued at the end of the year following clarification of Financial Reporting Standard 102. The subsidiaries had total income for the year of £10,278,790 (2023: £9,744,275) and costs of £10,710,325 (2023: £10,179,471 Restated).



Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was active throughout 2023/24. In addition to standard agenda items covering company and financial performance, internal and external audit activity and preparation of the financial statements, the Committee also considered a number of items in focus at its meetings



Investments

Under the Articles of Association, the charity has the power to make any investments which the Trustees see fit.

In terms of investment funds, JTL's objective is to achieve capital growth, whilst maintaining a balanced risk profile over the medium term and to deliver annual net gains to support the consolidated financial position, as set out in the five year strategy and annual business plan. JTL's funds are managed solely by Barclay's Wealth with funds invested on a medium risk profile.

In terms of socially responsible investing, regular discussions are held at the Board, JTL Investment Committee and with the investment managers regarding the approach taken on behalf of JTL. The Investment Committee is aware that the investments are managed by the charity department of Barclays who have an established ethical investing offering. This is made up of a 3-stage process that includes:

- A negative screen which is applied using MSCI ESG Business Involvement Screening Research to remove companies whose primary businesses are focused around tobacco, alcohol, armaments, gambling, adult entertainment or fossil fuels.
- Independently calculated MSCI ESG results are then used to remove companies that do not meet a minimum threshold around environmental, social and corporate governance characteristics.
- Positive Analysis - Companies are identified that help to address at least one of the UN's Sustainable Development goals.

During the year, the overall return of the portfolio was 14.32% (2023 2.15%). The JTL portfolio has performed comparatively better than the ARC (Asset Risk Consultants) Sterling Steady Growth Charity Index which delivered a return of 10.49% during the same period.

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Subsidiaries

In addition to the investment funds, JTL has two wholly owned subsidiaries, CompEx Certification Limited and Develop Training Limited.

CompEx Certification Limited

The principal business of CompEx Certification Limited is the operation of the CompEx Certification Scheme. The CompEx Scheme is the global solution for validating core competency of employees and contract staff of major users in the gas, oil and chemical sectors for both offshore and onshore activities.

CompEx Certification Limited has, under contract to the Engineering Equipment and Materials Users Association (EEMUA), managed and operated the CompEx Scheme since it was developed in 1994 and, in April 2014, acquired the Scheme from EEMUA.

Develop Training

When JTL acquired Develop in September 2019, it comprised a group of four companies:

- Develop Training Group Limited (DTGL)
- Develop Training Limited (DTL)
- Develop Solutions Limited (DSL)
- Develop Training Employee Benefit Limited (DTEBL)

Develop Solutions Limited, Develop Training Employee Benefit Limited and Develop Training Group Limited have all been dissolved leaving Develop Training Limited.

Develop Training is an accredited commercial course provider of compliance, technical, and safety training for the utilities and construction, healthcare, facilities management, and telecommunication sectors. The training provided has a direct relevance to the building services engineering sector and complements JTL's apprenticeship output as well as offering CPD and upskilling opportunities to the sector's workforce.

A plan to turn around Develop Training Limited was implemented through strict financial management, rigorous governance and oversight from the JTL Board. This enabled significant improvements for the long term sustainability of Develop Training Limited and resulted in the company being acquired by RelyOn Nutec in November 2024 for £4.3m.



Reserves Policy

The general reserves of the group at 31 July 2024 were £42,975,197 (2023: £41,328,395) of which £15,450,210 (2023: £13,149,248) is represented by tangible and intangible fixed assets. Free reserves, defined as excluding such funds attributed to these assets, were £27,524,987 (2023: £28,179,147).

JTL**(A company limited by guarantee)****Trustees' Annual Report (Including Strategic Report)****Year Ended 31st July 2024**

The current reserves policy requires that unrestricted funds held by the charity should be more than six months £24,487,920 (2023: £24,309,511) and less than twelve months £48,975,840 (2023: £48,619,022) of the resources expended. After allowing for factors detailed in Charity Commission guidance for best practice, the charity's reserves are in line with this policy. At this level the charity would be able to continue to honour its commitments to employers and learners until appropriate alternative arrangements can be made.

The Trustees consider that in light of the above and the current economic climate, the amount in reserves is appropriate.

**Principal Risks and Uncertainties**

The Board ensures, through the specific delegation of responsibilities, that the Executive Management Team will manage significant business risks through a combination of risk identification, analysis, evaluation, control and action planning so as to contain risk within limits acceptable to the Board.

In line with JTL's risk management policy and framework, risks are logged on JTL's risk register and reviewed regularly. The most significant risks are then reviewed and discussed monthly by the Executive Management Team and quarterly by the Finance, Audit & Risk Committee and reported to the Board.

The most significant risks currently identified are:

- Learners fail to achieve their qualification resulting in low achievement rates and removal of ESFA funding due to insufficient contact, insufficient assessment, poor teaching and lack of pastoral engagement having negative consequences on teamer safeguarding and wellbeing.
- Failure to invest in change management and failure to embed the required transition to deliver improved quality and financial sustainability in line with the strategic objectives resulting in inadequate systems, cultural divergence and resulting poor performance leading to poor quality provision and sub-optimal attainment for apprentices.
- Failure to ensure that funds invested by the charity in the trading subsidiary (Develop Training Limited) generate sustained returns on investments.

The Trustees have assessed these major risks and are satisfied that adequate steps are being taken to mitigate exposure and reduce the risks.

**Plans for future periods**

JTL's core business is delivering high quality apprenticeships to the building services engineering sector. In 2023, after consultation with employers, learners and stakeholders, JTL published its Corporate Strategy which will focus on three key priorities as follows:

- deliver a high-quality apprenticeship, create and maintain a financially sustainable business and adapt and innovate to meet the changing needs of the industry.

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The restructure of the organisation that was implemented during the year was a significant step towards achieving the objectives. JTL will now move to embed this structure and consolidate the good practices it has identified to deliver quality outcomes for learners. JTL has maintained the position with regards to growth and will look to focus on developing and delivering for the apprentices before returning to growth next year. Whilst growth will be on a small scale in 2025/26 it will then accelerate in the following two years (years four and five of the strategic plan). At the same time, it remains committed to consolidating its provision on its traditional electrical market and reviewing how best to offer plumbing on a sustainable basis.

Furthermore, JTL intends to continue reviewing and improving its delivery strategy and will look to establish more of its own centres in target areas to best meet the needs of employers and learners. JTL remains committed to the implementation of a technology strategy and has set out a digital journey. This includes increased alignment and automation of systems and processes based around the LEAN principles.

As part of this restructuring and refocusing of its business, JTL will also continue to improve the Group dynamics in order to increase synergy between the businesses developing the shared services model through a central group services model. Training relevant to the post-apprenticeship sector of the workforce will be taken forward through JTL's training centres, addressing the known training and CPD needs of the electrical sector through greater targeting of its commercial course offerings. Governance control across the Group will also ensure that the quality, financial sustainability and innovation aspirations are driven forward across all group entities.

Underpinning everything will be the focus on the quality of provision and ensuring that the expectations of our customers, learners, funding bodies and the industry are not only met but exceeded. In doing this JTL also wants to be an enjoyable, fulfilling and exciting place to work, an organisation which people are proud to be part of and one which rewards excellence and achievement.

JTL continues to monitor external opportunities for partnership and acquisition as long as these support the JTL objectives, ethos and the overall business strategy.

Going Concern

The Trustees have assessed the latest financial results and future forecasts to ensure the charity has adequate resources to continue in operational existence for the foreseeable future. The improvements to date and planned work going forward provide assurance on the financial sustainability of the group. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

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Trustees' Responsibilities Statement

Trustees (who are also directors of JTL for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure of the charitable company and the group 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 in the Charities Statement of Recommended Practice (SORP) 2019 (FRS102).
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

JTL
(A company limited by guarantee)

Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2024



In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Signed on behalf of the Board of Trustees

Signed by:

24F72EF08E4B447...

Sir John Low, Chair of the Trustees

Date: 17-Dec-2024

JTL
(A company limited by guarantee)

MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL

Opinion

We have audited the financial statements of JTL (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2024 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.

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.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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.

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.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, Employment and Health and Safety legislation, GDPR and the Ofsted framework. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: payments to fictitious employees, claims for non-existent apprentices, payments to fictitious suppliers, the posting of unusual journals and complex transactions that could manipulate the financial results and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.
- Audit procedures performed by the engagement team included:
 - identifying and assessing the design and 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;
 - challenging assumptions and judgements made by management in its significant accounts estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This description forms part of our Auditors' report.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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. 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.

DocuSigned by:

634F24DE92A4471...

Janice Matthews FCA (Senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

Date: 18-Dec-2024

JTL
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2024**

	Note	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:				
Charitable activities	4	36,180,286	36,180,286	34,569,376
Other trading activities	5	10,162,662	10,162,662	9,417,059
Investments	6	461,131	461,131	406,304
Total income		46,804,079	46,804,079	44,392,739
Expenditure on:				
Raising funds	7,8	10,107,964	10,107,964	9,519,104
Charitable activities		38,290,664	38,290,664	36,314,064
Other expenditure	10	360,104	360,104	2,785,854
Total expenditure		48,758,732	48,758,732	48,619,022
Net expenditure before net gains on investments		(1,954,653)	(1,954,653)	(4,226,283)
Net gains on investments		3,625,859	3,625,859	332,382
Net movement in funds before other recognised gains/(losses)		1,671,206	1,671,206	(3,893,901)
Other recognised gains/(losses):				
(Losses)/gains on revaluation of fixed assets		(24,404)	(24,404)	2,657,472
Net movement in funds		1,646,802	1,646,802	(1,236,429)
Reconciliation of funds:				
Total funds brought forward		41,328,395	41,328,395	42,564,824
Net movement in funds		1,646,802	1,646,802	(1,236,429)
Total funds carried forward		42,975,197	42,975,197	41,328,395

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

The notes on pages 27 to 47 form part of these financial statements.

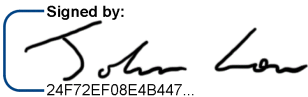
JTL
(A company limited by guarantee)
REGISTERED NUMBER: 03958541

CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	15	256,897	139,508
Tangible assets	16	15,193,313	13,009,740
Investments	17	30,288,623	29,327,107
		45,738,833	42,476,355
Current assets			
Debtors	18	5,627,895	6,248,166
Cash at bank and in hand		1,480,339	2,493,104
		7,108,234	8,741,270
Creditors: amounts falling due within one year	19	(9,336,353)	(9,422,356)
Net current liabilities		(2,228,119)	(681,086)
Total assets less current liabilities		43,510,714	41,795,269
Provisions for liabilities	20	(535,517)	(466,874)
Total net assets		42,975,197	41,328,395
Charity funds			
Unrestricted funds	21	42,975,197	41,328,395
Total funds		42,975,197	41,328,395

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

24F72EF08E4B447...
Sir John Low
Chair of the Trustees

Date: 17-Dec-2024

The notes on pages 27 to 47 form part of these financial statements.

JTL
(A company limited by guarantee)
REGISTERED NUMBER: 03958541

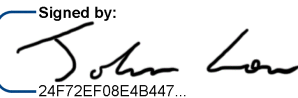
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible assets	16	14,826,658	12,337,217
Investments	17	30,420,626	29,459,110
		45,247,284	41,796,327
Current assets			
Debtors	18	9,082,256	9,242,379
Cash at bank and in hand		1,251,556	2,077,853
		10,333,812	11,320,232
Creditors: amounts falling due within one year	19	(8,006,674)	(8,061,322)
Net current assets		2,327,138	3,258,910
Total assets less current liabilities		47,574,422	45,055,237
Provisions for liabilities		(334,919)	(306,827)
Total net assets		47,239,503	44,748,410
Charity funds			
Unrestricted funds	21	47,239,503	44,748,410
Total funds		47,239,503	44,748,410

The Company's net movement in funds for the year was £2,491,093 (2023 - £(574,350)).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

Signed by:

24F72EF08E4B447...
Sir John Low
Chair of the Trustees

Date: 17-Dec-2024

The notes on pages 27 to 47 form part of these financial statements.

JTL
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	24	(627,626)	(1,503,945)
Cash flows from investing activities			
Dividends, interests and rents from investments		461,131	406,821
Purchase of intangible assets		(157,546)	(109,280)
Purchase of tangible fixed assets		(3,350,499)	(4,829,062)
Payments to acquire investments		(3,689,935)	(7,550,898)
Receipts from sales of investments		6,106,221	12,437,112
Movement in cash held by investment managers		245,489	(112,132)
Net cash (used in)/provided by investing activities		(385,139)	242,561
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(1,012,765)	(1,261,384)
Cash and cash equivalents at the beginning of the year		2,493,104	3,754,488
Cash and cash equivalents at the end of the year	25	1,480,339	2,493,104

The notes on pages 27 to 47 form part of these financial statements

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

1. General information

JTL is a charitable company limited by guarantee and is incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are delivering Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

JTL 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the accounts of JTL and its wholly owned subsidiaries undertakings, CompEx Certification Limited, Develop Training Group Limited and Develop Training Limited.

The charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.3 Going concern

The trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern, including the ongoing and negative financial impact of the financial performance of the subsidiary company Develop Training Limited. This subsidiary is now following a controlled recovery plan with no additional financial support from the charity planned in the next financial year and a forecast providing assurance that loan repayments will commence as the performance of the subsidiary improves.

The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing these financial statements.

2.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. All funds received during the year were unrestricted.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes gains on disposals of tangible fixed assets, recognised upon completion of the sale.

2.6 Expenditure

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

- Expenditure on charitable activities comprises costs which directly relate to education and training activities as well as an allocation of support costs, see note (2.7).
- Costs of raising funds, which includes:
 - Trading expenditure consists of expenditure relating to the operation of the trading subsidiaries CompEx Certification Limited and Develop Training Limited.
 - Investment management expenses which consist of amounts charged by Investment Managers for managing the charity's investments.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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.

2.7 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.8 Intangible assets and amortisation

Intangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the amortisation rate applied was:

Software	- 25 % straight line
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2.9 Tangible fixed assets and depreciation

With the exception of freehold property, tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the depreciation rates were:

Freehold property (Buildings only)	- 2% straight line
Short-term leasehold property	- 25% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10% - 25% straight line
Computer equipment	- 25% straight line
Software / IT consultancy	- 25% straight line

No depreciation is provided for on Freehold Land

Change of accounting policy

During the year a revaluation of freehold buildings was undertaken by Allied Surveyors and Valuers on behalf of JTL. The information provided has allowed the cost of "land" to be established and accounted for separately.

The split of land from freehold building will provide a more accurate asset value and depreciation calculation leading to improved financial information. Land will no longer be depreciated.

A new depreciation rate of 10% straight line has been created for Fixtures and Fittings and Freehold property has been amended from 4% straight line to 2% straight line. Due to the number of adjustments made it is not possible to state the effect on each line of the financial statements for the current or prior periods.

2.10 Investments

Investments are recognised initially at fair value, which at year end is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at a mark to market at fair value with changes recognised in 'net gains or losses on investments' in the consolidated statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

2. Accounting policies (continued)

2.11 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

2.12 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2.13 Leases

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

2.14 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.15 Financial instruments

The charity holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Financial assets: Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.

All other investments are classified as basic financial instruments and held at their fair value.

Financial Liabilities: Trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 20. Basic taxation and social security are not included in the financial instrument's disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

3. Critical accounting estimates and areas of judgement

Judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements;

- Depreciation rates for tangible fixed assets
- Provision for bad and doubtful debts

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are estimates and assumptions made by the trustees in relation to property valuations and the estimated useful lives of fixed assets that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from charitable activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
ESFA and Welsh Assembly income receivable	34,274,197	34,274,197	32,235,781
Other income receivable	1,906,089	1,906,089	2,333,595
	<u>36,180,286</u>	<u>36,180,286</u>	<u>34,569,376</u>
Total 2023	<u>34,569,376</u>	<u>34,569,376</u>	

Other income receivable of £2,123,197 (2023: £2,333,595) comprises of income from various sources including employer contributions, commercial courses, room hire, rental income, miscellaneous income and royalties.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Trading income in subsidiaries	10,162,662	10,162,662	9,417,059
	<u>9,417,059</u>	<u>9,417,059</u>	
Total 2023	<u>9,417,059</u>	<u>9,417,059</u>	

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

6. Investment income

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Dividends and interest from listed investments	461,131	461,131	406,304
<i>Total 2023</i>	406,304	406,304	

7. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Direct trading expenses	3,346,328	3,346,328	3,114,312
Direct trading expenses - wages and salaries	1,492,756	1,492,756	1,070,363
Fundraising trading expenses - NI	152,122	152,122	113,837
Fundraising trading expenses - pension costs	35,982	35,982	59,571
Support costs of trading	4,976,228	4,976,228	5,049,920
	10,003,416	10,003,416	9,408,003
<i>Total 2023</i>	9,408,003	9,408,003	

8. Investment management costs

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Investment management fees	104,548	104,548	111,101
<i>Total 2023</i>	111,101	111,101	

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

9. Analysis of grants

	Grants to Individuals 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Grants, Education and training	1,545,800	1,545,800	1,556,797
<i>Total 2023</i>	1,556,797	1,556,797	

10. Other expenditure

	Unrestricted funds 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Impairment Charge	360,104	360,104	2,785,854
<i>Total 2023</i>	2,785,854	2,785,854	

See also note 16.

11. Analysis of expenditure by activities

	Activities undertaken directly 2024 £	Grant funding of activities 2024 £	Support costs 2024 £	Total funds 2024 £	<i>Total funds 2023 £</i>
Education and training	31,766,229	1,545,800	4,978,635	38,290,664	36,314,064
<i>Total 2023</i>	29,350,928	1,556,797	5,406,339	36,314,064	

JTL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

12. Auditors' remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	40,945	37,450
Fees payable to the Company's auditor in respect of:		
The auditing of accounts of subsidiaries of the Charity	21,360	16,530
Accountancy and tax services	7,900	6,950
	=====	=====

13. Staff costs

	Group 2024 £	<i>Group</i> <i>2023</i> £	Company 2024 £	<i>Company</i> <i>2023</i> £
Wages and salaries	18,162,813	17,631,728	14,232,599	14,100,935
Social security costs	1,958,655	1,905,834	1,568,165	1,555,049
Contribution to defined contribution pension schemes	2,004,307	2,039,445	1,821,880	1,776,580
	=====	=====	=====	=====
	22,125,775	21,577,007	17,622,644	17,432,564

During the year termination payments of £224,719 (2023:£1,188) were paid, of this £41,278 was Develop Training Limited.

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

	Group 2024 No.	<i>Group</i> <i>2023</i> No.	Company 2024 No.	<i>Company</i> <i>2023</i> No.
Directors	7	10	4	7
Operations	364	362	308	324
Support	114	130	68	67
	=====	=====	=====	=====
	485	502	380	398

The average headcount expressed as full-time equivalents was:

	Group 2024 No.	<i>Group</i> <i>2023</i> No.	Company 2024 No.	<i>Company</i> <i>2023</i> No.
Directors	6	10	4	7
Operations	354	354	300	316
Support	110	124	66	65
	=====	=====	=====	=====
	470	488	370	388

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

13. Staff costs (continued)

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

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	12	13
In the band £70,001 - £80,000	9	1
In the band £80,001 - £90,000	2	1
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	-	2
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	1
In the band £130,001 - £140,000	2	-
In the band £200,001 - £210,000	1	1

14. Trustees' and Key Management Personnel Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the period, three trustees were reimbursed £472 (2023: £556) for expenses relating to travel costs.

The Charity considers its key management personnel comprise of:

- The Trustees
- Chief Executive Officer
- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- Interim Director of Finance and Resources
- National Delivery Director

As noted above no trustees were remunerated during the year. The total amount of employee benefits received by key management personnel (Salary, Employer NI, Employers Pension, Benefit in Kind etc.) was £888,336 (2023:£1,122,204).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

15. Intangible assets

Group			
	Computer software £	Goodwill £	Total £
At 1 August 2023	178,910	24,001	202,911
Additions	157,546	-	157,546
At 31 July 2024	336,456	24,001	360,457
Amortisation			
At 1 August 2023	39,402	24,001	63,403
Charge for the year	40,157	-	40,157
At 31 July 2024	79,559	24,001	103,560
Net book value			
At 31 July 2024	256,897	-	256,897
At 31 July 2023	139,508	-	139,508

There are no intangible assets within the parent entity.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

16. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Cost or valuation							
At 1 August 2023	11,122,500	580,413	59,980	2,387,570	661,101	499,508	15,311,072
Additions	2,451,894	29,061	-	779,270	51,580	38,694	3,350,499
Disposals	-	(206,834)	-	(128,872)	(273,980)	(8,756)	(618,442)
Revaluations deficit	(24,403)	-	-	-	-	-	(24,403)
At 31 July 2024	13,549,991	402,640	59,980	3,037,968	438,701	529,446	18,018,726
Depreciation							
At 1 August 2023	-	266,692	10,669	1,420,385	314,569	289,017	2,301,332
Charge for the year	164,896	121,493	14,995	268,918	96,324	128,677	795,303
On disposals	-	(185,137)	-	(89,011)	(186,197)	(6,085)	(466,430)
Impairment charge	360,104	-	-	-	-	-	360,104
On revalued assets	(164,896)	-	-	-	-	-	(164,896)
At 31 July 2024	360,104	203,048	25,664	1,600,292	224,696	411,609	2,825,413

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

16. Tangible fixed assets (continued)

Group (continued)

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Net book value							
At 31 July 2024	13,189,887	199,592	34,316	1,437,676	214,005	117,837	15,193,313
At 31 July 2023	11,122,500	313,721	49,311	967,185	346,532	210,491	13,009,740

Company

	Freehold property £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Cost or valuation					
At 1 August 2023	11,122,500	2,268,172	437,978	499,508	14,328,158
Additions	2,451,894	755,802	51,580	38,694	3,297,970
Disposals	-	(207,575)	(117,701)	(8,756)	(334,032)
Revaluations deficit	(24,403)	-	-	-	(24,403)
At 31 July 2024	13,549,991	2,816,399	371,857	529,446	17,267,693

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

16. Tangible fixed assets (continued)

Company (continued)

	Freehold property £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Depreciation					
At 1 August 2023	-	1,489,348	209,905	291,688	1,990,941
Charge for the year	164,896	213,971	81,374	128,677	588,918
On disposals	-	(207,575)	(117,701)	(8,756)	(334,032)
Impairment charge	360,104	-	-	-	360,104
On revalued assets	(164,896)	-	-	-	(164,896)
At 31 July 2024	360,104	1,495,744	173,578	411,609	2,441,035
Net book value					
At 31 July 2024	13,189,887	1,320,655	198,279	117,837	14,826,658
At 31 July 2023	11,122,500	778,824	228,073	207,820	12,337,217

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

16. Tangible fixed assets (continued)

All fixed assets are initially recorded at cost. As at the year ended 31 July 2024 the freehold properties held were professionally revalued. Where the value had decreased against properties with a previous revaluation surplus an amount of £24,404 was recognised against the revaluation reserve. Where the value had decreased for properties with no revaluation reserve an amount of £360,104 has been recognised as an impairment charge within the profit and loss account.

The Group has adopted a policy of revaluation for freehold properties. Had these assets been measured at historic cost, the carrying values would have been as follows:

	Group 2024 £	<i>Group 2023 £</i>	Company 2024 £	<i>Company 2023 £</i>
Freehold property	10,314,297	<i>11,250,882</i>	10,314,297	<i>11,250,882</i>

Included in the net book value of property displayed above are the following amounts ascribable to land:

	Group 2024 £	<i>Group 2023 £</i>
Freehold land	3,535,200	<i>3,095,200</i>

Note: A leasehold of building was acquired in Carlisle with a life of 53 years which is being depreciated over 25 years.

17. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2023	29,327,043
Additions	3,689,935
Disposals	(6,106,221)
Revaluations	3,623,292
Movement in cash held by investment managers	(245,426)
At 31 July 2024	30,288,623
Net book value	
At 31 July 2024	30,288,623
At 31 July 2023	29,327,043

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

17. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2023	132,003	29,327,043	29,459,046
Additions	-	3,689,935	3,689,935
Disposals	-	(6,106,221)	(6,106,221)
Revaluations	-	3,623,292	3,623,292
Movement in cash held by investment managers	-	(245,426)	(245,426)
At 31 July 2024	132,003	30,288,623	30,420,626
Net book value			
At 31 July 2024	132,003	30,288,623	30,420,626
At 31 July 2023	132,003	29,327,043	29,459,046

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Develop Training Limited	06115331	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
CompEx Certification Limited	02336110	Stafford House, 120-122 High Street, Orpington, Kent, BR6 0JS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Develop Training Limited	8,006,204	(8,610,945)	(604,741)	(4,305,511)
CompEx Certification Limited	2,272,586	(2,099,380)	173,206	173,208

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

Group and Company

	2024 £	2023 £
Investments at fair value comprise:		
Equities	24,281,153	23,106,048
Securities	4,532,899	5,545,319
Cash within investment portfolio	1,474,571	675,740
	30,288,623	29,327,107

The fair value of listed investments is determined by reference to the bid (sale) price at close of business on the date of the valuation or fair value if the market value is unavailable.

18. Debtors

	Group 2024 £	<i>Group</i> <i>2023</i> £	Company 2024 £	<i>Company</i> <i>2023</i> £
Due within one year				
Trade debtors	4,153,714	4,526,808	2,885,667	3,266,820
Amounts owed by group undertakings	-	-	5,133,316	4,569,639
Other debtors	206,579	446,529	206,579	413,989
Prepayments and accrued income	1,267,602	1,274,829	856,694	991,931
	5,627,895	6,248,166	9,082,256	9,242,379

As at the year end, JTL was owed £459,757 (2023: £295,975) from CompEx Certification Limited and £4,673,559 (2023: £4,273,664) from Develop Training Limited. £217,108 (2023: £80,027) interest was charged for the year.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

19. Creditors: Amounts falling due within one year

	Group 2024 £	<i>Group 2023 £</i>	Company 2024 £	<i>Company 2023 £</i>
Trade creditors	3,064,762	3,345,433	2,602,873	2,874,490
Other taxation and social security	756,037	708,432	427,950	437,196
Other creditors	418,802	610,689	314,520	518,310
Accruals and deferred income	5,096,752	4,757,802	4,661,331	4,231,326
	9,336,353	9,422,356	8,006,674	8,061,322

Deferred income relates to the license and apprenticeship fees being recognised over the period that they relate to.

	Group 2024 £	<i>Group 2023 £</i>
Deferred income		
Deferred income at 1 August 2023	775,410	326,596
Resources deferred during the year	1,105,564	775,410
Amounts released from previous periods	(845,559)	(326,596)
	1,035,415	775,410

20. Provisions

Group

	Dilapidations £
At 1 August 2023	466,874
Additions	68,643
	535,517

Company

	Dilapidations £
At 1 August 2023	306,827
Additions	28,092
	334,919

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

21. Statement of funds

Statement of funds - current year

	Balance at 1 August 2023	Income	Expenditure	Gains/ (Losses)	Balance at 31 July 2024
	£	£	£	£	£
Unrestricted funds					
General Funds	38,670,923	46,804,079	(48,734,328)	3,601,455	40,342,129
Revaluation reserve	2,657,472	-	(24,404)	-	2,633,068
	<u>41,328,395</u>	<u>46,804,079</u>	<u>(48,758,732)</u>	<u>3,601,455</u>	<u>42,975,197</u>

Statement of funds - prior year

	<i>Balance at 1 August 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2023</i>
	£	£	£	£	£
Unrestricted funds					
General Funds	42,564,824	44,392,739	(48,619,022)	332,382	38,670,923
Revaluation reserve	-	-	-	2,657,472	2,657,472
	<u>42,564,824</u>	<u>44,392,739</u>	<u>(48,619,022)</u>	<u>2,989,854</u>	<u>41,328,395</u>

22. Summary of funds

Summary of funds - current year

	Balance at 1 August 2023	Income	Expenditure	Gains/ (Losses)	Balance at 31 July 2024
	£	£	£	£	£
General funds	<u>41,328,395</u>	<u>46,804,079</u>	<u>(48,758,732)</u>	<u>3,601,455</u>	<u>42,975,197</u>

Summary of funds - prior year

	<i>Balance at 1 August 2022</i>	<i>Income</i>	<i>Expenditure</i>	<i>Gains/ (Losses)</i>	<i>Balance at 31 July 2023</i>
	£	£	£	£	£
General funds	<u>42,564,824</u>	<u>44,392,739</u>	<u>(48,619,022)</u>	<u>2,989,854</u>	<u>41,328,395</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	15,193,313	15,193,313
Intangible fixed assets	256,897	256,897
Fixed asset investments	30,288,623	30,288,623
Current assets	7,108,234	7,108,234
Creditors due within one year	(9,336,353)	(9,336,353)
Provisions for liabilities and charges	(535,517)	(535,517)
Total	42,975,197	42,975,197

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,009,740	13,009,740
Intangible fixed assets	139,508	139,508
Fixed asset investments	29,327,107	29,327,107
Current assets	8,741,270	8,741,270
Creditors due within one year	(9,422,356)	(9,422,356)
Provisions for liabilities and charges	(466,874)	(466,874)
Total	41,328,395	41,328,395

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024

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

	Group 2024 £	<i>Group 2023 £</i>
Net income/expenditure for the period (as per Statement of Financial Activities)	1,671,206	<i>(3,893,901)</i>
Adjustments for:		
Net depreciation charges	630,407	<i>916,179</i>
Amortisation charges	40,157	<i>15,522</i>
Gains on investments	(3,623,292)	<i>(332,382)</i>
Dividends, interests and rents from investments	(461,131)	<i>(406,821)</i>
Loss on the sale of fixed assets	152,012	<i>105,003</i>
(Increase)/decrease in debtors	620,271	<i>(1,050,472)</i>
Increase/(decrease) in creditors	(86,003)	<i>134,365</i>
Impairment of fixed assets	360,104	<i>2,785,854</i>
Increase in provisions	68,643	<i>222,708</i>
Net cash used in operating activities	(627,626)	<i>(1,503,945)</i>

25. Analysis of cash and cash equivalents

	Group 2024 £	<i>Group 2023 £</i>
Cash in hand	1,480,339	<i>2,493,104</i>
Total cash and cash equivalents	1,480,339	<i>2,493,104</i>

26. Analysis of changes in net debt

	At 1 August 2023 £	Cash flows £	At 31 July 2024 £
Cash at bank and in hand	2,493,104	(1,012,765)	1,480,339
	2,493,104	(1,012,765)	1,480,339

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

27. Operating lease commitments

At 31 July 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	<i>Group 2023 £</i>	Company 2024 £	<i>Company 2023 £</i>
Not later than 1 year	1,002,436	<i>1,084,411</i>	523,885	<i>582,580</i>
Later than 1 year and not later than 5 years	1,091,677	<i>2,317,408</i>	691,640	<i>1,262,169</i>
Later than 5 years	201,600	<i>206,400</i>	201,600	<i>206,400</i>
	2,295,713	<i>3,608,219</i>	1,417,125	<i>2,051,149</i>

28. Other financial commitments

As at the year end the group was committed to making £425,000 (2023 £nil) in respect of future capital projects.

29. Related party transactions

JTL had the following transactions and year end balances with the Joint Industry Board for the Electrical Contracting Industry ("JIB") which has as its constituent parties the ECA and Unite the Union.

Information about related party transactions and outstanding balances is set out below:

	Expenditure	<i>Outstanding balances</i>
Joint Industry Board		
For the year ending 31 July 2024 / Balance as at 31 July 2024	226,357	<i>120</i>
For the year ending 31 July 2023 / Balance as at 31 July 2023	193,956	<i>(2,174)</i>

Amounts payable to ECA includes the BUPA annual membership, plus additional services. Amounts payable to JIB relate to Electrotechnical and Plumbing Apprentice registration fees and Health & Safety Assessment fees.

30. Post balance sheet events

Following the year end the subsidiary, Develop Training Limited, was acquired by RelyOn Nutec by way of share purchase agreement. Consideration for the disposal was £4.3m which was used to acquire 100% of the shares in Develop Training Limited and to repay the intercompany loan between JTL and Develop Training Limited. The terms of the disposal also included a debt waiver of £600k provided by JTL to Develop Training Limited in relation to the intercompany loan. The deal was completed on 13 December 2024.

JTL

England & Wales - Charity number 1080254

Accounts



JTL

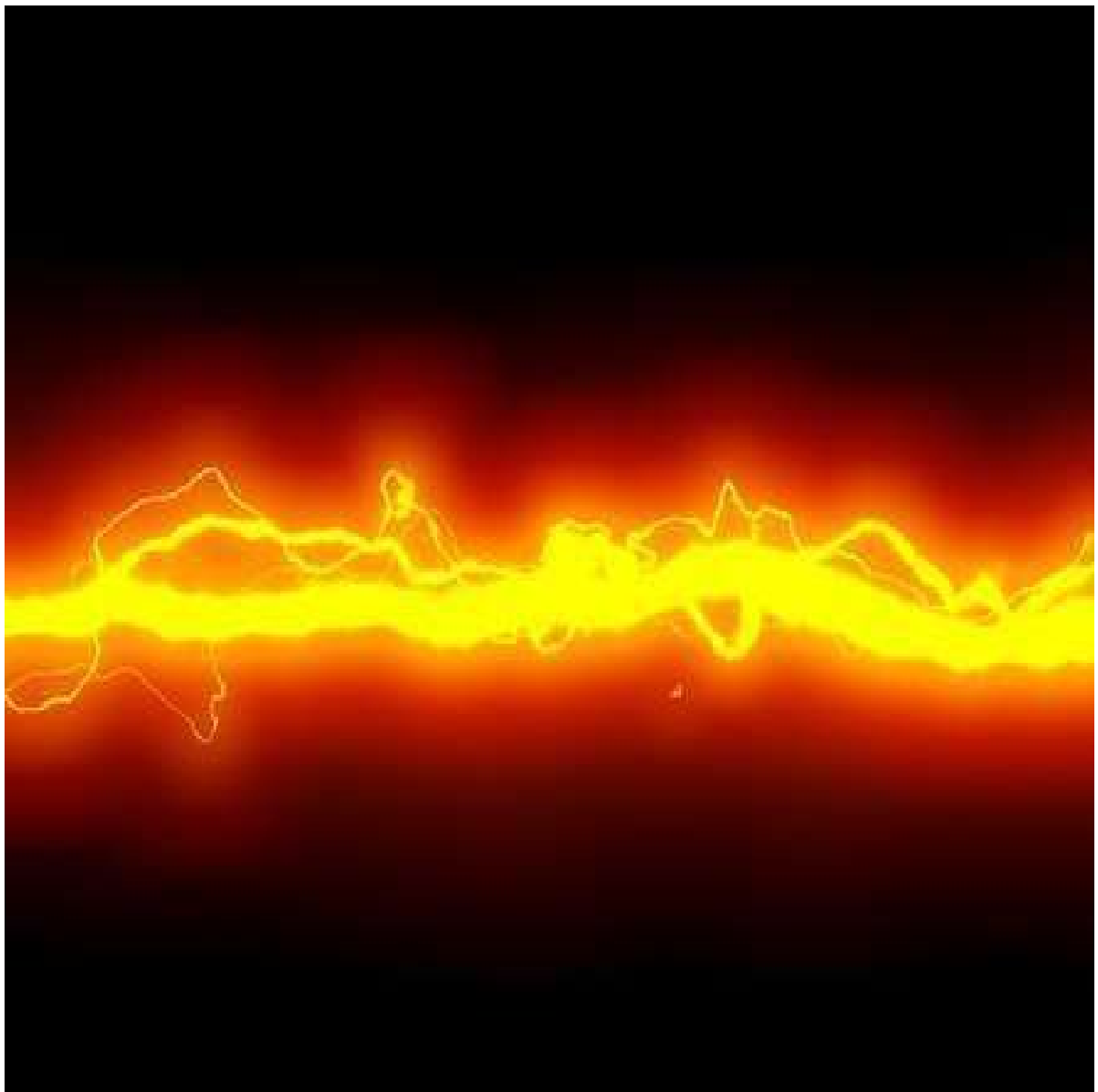
(A company limited by guarantee)

Group Consolidated Financial Statements

Company Registration No 03958541

Charity No 01080254

Year ended 31st July 2023



JTL
(A company limited by guarantee)

Group Consolidated Financial Statements

Year Ended 31st July 2023



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Group Consolidated Financial Statements

Year Ended 31st July 2023

Charity registration number 01080254

Company registration number 03958541

Trustees

S Bratt (Interim Chair) (resigned 01.11.22)
 Sir John Low (Chair) (appointed 01.11.22)
 J Allott
 R Clarke
 A Eldred
 E Staley
 C Fenton (resigned 08.11.22)
 A Green
 S Fraser-Whyte (appointed 29.06.23)
 G Hall (resigned 13.02.23)
 J Lelliott OBE
 J Poulter (appointed 13.10.22)
 T Shelley

Chief Executive

P McGuire (Interim) (resigned 31.12.22)
 C Claydon (appointed 06.02.23)

Company Secretary C Turner

Registered Office

Stafford House
 120-122 High Street
 Orpington
 Kent
 BR6 0JS

Professional Advisers

Auditors

Menzies LLP
 Magna House
 18-32 London Road
 Staines-Upon-Thames
 TW18 4BP

Solicitors

Stone King LLP
 Boundary House
 91 Charterhouse Street
 London
 EC1M 6HR

Bankers

Barclays Bank PLC
 1 Churchill Place
 London
 E14 5HP

Investment Managers

Barclays Wealth Management
 1 Churchill Place
 London
 E14 5HP



Structure, Governance and Management

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of JTL (the charity and the group) for the year ended 31st July 2023.

Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and to the date of this report are as follows:

Electrical Contractors' Association	Unite the Union	Independent
• Andrew Eldred • Alastair Green • Elizabeth Staley • Greg Hall (resigned 13.02.23)	• John Allott • Richard Clarke • Jason Poulter (appointed 13.10.22)	• Sir John Low (Chair) (appointed 01.11.22) • Sheila Fraser Whyte (appointed 29.06.23) • John Lelliott • Tracey Shelley • Steve Bratt (Interim Chair) (resigned 01.11.22) • Chris Fenton (resigned 08.11.22)

Charitable Objects

The charity's objects set out in its Articles of Association are "to encourage training of persons employed in the electrical installation engineering industry and such other industries as the Trustees may decide".

The charitable company's principal activities during the year were the delivery of Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

Vision and Values

JTL's vision is:

To be the training organisation of choice to the building services engineering sector.

The company's values are:



JTL
(A company limited by guarantee)



Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2023

Structure and Members

JTL is a charitable company limited by guarantee and was set up on 23rd March 2000. Formerly, the company operated as JT Limited which was incorporated in 1989. JTL's company registration number is 03958541 and its charity number is 01080254. The charity is governed by its Articles of Association.

The company's members are Unite the Union and the Electrical Contractors' Association. The members have a liability not exceeding £10 per member.

Recruitment and Training of Trustees

The Articles of Association entitle Unite the Union and the Electrical Contractors' Association to each appoint up to four Trustees and a further independent Trustee to be Chairman. The Trustees may appoint up to a further four independent Trustees. The company is administered by the Board of Trustees, with the Chief Executive (appointed by the Trustees) managing the day-to-day operations of the charity.

Trustee recruitment is undertaken in accordance with the Articles of Association. Induction and training are provided by the management and company's professional advisors on a regular basis.

Related Parties

The principal transactions with related parties are with the Joint Industry Board for the Electrical Contracting Industry (JIBECI) and the Joint Industry Board for Plumbing and Mechanical Engineering Services (JIB PMES). This relates to the registration of all apprentices with the relevant Joint Industry Board for the purpose of receiving apprentice cards and cards recognising their craft competence at the end of the apprenticeship. The registration fees are agreed annually with the relevant JIB and formalised in an annual agreement signed by each organisation.

The arrangement is believed to provide added value to JTL apprentices and is subject to regular review by the JTL Board.

Compliance with Trustees' Duties under Section 172(1) Companies Act 2006

Trustees must act in the way they consider, in good faith, would be most likely to promote JTL's success to achieve its charitable purposes. The Trustees, in doing so, delegate day to day management and decision-making to the Chief Executive and other members of the Executive Management Team, who are required to act to further JTL's strategy and to ensure that activities are carried out in compliance with agreed plans and policies and external regulations and in accordance with JTL's values. The Trustees receive regular reports on JTL's performance and plans. In carrying out their duties, the Trustees have regard (amongst other matters) to:

- **The likely long-term consequences of any decision**

The Trustees contribute proactively to JTL's strategic vision and three-year plan and regularly review the financial and quality plans. The long-term likely impact of the plans for JTL has been

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considered as well as the consequences of their decisions.

- **The interests of the charity's employees**

Trustees review the actions in place to promote staff health and wellbeing. JTL seeks to implement good people management to enable staff to fulfil their potential, with a specific focus on under-represented groups and in line with equality, diversity and safeguarding principles.

- **The need to foster the charity's business relationships with suppliers, customers and others**

JTL continually strives to make partnerships with suppliers, customers, and others more equitable, collaborative and with a view to gaining better value for money and improving the learner experience. Significant consultation took place during 2023 with employers, learners and stakeholders to ensure that their expectations and interests are well understood and taken into account in future strategic and business development.

- **The impact of the charity's operations on the community and the environment**

JTL has published its Corporate and Social Responsibility Statement on its website.

The organisational structure is designed to support a safe environment for all stakeholders that come in contact with JTL, especially employees and learners. JTL continues to invest and improve its safeguarding to ensure that it better protects all those with whom it works.

- **Maintaining a reputation for high standards of business conduct**

JTL strives to achieve its strategic goals; it seeks to demonstrate in all areas the same values that we wish to see in the people we work with and those we aim to influence. Further, JTL's values and the behaviours, including a commitment to safeguarding, are embedded in its staff recruitment, induction, and appraisal procedures.

Governance and Key Management Personnel

The governance of JTL takes the form of a non-executive Board of Trustees which meets quarterly. In addition, there are formal Board Sub-Committees including Investment, Remuneration, Audit & Risk, Quality & Standards, Health & Safety and Equality, Diversity & Inclusion. The Board has agreed formal Standing Orders for its own operation and formal Terms of Reference for each of the Sub-Committees.

Regular skills audits of Board members are conducted in order to ensure that, across its membership, it has a good understanding of all key areas of business undertaken by and relevant to JTL. The results are reviewed by the Board and the outcomes influence subjects for future training for Board members.

The Board also conducts an annual self-evaluation of its performance. Due to significant changes in governance during 2021/22/23, this was deferred until 2023/24 to give time for the new arrangements to bed in. The evaluation is influenced by the Charity Governance Code and the Code of Good Governance for Independent Training Providers published by the

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Association of Employment and Learning Providers (AELP). The results of the self-evaluation are considered by the Board and appropriate action taken to address areas for improvement.

The Board delegates the day-to-day operations of JTL to the executive team through a formal Delegated Levels of Authority document which is reviewed periodically by the Board. The executive team is led by the Chief Executive supported by the Executive Management Team (EMT) which consists of the following roles, each with responsibility for defined functions:

- Chief Operating Officer/Director of Finance & Resources
- Director of Learning & Innovation/Interim Director of Quality
- Director of Policy & External Relations
- Human Resources Director
- National Delivery Director

The Chair and Chief Executive both left for new positions during the latter part of 2021/22 and, while recruitment for their successors took place, an interim Chair was appointed until a new Chair was recruited. The Chief Operating Officer became interim Chief Executive and a temporary Finance Director was appointed until a new Chief Executive and Finance Director were appointed in 2023. The interim Chair and Board offered regular support and monitoring to ensure sound continuity of operations during the recruitment process.

Key Management Personnel Remuneration

The key management personnel of the charity include the Trustees and the EMT.

The Trustees of the charity give their time freely and are not remunerated.

The Chief Executive's remuneration is set annually by the Remuneration Committee. The Remuneration Committee is made up of the Chairman and three other trustees nominated by the ECA, Unite the Union and the independent directors. It is the responsibility of the Chief Executive to set the pay of the EMT.

The Remuneration Committee also has responsibility to consider the recommendation of the Chief Executive regarding the overall remuneration of the organisation. This recommendation is based on organisational and staff performance, market testing conducted by the HR Director, Consumer Price Index data and feedback from the members on their likely pay awards. The decision of the Remuneration Committee is then applied through a performance related pay process led by the Chief Executive and EMT.

Employees

The average monthly full-time equivalent number of employees of JTL for the year ended 31st July 2023 was 388 (2022: 366).

JTL communicates with its staff through a number of channels including regular executive blogs, webinars, newsletters, EMT meetings, other manager and staff meetings, a staff forum and the intranet as well as an annual staff conference.

JTL ensures that no discrimination is shown on the grounds of any protected characteristics such as: race, colour, nationality, ethnic or national origin, gender, gender reassignment,

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religion or belief, sexual orientation, age, marital status including civil partnerships, pregnancy and maternity, caring responsibilities or disability (the latter is subject to the industry's safety requirements).

Rewarding everyone fairly, regardless of gender, is at the heart of the JTL leadership team's agenda. However, women are under-represented in the building services engineering sector and assessors are required to be occupationally competent in their discipline, which currently limits the number of female applicants. Our gender split is currently 65% male and 35% female which reflects JTL's reliance on a nationwide team of predominantly male occupationally competent assessors.

JTL acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions of the Modern Slavery Act 2015. The organisation understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains. No labour provided to JTL in the pursuance of its services is obtained by means of slavery or human trafficking.

JTL is a Disability Confident Employer and actively seeks to attract and recruit disabled people by providing a fully inclusive and accessible recruitment process. All disabled people who meet the minimum criteria for our vacancies are interviewed. We are supportive of our employees who may become disabled during their employment; they are supported and reasonable adjustments proactively offered as required. Training, career progression and promotion for all disabled persons employed by the company is encouraged. All employees and people working with JTL are expected to treat all people with respect and appropriate disability equality awareness briefings take place on a regular basis.

JTL has an obligation to meet the Prevent Duty requirements as defined by the Counter Terrorism and Security Act 2015. In meeting this duty, JTL has developed a training programme for all staff, has a Prevent strategy in place and has amended its policies and key documents to reflect the Prevent Duty. A staff working group is in place to focus on Equality, Safeguarding and Prevent and meets half-yearly to provide updates to all staff as appropriate.

Aims and Objectives

The JTL Executive Management Team present to the Board, who annually approve, a rolling three-year organisational strategy, and underpinning one-year business plan. The five strategic goals of the organisation for 2022/23 were:

- To be a high-quality organisation, to our learner and employer needs
- To grow our learner numbers in our core apprenticeships
- To improve our resilience, sustainability and results
- To continue to innovate to meet the needs of the sector
- To recruit, develop and retain highly skilled and responsive people

The Trustees believe that JTL has made acceptable progress against its charitable objects and its strategic and business plan objectives.

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Public Benefit Statement

The Trustees have had regard to their responsibilities in demonstrating public benefit as set out in guidance provided by the Charity Commission. The charity has and continues to demonstrate a number of areas of public benefit within its core charitable objective of the advancement of education, in the form of advanced apprenticeship training, achieving high levels of success through the support and mentoring offered throughout the typically four-year apprenticeship period.

Given the challenges faced during and following the pandemic, JTL has paid particular attention to mental health support for its learners, many of whom were badly affected by the uncertainties of the situation and the impact on their learning, employment and family circumstances. JTL partners with the Electrical Industries Charity to offer targeted support for individuals in particular need.

The impact on beneficiaries is through the training of persons employed in, or wishing to enter, the building services engineering sector to obtain qualifications for life. In doing so this ensures the success and prosperity of the sector by supporting and improving an appropriately trained and skilled workforce. The high achievement rates of JTL apprentices are a good indicator of the effectiveness of its programmes and therefore the value for money obtained for the public purse.

JTL also continues to offer its employer grant schemes including an adoption grant for employers who take on apprentices who have been made redundant during their apprenticeship to help them complete their apprenticeship successfully.

JTL also offered Traineeships which are a Government-funded scheme, which last up to 16 weeks. These prepare young people who are not yet ready for an apprenticeship, with skills which will help them with future employment as well as giving work experience which may lead to employment. Greater emphasis on initial advice and guidance and initial assessment which ensures all learners are given the appropriate support and guidance to meet their individual needs in making choices about their career in the industry.

JTL provides all its apprentices with free, high-quality textbooks, learning materials and toolkits to support their progress and achievement without the need to incur the costs associated with such purchases.

All apprenticeship courses are fully accessible and available free of charge to its learners, as the costs are met by the government and employers or are underwritten by JTL's charitable funds.

JTL offers our apprentices a chance to stay in touch and continue their development through JTL Toolbox, a free online support package specifically aimed at employers and those who have completed or are near to completing their apprenticeship. Power Up is a CPD platform within Toolbox which offers free taster training sessions to electricians which will help them in their day-to-day job role and support their continued professional training needs.

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Streamlined energy and carbon reporting (SECR)

In accordance with the requirement of the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 the Directors would like to disclose the following information for the period ending 31 July 2023

	31 July 2023 tonnes CO ₂ e £	31 July 2022 tonnes CO ₂ e £
Scope 1 (direct emissions) – natural gas	282	204.6
Scope 2 (indirect emissions) – electricity	88	0.2
Scope 3 – electricity transmission/distribution and employee cars	244	196.3
Total	614	401.1

The significant increase in CO₂e between 2022 and 2023 is due to 2023 being the first year for inclusion of Develop Training Limited.

Methodologies used within the calculation.

The Group has used the actual KWH data from the monthly energy invoices it receives from suppliers and internally stored data on both company owned and employee own vehicles doing business miles and then applied the "Government conversion factors for the Group reporting" to calculate the CO₂e content.

Energy efficient actions taken this year.

- The launching of a salary sacrifice cross-Group car scheme to reduce own user vehicles and older company cars with a higher CO₂.
- A full EPC review of all group freehold property including costing of measures for consideration of energy efficiency.
- All new centres have energy efficient measures built in and include as a minimum, low energy lighting schemes, combined VRF heating and cooling systems where economically practical, improved insulation and water consumption reduction measures.

As our estate evolves based on operational requirements, assessments on building fabrics and energy use is reviewed and designed in by our appointed RICS surveyor and internal infrastructure and projects team.

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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE



Management

A three-year Strategic Plan and one-year Business Plan were agreed for 2022/23 which focussed on recovery and stability framed around the vision to be the training organisation of choice to the building services engineering sector, supporting the organisation's drive to pursue a journey from "good to great".



Statistics

During the year JTL:

- recruited 2,630 (2022: 2,453) apprentices.
- delivered 1,351 (2022: 1,425) apprentice achievements.
- market share in the core electrotechnical discipline is 28.2%
- According to ESFA published data, JTL's overall achievement rate was 63.4% (2021/22: 61.4%). This compares with a national average across all apprenticeships of 53.4%.
- At 31st July 2023, JTL had 8,147 apprentices in training.



College Partners and JTL Centres

JTL continues to fund all college fees for its apprentices in training to enable them to successfully complete the appropriate off-the-job learning elements of the apprenticeship. JTL employs occupationally qualified and competent field staff who regularly monitor, review and assess the apprentices' progress.

The core business model is for JTL to work with delivery partners where the quality is good, and it meets employer needs. However, where this model has proved unsatisfactory in terms of quality or financial viability of provision, JTL has continued its strategy of developing its own centres.



Quality

Quality is a key factor in assessing the effect of our training on both employers and apprentices. The Education Inspection Framework, Self-Assessment Report and Quality Improvement Plan form a key foundation of JTL's quality activities to help maintain a clear focus on Ofsted priorities. In November 2016, JTL was re-inspected by Ofsted and once again achieved a "Grade 2 - Good" inspection report. JTL's focus on the quality of its provision results in it continuing to have achievement rates well above the national average in its core

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disciplines of electrotechnical and plumbing.

In addition, JTL holds BS EN ISO 9001:2008 for quality management systems, the Investors in People (IIP) standard, the Matrix standard Committed 2 Equality's Gold standard for Equality.

JTL employs a rolling internal audit programme which includes delivery partner inspections.

 Equality, Diversity and Safeguarding

JTL is committed to a policy of equality and diversity for everyone. No applicant for a training scheme place with JTL, apprentice, customer or member of staff shall knowingly receive less favourable treatment on the protected characteristics, nor will any other condition or requirement that cannot be justified disadvantage them.

JTL is also committed to safeguarding and promoting the welfare of children and young people and expects all staff to share this commitment.

The building services engineering industry is generally regarded as a white, male industry and JTL continues to address this stereotyping through its growing apprentice ambassador scheme which sees existing female and Black, Asian, Minority Ethnic (BAME) apprentices working with schools and at careers events to promote the opportunities in the industry as well as to network with each other.



FINANCIAL REVIEW

The JTL strategy set out by the Executive Management Team includes, as one of its five objectives, a strategic objective of improving financial management and performance. This included specifically delivering a positive overall net movement of funds and, within that, moving JTL from an operating deficit to an operating surplus.

The principal funding source is the Department for Education's Education and Skills Funding Agency. The charity uses this income source to further its aims and objectives including increasing apprentice learner numbers, increasing market share and enhancing and innovating its provision.

No fundraising is carried out and any income from investments is generated via a responsible and ethical approach implemented by the Investment Managers, Barclays.

The Consolidated Statement of Financial Activities for the year shows an operating loss for the year of £4,226,283 (2022: Loss £3,006,807) after losses on property revaluation of £2,785,854 (2022: £nil). A revaluation reserve has been created following gains on property of 2,657,472 (2022: £nil). Net movement in funds for the year amounted to a loss of £1,236,429 (2022: £3,437,188) after investment gains of £332,382 (2022: loss of £472,272), gains on property revaluation of £2,657,472 (2022: £nil) and taxation.

This resulted in a net asset position, all held as unrestricted funds as at 31st July 2023, of £41,328,395 (2022: £42,564,624). The Trustees are satisfied with the net asset position at the year end and are confident that sufficient funds are available to meet future needs.

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For the charity alone, total income for the year amounted to £35,491,060 (2022: £32,817,824), with a net reduction in funds of £574,350 (2022: loss of £3,276,802). Total donations to JTL from CompEx Certification Limited and Develop Training Group Limited under the Gift Aid scheme in the year to 31st July 2023 was £362,568 (2022: £183,482). The 2023 profit amount was not accrued at the end of the year following clarification of Financial Reporting Standard 102. The subsidiaries had total income for the year of £9,744,272 (2022: £8,431,432) and costs of £10,043,790 (2022: £8,452,791).



Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was active throughout 2022/23. In addition to standard agenda items covering company and financial performance, internal and external audit activity and preparation of the financial statements, the Committee also considered a number of items in focus at its meetings.



Investments

Under the Articles of Association, the charity has the power to make any investments which the Trustees see fit.

In terms of investment funds, JTL's objective is to achieve capital growth, whilst maintaining a balanced risk profile over the medium term and to deliver annual net gains to support the consolidated financial position, as set out in the three-year strategy. JTL's funds are managed solely by Barclay's Wealth with funds invested on a medium risk profile.

In terms of socially responsible investing, regular discussions are held at the JTL Board, JTL Investment Committee and with the investment managers regarding the approach taken on behalf of JTL. The Investment Committee is aware that the investments are managed by the charity department of Barclays who have an established ethical investing offering. This is made up of a 3-stage process that includes:

- A negative screen which is applied using MSCI ESG Business Involvement Screening Research to remove companies whose primary businesses are focused around tobacco, alcohol, armaments, gambling, adult entertainment or fossil fuels.
- Independently calculated MSCI ESG results are then used to remove companies that do not meet a minimum threshold around environmental, social and corporate governance characteristics.
- Positive Analysis - Companies are identified that help to address at least one of the UN's Sustainable Development goals.

During the year, the overall return of the portfolio was 2.15%. The JTL portfolio has performed comparatively better than the ARC (Asset Risk Consultants) Sterling Steady Growth Charity Index which delivered a return of 0.64% during the same period.

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Subsidiaries

In addition to the investment funds, JTL has two wholly owned subsidiaries, CompEx Certification Limited and Develop Training Limited.

CompEx Certification Limited (formerly JT Limited)



The principal business of CompEx Certification Limited is the operation of the CompEx Certification Scheme. The CompEx Scheme is the global solution for validating core competency of employees and contract staff of major users in the gas, oil and chemical sectors for both offshore and onshore activities.

CompEx Certification Limited has, under contract to the Engineering Equipment and Materials Users Association (EEMUA), managed and operated the CompEx Scheme since it was developed in 1994 and, in April 2014, acquired the Scheme from EEMUA.

Develop Training



When JTL acquired Develop in September 2019, it comprised a group of four companies:

- Develop Training Group Limited (DTGL)
- Develop Training Limited (DTL)
- Develop Solutions Limited (DSL)
- Develop Training Employee Benefit Limited (DTEBL)

Develop Solutions Limited, Develop Training Employee Benefit Limited and Develop Training Group Limited have all been dissolved leaving Develop Training Limited.

Develop Training is an accredited commercial course provider of compliance, technical, and safety training for the utilities and construction, defence, healthcare, facilities management, and telecommunication sectors. The training provided has a direct relevance to the building services engineering sector and complements JTL's apprenticeship output as well as offering CPD and upskilling opportunities to the sector's workforce.

A plan to turn around Develop Training Limited remains in progress but is taking longer than anticipated at acquisition. Through continued strict management, rigorous governance and oversight from the JTL Board, and efficiencies generated through the use of shared resources with JTL, the turnaround from the current loss-making position to break even and ultimately profit can be achieved



Reserves Policy

The general reserves of the group at 31 July 2023 were £41,328,395 of which £13,149,248 is represented by tangible and intangible fixed assets. Free reserves, defined as excluding such funds attributed to these assets, were £28,179,147.

The current reserves policy requires that unrestricted funds held by the charity should be more than six months (£24,309,511) and less than twelve months (£48,619,022) of the resources expended. After allowing for factors detailed in Charity Commission guidance for

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best practice, the charity's reserves are in line with this policy. At this level the charity would be able to continue to honour its commitments to employers and learners until appropriate alternative arrangements can be made.

In addition, the Reserves Policy was reviewed and amended by the Finance, Audit and Risk Committee during the year to reflect the need for digital and technological improvements, capital investments in new JTL training centres and potential acquisitions. It was also agreed that the Finance, Audit and Risk Committee would have an annual review, to support the next strategic and business planning cycle to update and restate JTL's Reserves Policy to ensure that the level of reserves is reasonable to cover all operational and other commitments.

The Trustees consider that in light of the above and the current economic climate, the amount in reserves is appropriate.



Principal Risks and Uncertainties

The Board ensures, through the specific delegation of responsibilities, that the Executive Management Team will manage significant business risks through a combination of risk identification, analysis, evaluation, control and action planning so as to contain risk within limits acceptable to the Board.

In line with JTL's risk management policy and framework, risks are logged on JTL's risk register and reviewed regularly. The most significant risks are then reviewed and discussed monthly by the Executive Management Team and quarterly by the Finance, Audit & Risk Committee and reported to the Board.

The most significant risks currently identified are:

- Learners fail to achieve their qualification resulting in low achievement rates and removal of ESFA funding due to insufficient contract, insufficient assessment, poor teaching and lack of pastoral engagement having negative consequences on learner safeguarding and wellbeing.
- Failure to invest in change management and failure to embed the required transition to deliver improved quality and financial sustainability in line with the strategic objectives resulting in inadequate systems, cultural divergence and resulting poor performance leading to poor quality provision and sub-optimal attainment for apprentices.

The Trustees have assessed these major risks and are satisfied that adequate steps are being taken to mitigate exposure and reduce the risks.



Plans for future periods

JTL's core business is delivering high quality apprenticeships to the building services engineering sector. Following an intense period of consultation with employers, learners and stakeholders during the first half of 2023, it has been agreed to refocus JTL's strategy on

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three areas: quality of provision, financial sustainability and innovation to meet the changing needs of the industry. As a result, it intends to restructure the business to align resources where needed and reign back on growth during this time to allow a year for transition followed by a year of consolidation before returning to growth, on a small scale initially but then more ambitiously in the fourth and fifth years of its strategic plan. At the same time, it intends to consolidate its provision on its traditional electrical market and review how best to offer plumbing on a sustainable basis. Other more niche areas will be phased out over the period of the plan.

Furthermore, JTL intends to review its delivery strategy and look to establish more of its own centres in target areas to best meet the needs of employers and learners.

JTL remains committed to the implementation of a technology strategy and has set out a digital journey. This includes increased alignment and automation of systems and processes based around the LEAN principles.

As part of this restructuring and refocussing of its business, JTL also plans to improve the Group dynamics in order to increase synergy between the businesses and move towards the greater use of Group services. Develop Training will undergo significant cost cutting to improve its profitability and plans are in place to support closer integration with JTL's apprenticeship operations to widen their customer base and address the known training and CPD needs of the electrical sector through greater targeting of its commercial course offerings. Governance control across the Group will also ensure that the quality, financial sustainability and innovation aspirations are driven forward across all three businesses.

Underpinning everything will be the focus on the quality of provision and ensuring that the expectations of our customers, learners, funding bodies and the industry are not only met but exceeded. In doing this JTL also wants to be an enjoyable, fulfilling and exciting place to work, an organisation which people are proud to be part of and one which rewards excellence and achievement.

JTL continues to monitor external opportunities for partnership and acquisition as long as these support the JTL objectives, ethos and the overall business strategy.

Going Concern

The Trustees have assessed the financial impact of Covid-19 on the charity to date, along with latest financial results and future forecasts and, as a result, have a reasonable expectation that the financial impact of Covid-19 on the charity has now peaked and will reduce year on year going forward. Furthermore, the focus on implementing the agreed cost reduction plan will support the planned improvement in financial sustainability and therefore ensure the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

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Trustees' Responsibilities Statement

Trustees (who are also directors of JTL for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure of the charitable company and the group 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 in the Charities Statement of Recommended Practice (SORP) 2019 (FRS102).
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Signed on behalf of the Board of Trustees

DocuSigned by:

24F72EF08E4B447...

Sir John Low, Chair of the Trustees

Date: 27-Mar-2024

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MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL

Opinion

We have audited the financial statements of JTL (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2023 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2023 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.

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.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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.

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.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, Employment and Health and Safety legislation, GDPR and the Ofsted framework. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: payments to fictitious employees, claims for non-existent apprentices, payments to fictitious suppliers, the posting of unusual journals and complex transactions that could manipulate the financial results and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.
- Audit procedures performed by the engagement team included:
 - identifying and assessing the design and 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;
 - challenging assumptions and judgements made by management in its significant accounts estimates;
 - identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This description forms part of our Auditors' report.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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. 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.

DocuSigned by:

634F24DE92A4471...
Janice Matthews FCA (Senior statutory auditor)
for and on behalf of
Menzies LLP
Chartered Accountants
Statutory Auditor
Magna House
18-32 London Road
Staines-Upon-Thames
TW18 4BP
Date: 27-Mar-2024

JTL
(A company limited by guarantee)



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2023**

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Donations and legacies	4	-	-	2,787
Charitable activities	5	34,569,376	34,569,376	31,822,449
Other trading activities	6	9,417,059	9,417,059	8,427,152
Investments	7	406,304	406,304	359,253
Total income		44,392,739	44,392,739	40,611,641
Expenditure on:				
Raising funds	8,9	9,519,104	9,519,104	7,945,163
Charitable activities		36,314,064	36,314,064	35,673,285
Other expenditure	11	2,785,854	2,785,854	-
Total expenditure		48,619,022	48,619,022	43,618,448
Net expenditure before net gains/(losses) on investments		(4,226,283)	(4,226,283)	(3,006,807)
Net gains/(losses) on investments		332,382	332,382	(472,272)
Net expenditure before taxation		(3,893,901)	(3,893,901)	(3,479,079)
Taxation		-	-	41,891
Net movement in funds before other recognised gains		(3,893,901)	(3,893,901)	(3,437,188)
Other recognised gains:				
Gains on revaluation of fixed assets	22	2,657,472	2,657,472	-
Net movement in funds		(1,236,429)	(1,236,429)	(3,437,188)
Reconciliation of funds:				
Total funds brought forward		42,564,824	42,564,824	46,002,012
Net movement in funds		(1,236,429)	(1,236,429)	(3,437,188)
Total funds carried forward		41,328,395	41,328,395	42,564,824

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

The notes on pages 27 to 48 form part of these financial statements.

JTL
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REGISTERED NUMBER: 03958541

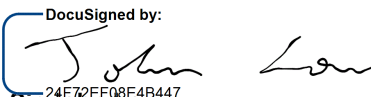


CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	16	139,508	44,807
Tangible assets	17	13,009,740	9,331,185
Investments	18	29,327,107	33,768,807
		42,476,355	43,144,799
Current assets			
Debtors	19	6,248,166	5,197,694
Cash at bank and in hand		2,493,104	3,754,488
		8,741,270	8,952,182
Creditors: amounts falling due within one year	20	(9,422,356)	(9,287,991)
Net current liabilities		(681,086)	(335,809)
Total assets less current liabilities		41,795,269	42,808,990
Provisions for liabilities	21	(466,874)	(244,166)
Total net assets		41,328,395	42,564,824
Charity funds			
Unrestricted funds	22	41,328,395	42,564,824
Total funds		41,328,395	42,564,824

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

 24E72EF08E4B447...
Sir John Low
 Chair of the Trustees

Date: 27-Mar-2024

The notes on pages 27 to 48 form part of these financial statements.

JTL
(A company limited by guarantee)
REGISTERED NUMBER: 03958541



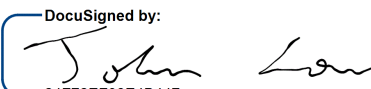
COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JULY 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	17	12,337,217	9,069,649
Investments	18	29,459,110	33,900,810
		41,796,327	42,970,459
Current assets			
Debtors	19	9,242,379	7,532,260
Cash at bank and in hand		2,077,853	3,173,898
		11,320,232	10,706,158
Creditors: amounts falling due within one year	20	(8,061,322)	(8,109,691)
Net current assets		3,258,910	2,596,467
Total assets less current liabilities		45,055,237	45,566,926
Provisions for liabilities		(306,827)	(244,166)
Total net assets		44,748,410	45,322,760
Charity funds			
Unrestricted funds	22	44,748,410	45,322,760
Total funds		44,748,410	45,322,760

The Company's net movement in funds for the year was £(574,350) (2022 - £(3,276,802)).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

 24F72EF08E4B447...
Sir John Low
 Chair of the Trustees

Date: 27-Mar-2024

The notes on pages 27 to 48 form part of these financial statements.

JTL
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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	25	(1,503,945)	289,017
Cash flows from investing activities			
Dividends, interests and rents from investments		406,821	359,253
Purchase of intangible assets		(109,280)	(20,000)
Purchase of tangible fixed assets		(4,829,062)	(3,414,490)
Payments to acquire investments		(7,550,898)	(6,203,840)
Receipts from sales of investments		12,437,112	9,182,001
Movement in cash held by investment managers		(112,132)	(213,184)
Net cash provided by/(used in) investing activities		242,561	(310,260)
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(1,261,384)	(21,243)
Cash and cash equivalents at the beginning of the year		3,754,488	3,775,731
Cash and cash equivalents at the end of the year	26	2,493,104	3,754,488

The notes on pages 27 to 48 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

1. General information

JTL is a charitable company limited by guarantee and is incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are delivering Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

JTL 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Basis of consolidation

The financial statements consolidate the accounts of JTL and its wholly owned subsidiaries undertakings, CompEx Certification Limited, Develop Training Group Limited and Develop Training Limited.

The charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own income and expenditure account.

2.3 Going concern

The trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern, including the ongoing and negative financial impact of the financial performance of the subsidiary company Develop Training Limited. This subsidiary is now following a controlled recovery plan with no additional financial support from the charity planned in the next financial year and a forecast providing assurance that loan repayments will commence as the performance of the subsidiary improves.

The trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing these financial statements.

2.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. All funds received during the year were unrestricted.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes gains on disposals of tangible fixed assets, recognised upon completion of the sale.

2.6 Expenditure

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

- Expenditure on charitable activities comprises costs which directly relate to education and training activities as well as an allocation of support costs, see note (2.7).
- Costs of raising funds, which includes:
 - o Trading expenditure consists of expenditure relating to the operation of the trading subsidiaries CompEx Certification Limited and Develop Training Limited.
 - o Investment management expenses which consist of amounts charged by Investment Managers for managing the charity's investments.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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.

2.7 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

2. Accounting policies (continued)

2.8 Intangible assets and amortisation

Intangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the amortisation rate applied was:

Software	- 25 % straight line
----------	----------------------

2.9 Tangible fixed assets and depreciation

With the exception of freehold property, tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the depreciation rates were:

Freehold property (Buildings only)	- 2% straight line
Short-term leasehold property	- 25% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 10% - 25% straight line
Computer equipment	- 25% straight line
Software / IT consultancy	- 25% straight line

No depreciation is provided for on Freehold Land

Change of accounting policy

During the year a revaluation of freehold buildings was undertaken by Allied Surveyors and Valuers on behalf of JTL. The information provided has allowed the cost of "land" to be established and accounted for separately.

The split of land from freehold building will provide a more accurate asset value and depreciation calculation leading to improved financial information. Land will no longer be depreciated.

A new depreciation rate of 10% straight line has been created for Fixtures and Fittings and Freehold property has been amended from 4% straight line to 2% straight line. Due to the number of adjustments made it is not possible to state the effect on each line of the financial statements for the current or prior periods.

2.10 Investments

Investments are recognised initially at fair value, which at year end is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at a mark to market at fair value with changes recognised in 'net gains or losses on investments' in the consolidated statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

2. Accounting policies (continued)

2.11 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

2.12 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2.13 Leases

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

2.14 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.15 Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, surpluses and gains are exempt from Corporation Tax providing they are applied for charitable purposes. The trading subsidiaries are subject to Corporation Tax, however, have committed to donate their profit to the parent company in the form of Gift Aid within 9 months of the year end such that no tax charge arose in the year. This donation is not accrued at the year end as it does not represent a legal or constructive obligation.

2.16 Financial instruments

The charity holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Financial assets: Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.

All other investments are classified as basic financial instruments and held at their fair value.

Financial Liabilities: Trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 20. Basic taxation and social security are not included in the financial instrument's disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

3. Critical accounting estimates and areas of judgement

Judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements;

- Depreciation rates for tangible fixed assets
- Provision for bad and doubtful debts

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are estimates and assumptions made by the trustees in relation to property valuations and the estimated useful lives of fixed assets that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Income from donations and legacies

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Furlough grant income	-	-	2,787
<i>Total 2022</i>	<u>2,787</u>	<u>2,787</u>	

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
ESFA and Welsh Assembly income receivable	32,235,781	32,235,781	29,748,183
Other income receivable	2,333,595	2,333,595	2,074,266
	<u>34,569,376</u>	<u>34,569,376</u>	<u>31,822,449</u>
<i>Total 2022</i>	<u>31,822,449</u>	<u>31,822,449</u>	

Other income receivable of £2,333,595 (2022 £2,074,266) comprises of income from various sources including employer contributions, commercial courses, room hire, rental income, miscellaneous income and royalties.

JTL
(A company limited by guarantee)



**NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 JULY 2023**

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Trading income in subsidiaries	9,417,059	9,417,059	8,427,152
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2022</i>	8,427,152	8,427,152	
	<u> </u>	<u> </u>	

7. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Dividends and interest from listed investments	406,304	406,304	359,253
	<u> </u>	<u> </u>	<u> </u>
<i>Total 2022</i>	359,253	359,253	
	<u> </u>	<u> </u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Direct trading expenses	4,205,332	4,205,332	2,852,163
Direct trading expenses - wages and salaries	945,154	945,154	600,858
Support costs of trading	4,257,517	4,257,517	4,367,066
	<u>9,408,003</u>	<u>9,408,003</u>	<u>7,820,087</u>
<i>Total 2022</i>	<u>7,820,087</u>	<u>7,820,087</u>	

9. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment management fees	111,101	111,101	125,076
	<u>125,076</u>	<u>125,076</u>	
<i>Total 2022</i>	<u>125,076</u>	<u>125,076</u>	

10. Analysis of grants

	Grants to Individuals 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grants, Education and training	1,556,797	1,556,797	1,826,600
	<u>1,826,600</u>	<u>1,826,600</u>	
<i>Total 2022</i>	<u>1,826,600</u>	<u>1,826,600</u>	

JTL
(A company limited by guarantee)



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

11. Other expenditure

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Loss on revaluation of fixed assets	2,785,854	2,785,854	-

See also note 17.

12. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Grant funding of activities 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Education and training	29,350,928	1,556,797	5,406,339	36,314,064	35,673,285
<i>Total 2022</i>	<u>27,066,301</u>	<u>1,826,600</u>	<u>6,780,384</u>	<u>35,673,285</u>	

13. Auditors' remuneration

	2023 £	<i>2022 £</i>
Fees payable to the Charity's auditor for the audit of the Company's annual accounts	37,450	29,750
Fees payable to the Company's auditor in respect of:		
The auditing of accounts of subsidiaries of the Charity	16,530	14,375
Accountancy and tax services	6,950	6,050

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Wages and salaries	16,861,116	16,005,959	14,100,935	13,043,722
Social security costs	1,722,373	1,825,067	1,555,049	1,498,417
Contribution to defined contribution pension schemes	1,907,138	1,847,430	1,776,580	1,621,933
	20,490,627	19,678,456	17,432,564	16,164,072

During the year termination payments of £1,188 (2022:£Nil) were paid.

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

	Group 2023 No.	<i>Group 2022 No.</i>	Company 2023 No.	<i>Company 2022 No.</i>
Directors	10	9	7	6
Operations	362	300	324	270
Support	130	146	67	90
	502	455	398	366

The average headcount expressed as full-time equivalents was:

	Group 2023 No.	<i>Group 2022 No.</i>	Company 2023 No.	<i>Company 2022 No.</i>
Directors	10	9	7	6
Operations	354	296	316	266
Support	124	144	65	88
	488	449	388	360

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

14. Staff costs (continued)

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

	Group 2023 No.	<i>Group 2022 No.</i>
In the band £60,001 - £70,000	13	<i>9</i>
In the band £70,001 - £80,000	1	<i>2</i>
In the band £80,001 - £90,000	1	<i>3</i>
In the band £90,001 - £100,000	2	<i>1</i>
In the band £100,001 - £110,000	2	<i>-</i>
In the band £110,001 - £120,000	1	<i>-</i>
In the band £120,001 - £130,000	1	<i>2</i>
In the band £200,001 - £210,000	1	<i>-</i>
In the band £250,001 - £260,000	-	<i>1</i>

15. Trustees' and Key Management Personnel Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the period, three trustees were reimbursed £556 (2022: £537) for expenses relating to travel costs.

The Charity considers its key management personnel comprise of:

- The Trustees
- Chief Executive Officer
- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- Interim Director of Finance and Resources
- National Delivery Director

As noted above no trustees were remunerated during the year. The total amount of employee benefits received by key management personnel (Salary, Employer NI, Employers Pension, Benefit in Kind etc.) was £1,122,204 (2022:£1,097,294).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

16. Intangible assets

Group

	Computer software £	Goodwill £	Total £
At 1 August 2022	58,315	24,001	82,316
Additions	109,280	-	109,280
Transfers between classes	11,315	-	11,315
At 31 July 2023	178,910	24,001	202,911
Amortisation			
At 1 August 2022	13,508	24,001	37,509
Charge for the year	15,522	-	15,522
Transfers between classes	10,372	-	10,372
At 31 July 2023	39,402	24,001	63,403
Net book value			
At 31 July 2023	139,508	-	139,508
At 31 July 2022	44,807	-	44,807

There are no intangible assets within the parent entity.

JTL
(A company limited by guarantee)



**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

17. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Cost or valuation							
At 1 August 2022	9,181,059	315,176	-	5,329,478	1,039,084	628,523	16,493,320
Additions	3,061,804	336,348	59,980	1,081,020	227,706	62,204	4,829,062
Disposals	-	(71,111)	-	(2,773,216)	(606,401)	(179,904)	(3,630,632)
Transfers between classes	1,249,000	-	-	(1,249,712)	712	(11,315)	(11,315)
Revaluations surplus	1,509,831	-	-	-	-	-	1,509,831
Revaluations deficit	(3,879,194)	-	-	-	-	-	(3,879,194)
At 31 July 2023	11,122,500	580,413	59,980	2,387,570	661,101	499,508	15,311,072
Depreciation							
At 1 August 2022	1,540,542	187,811	-	4,241,067	833,757	358,958	7,162,135
Charge for the year	188,883	78,881	10,669	430,198	87,213	120,335	916,179
On disposals	-	-	-	(2,739,324)	(606,401)	(179,904)	(3,525,629)
Transfers between classes	511,556	-	-	(511,556)	-	(10,372)	(10,372)
On revalued assets	(2,240,981)	-	-	-	-	-	(2,240,981)
At 31 July 2023	-	266,692	10,669	1,420,385	314,569	289,017	2,301,332

JTL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

17. Tangible fixed assets (continued)

Group (continued)

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Net book value							
At 31 July 2023	11,122,500	313,721	49,311	967,185	346,532	210,491	13,009,740
At 31 July 2022	7,640,517	127,365	-	1,088,411	205,327	269,565	9,331,185

Company

	Freehold property £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Cost or valuation					
At 1 August 2022	9,181,059	5,370,606	869,158	617,208	16,038,031
Additions	3,061,804	855,113	174,509	62,204	4,153,630
Disposals	-	(2,707,835)	(606,401)	(179,904)	(3,494,140)
Transfers between classes	1,249,000	(1,249,712)	712	-	-
Revaluations surplus	1,509,831	-	-	-	1,509,831
Revaluations deficit	(3,879,194)	-	-	-	(3,879,194)
At 31 July 2023	11,122,500	2,268,172	437,978	499,508	14,328,158

JTL
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

17. Tangible fixed assets (continued)

Company (continued)

	Freehold property £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Depreciation					
At 1 August 2022	1,540,542	4,324,138	752,445	351,257	6,968,382
Charge for the year	188,883	378,921	63,861	120,335	752,000
On disposals	-	(2,702,155)	(606,401)	(179,904)	(3,488,460)
Transfers between classes	511,556	(511,556)	-	-	-
On revalued assets	(2,240,981)	-	-	-	(2,240,981)
At 31 July 2023	-	1,489,348	209,905	291,688	1,990,941
Net book value					
At 31 July 2023	11,122,500	778,824	228,073	207,820	12,337,217
At 31 July 2022	7,640,517	1,046,468	116,713	265,951	9,069,649

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

17. Tangible fixed assets (continued)

All fixed assets are initially recorded at cost. As at the year ended 31 July 2023 the freehold properties held were professionally revalued. Where the value had increased an amount of £2,657,472 has been recognised within the revaluation reserve. Where the value had decreased an amount of £2,785,854 has been recognised as an expense within the profit and loss account.

The Group has adopted a policy of revaluation for freehold properties. Had these assets been measured at historic cost, the carrying values would have been as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Freehold property	11,250,882	7,640,517	11,250,882	7,640,517

Included in the net book value of property displayed above are the following amounts ascribable to land:

	Group 2023 £	Group 2022 £
Freehold land	3,095,200	2,412,696

Note: A leasehold of building was acquired in Carlisle with a life of 53 years which is being depreciated over 25 years.

18. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2022	33,768,807
Additions	7,550,898
Disposals	(12,437,112)
Revaluations	332,382
Movement in cash held by investment managers	112,132
At 31 July 2023	29,327,107
Net book value	
At 31 July 2023	29,327,107
At 31 July 2022	33,768,807

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2023

18. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2022	132,003	33,768,807	33,900,810
Additions	-	7,550,898	7,550,898
Disposals	-	(12,437,112)	(12,437,112)
Revaluations	-	332,382	332,382
Movement in cash held by investment managers	-	112,132	112,132
At 31 July 2023	132,003	29,327,107	29,459,110
Net book value			
At 31 July 2023	132,003	29,327,107	29,459,110
At 31 July 2022	132,003	33,768,807	33,900,810

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Develop Training Limited	06115331	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
CompEx Certification Limited	02336110	Stafford House, 120-122 High Street, Orpington, Kent, BR6 0JS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Develop Training Limited	7,818,597	(8,395,184)	(576,587)	(3,565,085)
CompEx Certification Limited	1,925,675	(1,648,604)	277,071	277,073

Develop Training Group Limited was dissolved on 13 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

Group and Company

	2023 £	2022 £
Investments at fair value comprise:		
Equities	23,106,048	26,975,356
Securities	5,545,319	5,392,399
Cash within investment portfolio	675,740	1,401,052
	29,327,107	33,768,807

The fair value of listed investments is determined by reference to the bid (sale) price at close of business on the date of the valuation or fair value if the market value is unavailable.

19. Debtors

	Group 2023 £	<i>Group</i> <i>2022</i> £	Company 2023 £	<i>Company</i> <i>2022</i> £
Due within one year				
Trade debtors	4,526,808	3,987,985	3,266,820	3,052,558
Amounts owed by group undertakings	-	-	4,569,639	3,818,230
Other debtors	446,529	143,448	413,989	112,799
Prepayments and accrued income	1,274,829	1,066,261	991,931	548,673
	6,248,166	5,197,694	9,242,379	7,532,260

As at the year end, JTL was owed £295,975 (2022: £222,039) from CompEx Certification Limited and £4,273,664 (2022: £3,596,191) from Develop Training Limited. £80,027 interest was charged for the year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

20. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade creditors	3,345,433	3,095,833	2,874,490	2,921,004
Other taxation and social security	708,432	717,136	437,196	400,045
Other creditors	610,689	757,540	518,310	487,899
Accruals and deferred income	4,757,802	4,717,482	4,231,326	4,300,743
	9,422,356	9,287,991	8,061,322	8,109,691

Deferred income relates to the license and apprenticeship fees being recognised over the period that they relate to.

	Group 2023 £	<i>Group 2022 £</i>
Deferred income		
Deferred income at 1 August 2022	326,596	248,495
Resources deferred during the year	775,410	342,538
Amounts released from previous periods	(326,596)	(264,437)
	775,410	326,596

21. Provisions

Group and Company

	Dilapidations £
At 1 August 2022	244,166
Additions	222,708
	466,874
At 31 July 2023	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2023 £
Unrestricted funds					
General Funds	42,564,824	44,392,739	(48,619,022)	332,382	38,670,923
Revaluation reserve	-	-	-	2,657,472	2,657,472
	<u>42,564,824</u>	<u>44,392,739</u>	<u>(48,619,022)</u>	<u>2,989,854</u>	<u>41,328,395</u>

The transfers in amount of £2,657,472 relates to a gain recognised on the revaluation of the fixed asset freehold properties at the year ended 31 July 2023.

Statement of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2022 £
Unrestricted funds						
General Funds	46,002,012	40,611,641	(43,618,448)	41,891	(472,272)	42,564,824

23. Summary of funds

Summary of funds - current year

	Balance at 1 August 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2023 £
General funds	42,564,824	44,392,739	(48,619,022)	2,989,854	41,328,395

Summary of funds - prior year

	Balance at 1 August 2021 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2022 £
General funds	46,002,012	40,611,641	(43,618,448)	41,891	(472,272)	42,564,824

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	13,009,740	13,009,740
Intangible fixed assets	139,508	139,508
Fixed asset investments	29,327,107	29,327,107
Current assets	8,741,270	8,741,270
Creditors due within one year	(9,422,356)	(9,422,356)
Provisions for liabilities and charges	(466,874)	(466,874)
Total	41,328,395	41,328,395

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	9,331,185	9,331,185
Intangible fixed assets	44,807	44,807
Fixed asset investments	33,768,807	33,768,807
Current assets	8,952,182	8,952,182
Creditors due within one year	(9,287,991)	(9,287,991)
Provisions for liabilities and charges	(244,166)	(244,166)
Total	42,564,824	42,564,824

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

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

	Group 2023 £	<i>Group 2022 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	(3,893,901)	<i>(3,437,188)</i>
Adjustments for:		
Depreciation charges	916,179	<i>1,161,125</i>
Amortisation charges	15,522	<i>12,339</i>
Gains on investments	(332,382)	<i>474,610</i>
Dividends, interests and rents from investments	(406,821)	<i>(359,253)</i>
Loss on the sale of fixed assets	105,003	<i>-</i>
(Increase)/decrease in debtors	(1,050,472)	<i>1,712,573</i>
Increase in creditors	134,365	<i>709,256</i>
Losses on revaluation on fixed assets	2,785,854	<i>-</i>
Tax charge	-	<i>(41,891)</i>
Increase in provisions	222,708	<i>15,555</i>
Tax received	-	<i>41,891</i>
Net cash provided by/(used in) operating activities	(1,503,945)	<i>289,017</i>

26. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	2,493,104	<i>3,754,488</i>
Total cash and cash equivalents	2,493,104	<i>3,754,488</i>

27. Analysis of changes in net debt

	At 1 August 2022 £	Cash flows £	At 31 July 2023 £
Cash at bank and in hand	3,754,488	(1,261,384)	2,493,104
	3,754,488	(1,261,384)	2,493,104

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2023**

28. Operating lease commitments

At 31 July 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Not later than 1 year	1,084,411	1,173,148	582,580	547,636
Later than 1 year and not later than 5 years	2,317,408	2,451,596	1,262,169	1,171,833
Later than 5 years	206,400	230,786	206,400	230,786
	3,608,219	3,855,530	2,051,149	1,950,255

29. Related party transactions

JTL had the following transactions and year end balances with The Electrical Contractors' Association Limited ("ECA") and Unite the Union, both of which are members of the charitable company. JTL also had the following transactions and year end balances with the Joint Industry Board for the Electrical Contracting Industry ("JIB") which has as its constituent parties the ECA and Unite the Union.

Information about related party transactions and outstanding balances is set out below:

	Expenditure £	Outstanding Balances £
Electrical Contractors' Association	-	-
For the year ending 31 July 2023	-	-
For the year ending 31 July 2022	24,918	-
Joint Industry Board	-	-
For the year ending 31 July 2023 / Balance as at 31 July 2023	193,956	(2,174)
For the year ending 31 July 2022 / Balance as at 31 July 2022	466,352	(6,594)

Amounts payable to ECA includes the BUPA annual membership, plus additional services. Amounts payable to JIB relate to Electrotechnical and Plumbing Apprentice registration fees and Health & Safety Assessment fees.

JTL

England & Wales - Charity number 1080254

Accounts



JTL

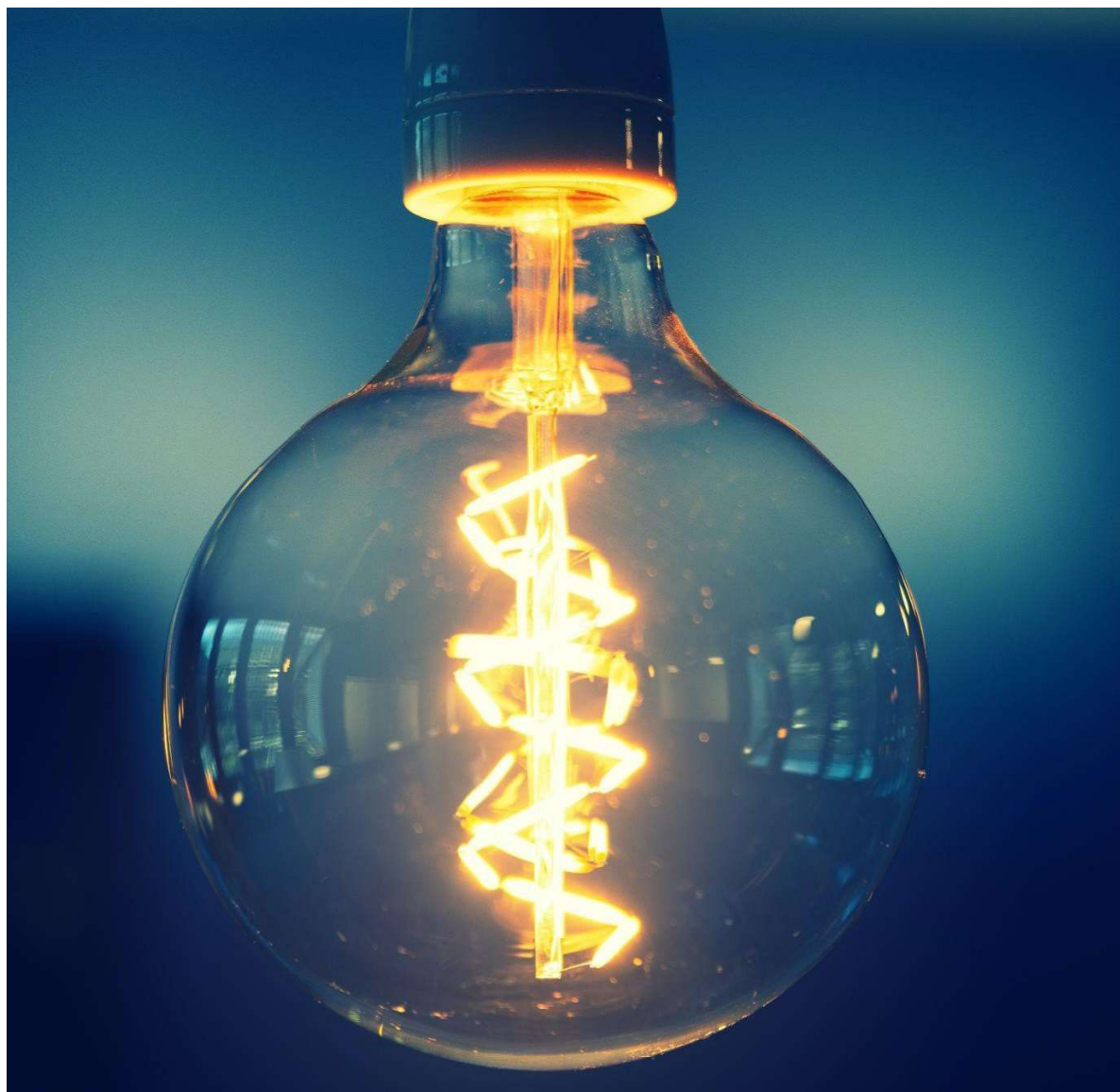
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Group Consolidated Financial Statements

Company Registration No 03958541

Charity No 01080254

Year ended 31st July 2022



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Charity registration number 01080254

Company registration number 03958541

Trustees

G Russell (Chair) ^{1, 3, 4} (resigned 05.05.22)
S Bratt (Interim Chair) (appointed 09.05.22, resigned 01.11.22) ^{1, 4, 7}
Sir John Low (Chair) ^{1, 4} (appointed 01.11.22)
J Allott
R Clarke ^{2, 3}
A Eldred ^{2, 3, 8}
C Fenton ⁷ (resigned 08.11.22)
A Green (appointed 21.07.22) ¹
G Hall (appointed 25.07.22, resigned 13.02.23)
J Lelliott OBE ^{1 2}
P McNaughton (deceased 17.03.22) ^{1, 4}
J Poulter (appointed 13.10.22) ^{1, 4}
S Rugg (appointed 11.11.21, resigned 17.02.22)
T Shelley ⁵
E Staley (appointed 18.07.22) ⁴
I Woodland (resigned 19.08.21) ^{1, 4}

Chief Executive

J Graham (resigned 31.05.22)
P McGuire (Interim) (appointed 01.06.22, resigned 31.12.22)
C Claydon (appointed 06.02.23)

Company Secretary

C Turner

Registered Office

Stafford House
120-122 HighStreet
Orpington
Kent
BR6 0JS

Auditors

Menzies LLP
Centrum House
36 Station Road
Egham
Surrey
TW20 9LF

Solicitors

Stone King LLP
Boundary House
91 Charterhouse Street
London
EC1M 6HR

Group Consolidated Financial Statements

Year Ended 31st July 2022

Bankers

Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Investment Managers

Barclays Wealth Management
1 Churchill Place
London
E14 5HP

Board Sub Committees and Membership

- 1 Investments
- 2 Finance, Audit & Risk
- 3 Quality and Standards
- 4 Remuneration
- 5 Equality, Diversity & Safeguarding
- 6 Health & Safety
- 7 CompEx Certification Limited (formerly JT Limited)
- 8 Develop Training

Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2022

Structure, Governance and Management

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of JTL (the charity and the group) for the year ended 31st July 2022.

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, the Companies Act 2006, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. (FRS 102) (effective 1st January 2019).

Within the Trustees' Annual Report is the strategic report, required under S414c(11) of the Companies Act 2006, which contains the following headings:

- Coronavirus Pandemic
- Achievements and Performance
- Financial Review
- Reserves Policy
- Remuneration Policy
- Public Benefit
- Principal Risks and Uncertainties

Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and to the date of this report are as follows:

Electrical Contractors' Association	Unite the Union	Independent
• Andrew Eldred • Alastair Green (appointed 21.07.22) • Greg Hall (appointed 25.07.22, resigned 13.02.23) • Paul McNaughton (deceased 17.03.22) • Steve Rugg (appointed 11.11.21, resigned 17.02.22) • Elizabeth Staley (appointed 18.07.22)	• John Allott • Richard Clarke • Jason Poulter (appointed 13.10.22) • Ian Woodland (resigned 19.08.21)	• Steve Bratt (Interim Chair) (appointed 09.05.22, resigned 01.11.22) • Chris Fenton (resigned 08.11.22) • John Lelliott • Sir John Low (Chair) (appointed 01.11.22) • Geoff Russell (Chair) (resigned 05.05.22) • Tracey Shelley

Charitable Objects

The charity's objects set out in its Articles of Association are "*to encourage training of persons employed in the electrical installation engineering industry and such other industries as the Trustees may decide*".

The charitable company's principal activities during the year were the delivery of Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

Vision and Values

JTL's vision is:

To be the training organisation of choice to the building services engineering sector.

The company's values have proved more important than ever during the challenging times encountered in 2021/22 and beyond.



Structure and Members

JTL is a charitable company limited by guarantee and was set up on 23rd March 2000. Formerly, the company operated as JT Limited which was incorporated in 1989. JTL's company registration number is 03958541 and its charity number is 01080254. The charity is governed by its Articles of Association.

The company's members are Unite the Union and the Electrical Contractors' Association. The members have a liability not exceeding £10 per member.

Recruitment and Training of Trustees

The Articles of Association entitle Unite the Union and the Electrical Contractors' Association to each appoint up to four Trustees and a further independent Trustee to be Chairman. The Trustees may appoint up to a further four independent Trustees. The company is administered by the Board of Trustees, with the Chief Executive (appointed by the Trustees) managing the day-to-day operations of the charity.

Trustee recruitment is undertaken in accordance with the Articles of Association. Induction and

Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2022

training are provided by the management and company's professional advisors on a regular basis.

Related Parties

The principal transactions with related parties are with the Joint Industry Board for the Electrical Contracting Industry (JIBECI) and the Joint Industry Board for Plumbing and Mechanical Engineering Services (JIB PMES). This relates to the registration of all apprentices with the relevant Joint Industry Board for the purpose of receiving apprentice cards and cards recognising their craft competence at the end of the apprenticeship. The registration fees are agreed annually with the relevant JIB and formalised in an annual agreement signed by each organisation.

The arrangement is believed to provide added value to JTL apprentices and is subject to regular review by the JTL Board.

Compliance with Trustees' Duties under Section 172(1) Companies Act 2006

Trustees must act in the way they consider, in good faith, would be most likely to promote JTL's success to achieve its charitable purposes. The Trustees, in doing so, delegate day to day management and decision-making to the Chief Executive and other members of the Executive Management Team, who are required to act to further JTL's strategy and to ensure that activities are carried out in compliance with agreed plans and policies and external regulations and in accordance with JTL's values. The Trustees receive regular reports on JTL's performance and plans. In carrying out their duties, the Trustees have regard (amongst other matters) to:

- **The likely long-term consequences of any decision**

The Trustees contribute proactively to JTL's strategic vision and three-year plan which was especially important following the Covid pandemic and in the light of on-going uncertainties. They also reviewed, amongst other plans, the IT Strategy and Financial plans. The long-term likely impact of the plans for JTL has been considered as well as the consequences of their decisions.

- **The interests of the charity's employees**

Trustees had oversight of the on-going impact of Covid-19 on ways of working for JTL staff throughout the pandemic and its aftermath. They reviewed the steps in place to promote staff health and wellbeing, including means of keeping in touch with those working from home. We have continued to implement our approach to good people management and career progression to enable our staff to fulfil their potential, with a specific focus on under-represented groups and in line with our safe, feminist and anti-racist principles.

- **The need to foster the charity's business relationships with suppliers, customers and others**

JTL continually strives to make partnerships with suppliers, customers, and others more equitable, collaborative and with a view to gaining better value for money and improving the learner experience.

- **The impact of the charity's operations on the community and the environment**

The organisational structure is designed to enable us to become a safe environment for all stakeholders that come in contact with JTL, especially employees and learners. We have continued to invest and improve our safeguarding to ensure that we better protect all those with whom we work. Risks relating to Safeguarding are considered and debated by the Board, which receives quarterly reports on safeguarding casework and progress, including against agreed key performance indicators.

- **Maintaining a reputation for high standards of business conduct**

JTL strives to achieve its strategic goals; we lead by example by demonstrating in all areas the same values that we wish to see in the people we work with and those we aim to influence. Further, our values and the behaviours we want to see, including our commitment to safeguarding, are embedded in our staff recruitment, induction, and appraisal procedures.

Governance and Key Management Personnel

The governance of JTL takes the form of a non-executive Board of Trustees which meets quarterly. In addition, there are formal Board Sub-Committees including Investment, Remuneration, Finance, Audit & Risk and Quality & Standards. The Board has agreed formal Standing Orders for its own operation and formal Terms of Reference for each of the Sub-Committees.

In addition to the above, there are further two Sub-Committees formed to cover Health and Safety and Equality, Diversity and Safeguarding. Board representatives meet regularly with the executive on these matters and report formally back to the Board of Trustees.

Regular skills audits of Board members are conducted in order to ensure that, across its membership, it has a good understanding of all key areas of business undertaken by and relevant to JTL. The results are reviewed by the Board and the outcomes influence subjects for future training for Board members.

The Board also conducts an annual self-evaluation of its performance. The evaluation is

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influenced by the Charity Governance Code and the Code of Good Governance for Independent Training Providers published by the Association of Employment and Learning Providers (AELP). The results of the self-evaluation are considered by the Board and appropriate action taken to address areas for improvement.

The Board delegates the day-to-day operations of JTL to the executive team through a formal Delegated Levels of Authority document which is reviewed periodically by the Board. The executive team is led by the Chief Executive supported by the Executive Management Team (EMT) which consists of the following roles, each with responsibility for defined functions within the business:

- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- Interim Director of Finance
- National Delivery Director

The Chair and Chief Executive both left for new positions during the latter part of 2021/22 and, while recruitment for their successors took place, an interim Chair was appointed. The Chief Operating Officer became interim Chief Executive and a temporary Finance Director was appointed. The interim Chair and Board offered regular support and monitoring to ensure sound continuity of operations during the recruitment process.

Key Management Personnel Remuneration

The key management personnel of the charity include the Trustees and the EMT.

The Trustees of the charity give their time freely and are not remunerated.

The Chief Executive's remuneration is set annually by the Remuneration Committee. The Remuneration Committee is made up of the Chairman and three other trustees nominated by the ECA, Unite the Union and the independent directors. It is the responsibility of the Chief Executive to set the pay of the EMT.

The Remuneration Committee also has responsibility to consider the recommendation of the Chief Executive regarding the overall remuneration of the organisation. This recommendation is based on organisational and staff performance, market testing conducted by the HR Director, Consumer Price Index data and feedback from the members on their likely pay awards. The decision of the Remuneration Committee is then applied through a performance related pay process led by the Chief Executive and EMT.

Employees

The average monthly full-time equivalent number of employees of JTL for the year ended 31st July 2022 was 366 (2021: 382).

JTL communicates with its staff through a number of channels including regular executive blogs, webinars, newsletters, EMT and Senior Management Team (SMT) meetings, other manager and staff meetings, a staff forum and the intranet. The annual staff conference, which was cancelled in 2021 due to the Coronavirus pandemic, was successfully reinstated in 2022.

JTL ensures that no discrimination is shown on the grounds of any protected characteristics such as: race, colour, nationality, ethnic or national origin, gender, gender reassignment, religion or belief, sexual orientation, age, marital status including civil partnerships, pregnancy and maternity, caring responsibilities or disability (the latter is subject to the industry's safety requirements).

Rewarding everyone fairly, regardless of gender, is at the heart of the JTL leadership team's agenda. However, women are under-represented in the building services engineering sector and assessors are required to be occupationally competent in their discipline, which currently limits the number of female applicants. Our gender split is currently 70% male and 30% female which reflects JTL's reliance on a nationwide team of occupationally competent assessors, predominantly male, who account for 37% of its total workforce.



	JTL Gender Gap		Proportion of relevant employees with bonus pay	Number with bonuses
	Hourly Pay Differential	Annual Bonus Differential		
Mean	20.3% (17.4%)	44.5% (-82.7%)		
Median	28.5% (17.8%)	-16.1% (-127.8%)		
Male			9.1% (1.4%)	23 (4)
Female			10.2% (0.9%)	14 (1)

This is not a pay but a representation issue. All JTL recruitment is based on competence and not gender, race, creed or orientation. The majority of female employees are in lower paid administrative functions. The move to having JTL centres and tutors will have a positive impact

on the gap as more female tutors are likely to be available.

JTL acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions of the Modern Slavery Act 2015. The organisation understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains. No labour provided to JTL in the pursuance of its services is obtained by means of slavery or human trafficking.

JTL is a Disability Confident Employer and actively seeks to attract and recruit disabled people by providing a fully inclusive and accessible recruitment process. We interview all disabled people who meet the minimum criteria for our vacancies. We are supportive of our employees who may become disabled during their employment and proactively offer and make reasonable adjustments as required. We encourage training, career progression and promotion for all disabled persons employed by the company. We expect all our employees and people working with us to treat all people with respect and ensure that appropriate disability equality awareness briefings take place on a regular basis.



JTL has an obligation to meet the Prevent Duty requirements as defined by the Counter Terrorism and Security Act 2015. In meeting this duty, JTL has developed a training programme for all staff, has a Prevent strategy in place and has amended its policies and key documents to reflect the Prevent Duty. A staff working group is in place to focus on Equality, Safeguarding and Prevent and meets half-yearly to provide updates to all staff as appropriate.



Aims and Objectives

The JTL Executive Management Team present to the Board, who annually approve, a rolling three-year organisational strategy, and underpinning one-year business plan. The five strategic goals of the organisation are to:

- Increase our learner numbers and market share in our core apprenticeships year on year.
- Improve our financial resilience, sustainability and results.
- Continue to diversify and grow our products and services to better meet the changing needs of the industry and its workforce.
- Enhance and innovate (our processes and systems) to enable us to be a great, high-quality organisation: responsive to our learner and employer needs with a minimum Grade 2 "Good" Ofsted; and
- Recruit and retain great people and be a great place to work.



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The Trustees believe that, despite the challenges faced during 2021/22, JTL has made good progress against its charitable objects and its strategic and business plan objectives.

Public Benefit Statement

The Trustees have had regard to their responsibilities in demonstrating public benefit as set out in guidance provided by the Charity Commission. The charity has and continues to demonstrate a number of areas of public benefit within its core charitable objective of the advancement of education, in the form of advanced apprenticeship training, achieving high levels of success through the support and mentoring offered throughout the typically four-year apprenticeship period.

Given the challenges faced during and following the pandemic, JTL has paid particular attention to mental health support for its learners, many of whom were badly affected by the uncertainties of the situation and the impact on their learning, employment and family circumstances. JTL partners with the Electrical Industries Charity to offer targeted support for individuals in particular need.



The impact on beneficiaries is through the training of persons employed in, or wishing to enter, the building services engineering sector to obtain qualifications for life. In doing so this ensures the success and prosperity of the sector by supporting and improving an appropriately trained and skilled workforce. The high achievement rates of JTL apprentices are a good indicator of the effectiveness of its programmes and therefore the value for money obtained for the public purse.

JTL also continues to offer its employer grant schemes including an adoption grant for employers who take on apprentices who have been made redundant during their apprenticeship to help them complete their apprenticeship successfully.

JTL also offers Traineeships which are a Government-funded scheme, which last up to 16 weeks. These prepare young people who are not yet ready for an apprenticeship, with skills which will help them with future employment as well as giving work experience which may lead to employment. Greater emphasis on initial advice and guidance and initial assessment supports JTL's No Wrong Door strategy which ensures all learners are given the appropriate support and guidance to meet their individual needs in making choices about their career in the industry.

JTL provides all its apprentices with free, high-quality textbooks, learning materials and toolkits to support their progress and achievement without the need to incur the costs associated with such purchases.

It is also apparent that charitable status is attractive to colleges of further education who are more willing to work with JTL in innovative partnership arrangements than is otherwise the

case with profit seeking providers. Such arrangements are proving beneficial to learners and employers and are providing improved services to local communities.

All apprenticeship courses are fully accessible and available free of charge to its learners, as the costs are met by the government and employers or are underwritten by JTL's charitable funds.

JTL offers our apprentices a chance to stay in touch and continue their development through JTL Toolbox, a free online support package specifically aimed at employers and those who have completed or are near to completing their apprenticeship. Power Up is a CPD platform within Toolbox which offers free taster training sessions to electricians which will help them in their day-to-day job role and support their continued professional training needs.



Energy and Carbon Reporting

JTL recognises the climate crisis and the need for everyone to take action to address this global threat. The charity commenced Standard Energy and Carbon Reporting (SECR) disclosures on energy and carbon in 2020/21.

However, JTL has been in scope of the Government's Energy Saving Opportunity Scheme (ESOS) since 2015. Acting on both the four-yearly ESOS audit output and the annual SECR returns, JTL has significantly reduced its total carbon output during the period under review from 772.64 tonnes to 401.2 tonnes.

SECR Methodology Statement 2021

The analysis below is based on the audit and review activity undertaken by Infinite Utilities Limited. It includes the Total Energy Calculation (including the significant energy consumption), Profiling of Site Energy data, Analysis of Transport, and Energy Audits of JTL's Training Centres and Offices where direct billing is available.

Type of Emissions	Fuel	kWh	Kg CO2e	T CO2e	% of Total
Direct (Scope 1)	Electricity	357,799	75,971	76.0	21%
	Gas	170,230	31,179	31.2	10%
	Company Vehicles (Petrol)	134,724	32,565	32.6	8%
	Company Vehicles (Diesel)	268,454	64,887	64.9	16%
	Sub Total	931,207	204,603	204.6	54%
Indirect (Scope 2)	Company Vehicles (Electric)	N/A	247	0.2	0%

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Indirect Other (Scope 3)	Business Travel (Own User Petrol Vehicles)	249,481	62,707	62.7	15%
	Business Travel (Own User Diesel Vehicles)	532,585	133,637	133.6	31%
	Sub Total	782,066	196,344	196.3	46%
Total		1,713,273	401,194	401.2	100%

Due to reporting limitations the above table does not consider energy consumption by Develop Training Limited. Reporting will be updated to include Develop Training Limited from 2022/23.

The significant reductions have been achieved in the following areas:

- **Electricity – 56.43 Tonne Co2e Reduction**

Achieved by leaving existing Mill Wharf property in Birmingham and creating energy efficient centre at Rocky Lane and post Covid-19 alternative working arrangements in offices.

- **Gas – 13.68 Tonne Co2e Reduction**

Achieved by leaving existing Mill Wharf property in Birmingham and creating energy efficient centre at Rocky Lane and post Covid-19 alternative working arrangements in offices.

- **Company Cars – 107.889 Tonne Co2e Reduction**

Achieved through refreshed company car policy to include additional allowances for EVs, PHEVs under 75g Co2, driver self-selection of low emission ICE vehicles.

- **Own User Cars – 193.30 Tonne Co2e Reduction**

Achieved as a result of alternative working methods of field staff with fewer site visits per staff member than in the previous year under review. Own car users are also self-selecting, newer, more efficient petrol vehicles. Own user diesel car total carbon output for company mileage reduced by 180 tonnes CO2e during the year.

The long term impact of Covid-19 on working practices, in particular the mix of home and office working we believe has somewhat stabilised. Changing working practices in the future, as we move to a new normality may result in slight increases as office use returns to near normal. To mitigate this, we will continue to review, heating, cooling and lighting solutions following investment appraisals and the output recommendations from our ESOS audits.

Our positive intervention on transport mix means this element is no longer our greatest carbon contributor. Indeed, from the table above our company carbon split is almost 50/50 across transport and buildings. Whilst the greatest gains (a reduction of 400 Tonnes) have

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been achieved, further improvements of volume may be difficult to attain without significant investment and especially in a period of growth of our own centres. However, we will continue to:

- Encourage company car users to move away from petrol and diesel cars to hybrid and fully electric cars. For renewals to 2024, we would expect a company car carbon output to be maintained at around 100 tCO₂e based on the current reordering trend.
- Review potential solutions to encourage own car users to move away from high carbon emitting vehicles. This could include salary sacrifice schemes to provide a car under 75gCo₂ pre-Tax/NI to own users. It is also likely that increases in vehicle excise duty, fuel pricing, and the extension of clean air zones will encourage self-selection of cleaner vehicles at natural replacement.

With regards to property, we have already taken steps towards reducing carbon emissions including moving our Birmingham training centre - from an energy inefficient building (with poor insulation, old plant equipment including 3 gas boilers and a mix of inefficient incandescent and fluorescent lighting, and windows, which accounted for 65% of building fabric, which were single glazed, leaked energy and provided no thermal properties) - to a new building designed with a journey toward Net Zero in mind (including LED lighting, efficient VRF Heat pumps as a main source of heating and cooling, carbon absorbing laurel hedging around the perimeter boundary and photovoltaic roof panels and EV chargers). The estimated saving is a 40% reduction in carbon output on a property which is 20% larger.

All new centres (currently Norwich, Eastbourne and Hull) are being designed and developed with energy efficient measures built to include as a minimum, low energy lighting schemes, combined VRF heating and cooling systems where economically practical, improved insulation and water consumption reduction measures. As our estate evolves based on operational requirements assessments on building fabrics and energy use is reviewed and designed in by our appointed RICS surveyor and internal infrastructure and projects team.

Further potential energy savings will be considered on an on-going basis and as JTL expands and improves its estate.

STRATEGIC REPORT



CORONAVIRUS PANDEMIC

The world faced unparalleled adversity in the Coronavirus pandemic (Covid-19) which had a devastating global effect on people, businesses, economies and governments commencing in the second half of 2019/20 and continuing throughout 2020/21 and into 2021/22. Despite efforts by the UK government to implement extraordinary business support measures, JTL

experienced the consequences of the pandemic as it impacted the sector. The total loss of the anticipated recruitment of c600 new apprentices between April and July 2020 and reduced recruitment in 2020/21 will impact for the four years that those individuals should have been in learning. Furthermore, and despite our best efforts with remote delivery, the learning and progression of apprentices in learning (furloughed or not) was unavoidably disrupted during the pandemic and continues to require remedial catch-up learning. AM2 centres were shut for a number of months which prevented anticipated completions being achieved resulting in a backlog which still needs clearing in addition to the new planned completions.

Nevertheless, the building services engineering sector bounced back quite healthily in 2021/22 as did apprentice recruitment. It was possible for field staff to resume visits to employers and apprentices and some return to a semblance of normality has been possible during 2021/22.

ACHIEVEMENTS AND PERFORMANCE



Management

The EMT initially set out a three-year strategy - with a view to this being reviewed and updated on a rolling annual basis - framed around the vision to be the training organisation of choice to the building services engineering sector, supporting the organisation's drive to pursue a journey from "good to great".

In 2021/22, and despite on-going uncertainties, the JTL Board and Executive agreed that it was appropriate to return to the three-year Strategic Planning cycle following the rollover arrangements in 2020/21 due to the pandemic. A three-year Strategic Plan and one-year Business Plan were therefore agreed for 2021/22 which focussed on recovery and stability.

We continue to work with our delivery partners but also opened more of our own training centres to support our employers and learners as appropriate.

The EMT is supported by a Senior Management Team (SMT) comprising the next tier of performance management within the company which is made up of Heads of Departments and Heads of Learning and Assessment. The EMT and SMT meet and work together to continuously improve JTL's performance.

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Statistics

During the year JTL:

- recruited 2,453 (2021: 2,106) apprentices.
- delivered 1,425 (2021: 1,143) apprentice achievements.
- market share in the core electrotechnical discipline is 31.6%
- According to ESFA published data, JTL's overall achievement rate was 61.4% (2020/21: 63.6%). This compares with a national average of 57.7%. Due to the Covid- 19 pandemic, the ESFA has not published any timely achievement rates.
- At 31st July 2022, JTL had 7,467 apprentices in training.



College Partners and JTL Centres

JTL continues to fund all college fees for its apprentices in training to enable them to successfully complete the appropriate off-the- job learning elements of the apprenticeship. JTL employs occupationally qualified and competent field staff who regularly monitor, review and assess the apprentices' progress.

The core business model is for JTL to work with delivery partners where the quality is good, and it meets employer needs. However, where this model has proved unsatisfactory in terms of quality or financial viability of provision, JTL has continued its strategy of developing its own centres. It now operates its own training from the following centres:

- Ashford
- Bedford (college partnership)
- Birmingham
- Bury (college partnership)
- Carlisle
- Maidstone (college partnership)
- Norwich
- Nottingham
- Orpington
- Oxford
- Preston (college partnership)
- Telford
- Tankersley (South Yorkshire)
- York

JTL also operates a training centre in exclusive partnership with P & R Hurt in Yeovil.



Quality

Quality is a key factor in assessing the effect of our training on both employers and apprentices. The Education Inspection Framework and Self-Assessment Report form a key foundation of JTL's quality activities to help maintain a clear focus on Ofsted priorities. In November 2016, JTL was re-inspected by Ofsted and once again achieved a "Grade 2 - Good" inspection report. JTL's focus on the quality of its provision results in it continuing to have achievement rates well



above the national average in its core disciplines of electrotechnical and plumbing.

In addition, JTL holds BS EN ISO 9001:2008 for quality management systems and it has held the Investors in People (IIP) standard since 1995 (most recently re-assessed in 2021) and the Matrix standard since 2012 (which was also successfully re-assessed in 2021). In 2020, JTL was re-accredited with Committed 2 Equality and maintained its Gold standard for Equality.



Accredited to
ISO/IEC 17024:2012 to
provide certification of
persons

CompEx Certification Limited has also been accredited by UKAS to ISO 17024:2012 in respect of its CompEx operations since 2010 (re-audited in 2021).

JTL employs a rolling internal audit programme which includes delivery partner inspections.

Equality, Diversity and Safeguarding

JTL is committed to a policy of equality and diversity for everyone. No applicant for a training scheme place with JTL, apprentice, customer or member of staff shall knowingly receive less favourable treatment on the protected characteristics, nor will any other condition or requirement that cannot be justified disadvantage them.

JTL is also committed to safeguarding and promoting the welfare of children and young people and expects all staff to share this commitment. This has been of particular importance during the Covid-19 lockdown period where learners have been particularly vulnerable to mental health and wellbeing issues. We have taken additional steps to stay in touch with our learners during this period to monitor their welfare.

The building services engineering industry is generally regarded as a white, male industry and JTL continues to address this stereotyping through its growing apprentice ambassador scheme which sees existing female and Black, Asian, Minority Ethnic (BAME) apprentices working with schools and at careers events to promote the opportunities in the industry as well as to network with each other.



FINANCIAL REVIEW

The JTL strategy set out by the Executive Management Team includes, as one of its five objectives, a strategic objective of improving financial management and performance. This included specifically delivering a positive overall net movement of funds and, within that, moving JTL from an operating deficit to an operating surplus.

The principal funding source is the Department for Education's Education and Skills Funding Agency. The charity uses this income source to further its aims and objectives including increasing apprentice learner numbers, increasing market share and enhancing and innovating its provision.

No fundraising is carried out and any income from investments is generated via a responsible and ethical approach implemented by the Investment Managers, Barclays, which, amongst other things, excludes investment in Tobacco, Arms, Gambling and Pornography.

The Consolidated Statement of Financial Activities for the year shows an operating loss for the year of £3,006,807 (2021: Loss £4,339,947). Net movement in funds for the year amounted to £3,437,188 (2021: £2,228,670) after investment losses of £472,272 (2021: gain of £7,032,647) and taxation. This resulted in a net asset position, all held as unrestricted funds as at 31st July 2022, of £42,564,824 (2021: £46,002,012). The Trustees are satisfied with the net asset position at the year end and are confident that sufficient funds are available to meet future needs.

For the charity alone, total income for the year amounted to £32,817,824 (2021: £28,203,803), with a net reduction in funds of £3,276,802 (2021: gain of £2,737,971). Total donations to JTL from CompEx Certification Limited and Develop Training Group Limited under the Gift Aid scheme in the year to 31st July 2022 was £183,482 (2021: £0). The 2021 profit amount was not accrued at the end of the year following clarification of Financial Reporting Standard 102. The subsidiaries had total income for the year of £8,431,432 (2021: £7,737,596) and costs of £8,452,791 (2021: £7,780,301) which is in line with strategy and expectation.



Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was active throughout 2021/22. In addition to standard agenda items covering company and financial performance, internal and external audit activity and preparation of the financial statements, the Committee also considered a number of items in focus at its meetings. These included:

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- Audit findings 2020/21
- Group Audit Plans
- Complaints Policy
- GDPR Policy
- Hull business case
- New finance system
- Reserves Policy
- Risk Management Policy
- Safeguarding



Investments

Under the Articles of Association, the charity has the power to make any investments which the Trustees see fit.

In terms of investment funds, JTL's objective is to achieve capital growth, whilst maintaining a balanced risk profile over the medium term and to deliver annual net gains to support the consolidated financial position, as set out in the three-year strategy. JTL's funds are managed solely by Barclay's Wealth with funds invested on a medium risk profile.

In terms of socially responsible investing, regular discussions are held at the JTL Board, JTL Investment Committee and with the investment managers regarding the approach taken on behalf of JTL. The Investment Committee is aware that the investments are managed by the charity department of Barclays who have an established ethical investing offering. This is made up of a 3-stage process that includes:

- A negative screen which is applied using MSCI ESG Business Involvement Screening Research to remove companies whose primary businesses are focused around tobacco, alcohol, armaments, gambling, adult entertainment or fossil fuels.
- Independently calculated MSCI ESG results are then used to remove companies that do not meet a minimum threshold around environmental, social and corporate governance characteristics.
- Positive Analysis - Companies are identified that help to address at least one of the UN's Sustainable Development goals.

During the year, the overall return of the portfolio was -0.93%. The JTL portfolio has performed comparatively better than the ARC (Asset Risk Consultants) Sterling Steady Growth Charity Index which delivered a return of -2.46% during the same period.

Subsidiaries

In addition to the investment funds, JTL has two wholly owned subsidiaries, CompEx Certification Limited and Develop Training Limited.

CompEx Certification Limited (formerly JT Limited)



The principal business of CompEx Certification Limited is the operation of the CompEx Certification Scheme. The CompEx Scheme is the global solution for validating core competency of employees and contract staff of major users in the gas, oil and chemical sectors

for both offshore and onshore activities.

CompEx Certification Limited has, under contract to the Engineering Equipment and Materials Users Association (EEMUA), managed and operated the CompEx Scheme since it was developed in 1994 and, in April 2014, acquired the Scheme from EEMUA.

Develop Training



When JTL acquired Develop in September 2019, it comprised a group of four companies:

- Develop Training Group Limited (DTGL)
- Develop Training Limited (DTL)
- Develop Solutions Limited (DSL)
- Develop Training Employee Benefit Limited (DTEBL)

The intention is to close all but Develop Training Limited. Develop Solutions Limited was dissolved on 7th April 2020. Develop Training Employee Benefit Limited was dissolved on 7th December 2021 and Develop Training Group Limited was dissolved in December 2022.

Develop is an accredited provider of compliance, technical, and safety training for the utilities and construction, defence, healthcare, facilities management, and telecommunication sectors.

Develop Training Limited, a predominantly commercial course provider was acquired to compliment and provide a source of funds to the JTL group to further its charitable aims. A plan to turn around Develop Training Limited from the current loss-making position to making profits is currently in progress and will be achieved through review, management and efficiencies through the use of shared resources with JTL.

Reserves Policy

The general reserves of the group at 31 July 2022 were £42,564,824 of which £9,375,992 is represented by tangible and intangible fixed assets. Free reserves, defined as excluding such funds attributed to these assets, were £33,188,832.

The current reserves policy requires that unrestricted funds held by the charity should be more than six months (£21,809,224) and less than twelve months (£43,618,448) of the resources expended. After allowing for factors detailed in Charity Commission guidance for best practice, the charity's reserves are in line with this policy. At this level the charity would be able to continue its activities until arrangements could be found to transfer and fund the transfer of the training of apprentices under its managing agency to another organisation.

In addition, the Reserves Policy was reviewed and amended by the Finance, Audit and Risk Committee during the year to reflect the need for digital and technological improvements, capital investments in new JTL training centres and potential acquisitions. It was also agreed that the Finance, Audit and Risk Committee would have an annual review, to support the next strategic and business planning cycle to update and restate JTL's Reserves Policy to ensure that the level of reserves is reasonable to cover all operational and other commitments.

The Trustees consider that in light of the above and the current economic climate, the amount in reserves is appropriate.



Principal Risks and Uncertainties

The Board ensures, through the specific delegation of responsibilities, that the Executive Management Team will manage significant business risks through a combination of risk identification, analysis, evaluation, control and action planning so as to contain risk within limits acceptable to the Board.

In line with JTL's risk management policy and framework, risks are logged on JTL's risk register and reviewed regularly. The most significant risks are then reviewed and discussed monthly by the Executive Management Team and quarterly by the Finance, Audit & Risk Committee and reported to the Board.

The most significant risks currently identified are:

- Covid -19 and related operational and financial implications
- Poor Ofsted inspection outcome.
- Loss of learner, staff and/or employer personal identifiable data.

The Trustees have assessed these major risks and are satisfied that adequate steps are being taken to mitigate exposure and reduce the risks.



Plans for future periods

JTL's core business is delivering high quality apprenticeships to the building services engineering sector. The strategy is to continue to concentrate on this sector but to expand the range of training offered including to some of the smaller, more specialist areas of the industry. In addition to our apprenticeship provision, we are strengthening our pre-apprenticeship/traineeship programme.

The JTL three-year strategy and annual business plan set out specific targets to grow our learner numbers and our market share. Our preferred option continues to be a mixed delivery model strategy with our partners, but it is also likely that we will increase the levels of our

direct delivery at our own current and new centres.

While the building services engineering sector is predominantly made up of SME/micro businesses, we are also continuing to improve our engagement with national accounts in order to support our employers in utilising the apprenticeship levy.

JTL remains committed to the implementation of a technology strategy and have set out a digital journey. This includes increased automation of systems and processes plus e-documentation, e-portfolios and a new customer relationship management system.

Underpinning everything we do is our focus on the quality of our provision and ensuring that we not only meet but exceed the expectations of our customers, learners, funding bodies and the industry. In doing this we also want to be an enjoyable, fulfilling and exciting place to work, an organisation which people are proud to be part of and one which rewards excellence and achievement. Simply put, we want to be a great place to work and a great organisation to work with.

JTL continues to monitor external opportunities for partnership and acquisition as long as these support the JTL objectives, ethos and the overall business strategy.

The JTL strategic objective of improving financial management and performance continues to support all our development plans and continued improvement.

Going Concern

The Trustees have assessed the financial impact of Covid-19 on the charity to date, along with latest financial results and future forecasts and, as a result, have a reasonable expectation that the financial impact of Covid-19 on the charity has now peaked and will reduce year on year going forward, and therefore the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Trustees' Responsibilities Statement

Trustees (who are also directors of JTL for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure of the charitable company and the group 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 in the Charities Statement of Recommended Practice (SORP) 2019(FRS102).
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation

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in other jurisdictions.

Disclosure of information to the auditors

We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Auditors

Under section 487(2) of the Companies Act 2006, Menzies LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

Signed on behalf of the Board of Trustees

A handwritten signature in black ink, appearing to read 'John Low'.

Sir John Low, Chair of the Trustees

Date: 24 April 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JTL

Opinion

We have audited the financial statements of JTL (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2022 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2022 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.

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.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JTL(CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JTL(CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, Employment and Health and Safety legislation, GDPR and the UK Code of Fundraising Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: fictitious employees, apprentices that don't exist, fictitious suppliers, the posting of unusual journals and complex transactions and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.

Audit procedures performed by the engagement team included:

- identifying and assessing the design and 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;
- challenging assumptions and judgements made by management in its significant accounts estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This description forms part of our Auditors' report.

JTL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JTL(CONTINUED)

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. 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.



Janice Matthews FCA (Senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Centrum House

36 Station Road

Egham

Surrey

TW20 9LF

Date: 24 April 2023

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2022**

	Note	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:				
Donations and legacies	4	2,787	2,787	110,203
Charitable activities	5	31,822,449	31,822,449	27,785,956
Other trading activities	6	8,427,152	8,427,152	7,647,157
Investments	7	359,253	359,253	417,846
Total income		40,611,641	40,611,641	35,961,162
Expenditure on:				
Raising funds	8,9	7,945,163	7,945,163	7,774,974
Charitable activities	11	35,673,285	35,673,285	32,526,135
Total expenditure		43,618,448	43,618,448	40,301,109
Net expenditure before net (losses)/gains on investments		(3,006,807)	(3,006,807)	(4,339,947)
Net (losses)/gains on investments		(472,272)	(472,272)	7,032,647
Net (expenditure)/income before taxation		(3,479,079)	(3,479,079)	2,692,700
Taxation		41,891	41,891	(464,030)
Net movement in funds		(3,437,188)	(3,437,188)	2,228,670
Reconciliation of funds:				
Total funds brought forward		46,002,012	46,002,012	43,773,342
Net movement in funds		(3,437,188)	(3,437,188)	2,228,670
Total funds carried forward		42,564,824	42,564,824	46,002,012

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

The notes on pages 34 to 54 form part of these financial statements.

**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	16	44,807	37,146
Tangible assets	17	9,331,185	7,077,821
Investments	18	33,768,807	37,008,395
		<u>43,144,799</u>	<u>44,123,362</u>
Current assets			
Debtors	19	5,197,694	6,910,267
Cash at bank and in hand		3,754,488	3,775,731
		<u>8,952,182</u>	<u>10,685,998</u>
Creditors: amounts falling due within one year	20	(9,287,991)	(8,578,737)
Net current liabilities / assets		<u>(335,809)</u>	<u>2,107,261</u>
Total assets less current liabilities		<u>42,808,990</u>	<u>46,230,623</u>
Provisions for liabilities	21	(244,166)	(228,611)
Total net assets		<u><u>42,564,824</u></u>	<u><u>46,002,012</u></u>
Charity funds			
Unrestricted funds	22	42,564,824	46,002,012
Total funds		<u><u>42,564,824</u></u>	<u><u>46,002,012</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 were approved and authorised for issue by the Trustees and signed on their behalf by:



Sir John Low
Chair of the Trustees

Date: 24 April 2023

The notes on pages 34 to 54 form part of these financial statements.

**COMPANY BALANCE SHEET
AS AT 31 JULY 2022**

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	17	9,069,649	6,909,152
Investments	18	33,900,810	37,140,398
		<u>42,970,459</u>	<u>44,049,550</u>
Current assets			
Debtors	19	7,532,260	8,244,021
Cash at bank and in hand		3,173,898	3,397,469
		<u>10,706,158</u>	<u>11,641,490</u>
Creditors: amounts falling due within one year	20	(8,109,691)	(6,862,867)
Net current assets		<u>2,596,467</u>	<u>4,778,623</u>
Total assets less current liabilities		<u>45,566,926</u>	<u>48,828,173</u>
Provisions for liabilities		(244,166)	(228,611)
Total net assets		<u><u>45,322,760</u></u>	<u><u>48,599,562</u></u>
Charity funds			
Unrestricted funds	22	45,322,760	48,599,562
Total funds		<u><u>45,322,760</u></u>	<u><u>48,599,562</u></u>

The Company's net movement in funds for the year was £(3,276,802) (2021 - £2,737,971).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:



Sir John Low
Chair of the Trustees

Date: 24 April 2023

The notes on pages 34 to 54 form part of these financial statements.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JULY 2022**

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	25	289,017	(3,056,960)
Cash flows from investing activities			
Dividends, interests and rents from investments		359,253	417,846
Purchase of intangible assets		(20,000)	(38,315)
Purchase of tangible fixed assets		(3,414,490)	(3,120,788)
Payments to acquire investments		(6,203,840)	(2,377,795)
Receipts from sales of investments		9,182,001	6,818,131
Movement in cash held by investment managers		(213,184)	1,272,488
Net cash (used in)/provided by investing activities		(310,260)	2,971,567
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(21,243)	(85,393)
Cash and cash equivalents at the beginning of the year		3,775,731	3,861,124
Cash and cash equivalents at the end of the year	26	3,754,488	3,775,731

The notes on pages 34 to 54 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

1. General information

JTL is a charitable company limited by guarantee and is incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are delivering Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

JTL 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Basis of consolidation

The financial statements consolidate the accounts of JTL and its wholly owned subsidiaries undertakings, CompEx Certification Limited, Develop Training Group Limited and Develop Training Limited.

The charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The net movement in funds dealt with in the income and expenditure account of the charity was deficit £3,276,802 (2021: £2,737,971).

2.3 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern including the ongoing and reducing negative financial impact of Covid-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

2.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. All funds received during the year were unrestricted.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes gains on disposals of tangible fixed assets, recognised upon completion of the sale.

2.6 Expenditure

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

- Expenditure on charitable activities comprises costs which directly relate to education and training activities as well as an allocation of support costs, see note (2.7).
- Costs of raising funds, which includes:
 - o Trading expenditure consists of expenditure relating to the operation of the trading subsidiaries CompEx Certification Limited and Develop Training Limited.
 - o Investment management expenses which consist of amounts charged by Investment Managers for managing the charity's investments.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

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.

2.7 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

2. Accounting policies (continued)

2.8 Intangible assets and amortisation

Intangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the amortisation rate applied was:

Software	- 25 % straight line
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2.9 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the depreciation rates were:

Freehold property	- 4% straight line
Short-term leasehold property	- 25% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line
Software / IT consultancy	- 25% straight line

No depreciation is provided for on Freehold Land

2.10 Investments

Investments are recognised initially at fair value, which at year end is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at a mark to market at fair value with changes recognised in 'net gains or losses on investments' in the consolidated statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

2.11 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

2.12 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.13 Leases

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

2.14 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.15 Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, surpluses and gains are exempt from Corporation Tax providing they are applied for charitable purposes. The trading subsidiary is subject to Corporation Tax, however, has committed to donate its profit to the parent company in the form of Gift Aid within 9 months of the year end such that no tax charge arose in the year. This donation is not accrued at the year end as it does not represent a legal or constructive obligation.

2.16 Financial instruments

The charity holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Financial assets: Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.

All other investments are classified as basic financial instruments and held at their fair value.

Financial Liabilities: Trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 20. Basic taxation and social security are not included in the financial instrument's disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.

2.17 Comparative reallocation

For the year ended 2021 some of the expenditure costs have been reclassified between cost of sales and administrative expenses to better reflect the nature of these costs. There was no effect on the loss for the year.

3. Critical accounting estimates and areas of judgement

Judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements;

- Depreciation rates for tangible fixed assets
- Provision for bad and doubtful debts

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

4. Income from donations and legacies

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Furlough grant income	2,787	2,787	110,203
<i>Total 2021</i>	110,203	110,203	

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
ESFA and Welsh Assembly income receivable	29,748,183	29,748,183	25,046,226
Other income receivable	2,074,266	2,074,266	2,739,730
	31,822,449	31,822,449	27,785,956
<i>Total 2021</i>	27,785,956	27,785,956	

Other income receivable of £2,074,266 (2021 £2,739,730) comprises of income from various sources including employer contributions, commercial courses, room hire, rental income, miscellaneous income and royalties.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Trading income in subsidiaries	8,427,152	8,427,152	7,647,157
<i>Total 2021</i>	<i>7,647,157</i>	<i>7,647,157</i>	

7. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends and interest from listed investments	359,253	359,253	417,846
<i>Total 2021</i>	<i>417,846</i>	<i>417,846</i>	

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Direct trading expenses	2,852,163	2,852,163	1,517,234
Direct trading expenses - wages and salaries	600,858	600,858	1,034,492
Support costs of trading	4,367,066	4,367,066	5,092,579
	7,820,087	7,820,087	7,644,305
<i>Total 2021</i>	<i>7,644,305</i>	<i>7,644,305</i>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

9. Investment management costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Investment management fees	125,076	125,076	130,669
<i>Total 2021</i>	<i>130,669</i>	<i>130,669</i>	

10. Analysis of grants

	Grants to Individuals 2022 £	Total funds 2022 £	Total funds 2021 £
Grants, Education and training	1,826,600	1,826,600	1,733,400
<i>Total 2021</i>	<i>1,733,400</i>	<i>1,733,400</i>	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Education and training	35,673,285	35,673,285	32,526,135
<i>Total 2021</i>	<i>32,526,135</i>	<i>32,526,135</i>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

12. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Education and training	27,066,301	1,826,600	6,780,384	35,673,285	32,526,135
<i>Total 2021</i>	<i>25,428,524</i>	<i>1,733,400</i>	<i>5,364,211</i>	<i>32,526,135</i>	

13. Auditors' remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Company's annual accounts	29,750	25,000
Fees payable to the Company's auditor in respect of: The auditing of accounts of subsidiaries of the Charity	14,375	12,500
Accountancy and tax services	6,050	5,500

14. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	16,005,959	16,431,359	13,043,722	12,407,111
Social security costs	1,825,067	1,628,692	1,498,417	1,334,710
Contribution to defined contribution pension schemes	1,847,430	1,886,831	1,621,933	1,629,926
	19,678,456	19,946,882	16,164,072	15,371,747

During the year termination payments of £Nil (2021:£192,503) were paid.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

14. Staff costs (continued)

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

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
Directors	9	8	6	6
Operations	300	309	270	273
Support	146	163	90	116
	455	<i>480</i>	366	<i>395</i>

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
Directors	9	8	6	6
Operations	296	299	266	264
Support	144	155	88	112
	449	<i>462</i>	360	<i>382</i>

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

	Group 2022 No.	<i>Group 2021 No.</i>
In the band £60,001 - £70,000	9	7
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	3	2
In the band £90,001 - £100,000	1	-
In the band £100,001 - £110,000	-	2
In the band £120,001 - £130,000	2	1
In the band £200,001 - £210,000	-	1
In the band £250,001 - £260,000	1	-

15. Trustees' and Key Management Personnel Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

15. Trustees' and Key Management Personnel Remuneration and Expenses (continued)

During the period, four trustees were reimbursed £537 (2021: £678) for expenses relating to travel costs.

The Charity considers its key management personnel comprise of:

- The Trustees
- Chief Executive Officer
- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- Interim Director of Finance and Resources
- National Delivery Director

As noted above no trustees were remunerated during the year. The total amount of employee benefits received by key management personnel (Salary, Employer NI, Employers Pension, Benefit in Kind etc.) was £1,097,294 (2021: £929,520).

16. Intangible assets

Group

	Computer software £	Goodwill £	Total £
At 1 August 2021	38,315	24,001	62,316
Additions	20,000	-	20,000
At 31 July 2022	58,315	24,001	82,316
Amortisation			
At 1 August 2021	1,169	24,001	25,170
Charge for the year	12,339	-	12,339
At 31 July 2022	13,508	24,001	37,509
Net book value			
At 31 July 2022	44,807	-	44,807
At 31 July 2021	37,146	-	37,146

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

16. Intangible assets (continued)

Company

	Goodwill £
Cost	
At 1 August 2021	24,001
At 31 July 2022	24,001
Amortisation	
At 1 August 2021	24,001
At 31 July 2022	24,001
Net book value	
At 31 July 2022	-
At 31 July 2021	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

17. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Cost or valuation							
At 1 August 2021	6,221,793	235,832	48,600	5,063,686	975,802	581,717	13,127,430
Additions	2,959,266	79,344	-	265,792	63,282	46,806	3,414,490
Disposals	-	-	(48,600)	-	-	-	(48,600)
At 31 July 2022	9,181,059	315,176	-	5,329,478	1,039,084	628,523	16,493,320
Depreciation							
At 1 August 2021	1,264,345	173,015	48,600	3,555,632	750,859	257,158	6,049,609
Charge for the year	276,197	14,796	-	685,435	82,898	101,800	1,161,126
On disposals	-	-	(48,600)	-	-	-	(48,600)
At 31 July 2022	1,540,542	187,811	-	4,241,067	833,757	358,958	7,162,135
Net book value							
At 31 July 2022	7,640,517	127,365	-	1,088,411	205,327	269,565	9,331,185
At 31 July 2021	4,957,448	62,817	-	1,508,054	224,943	324,559	7,077,821

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

17. Tangible fixed assets (continued)

Company

Cost or valuation	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
At 1 August 2021	6,221,793	48,600	5,145,190	842,708	570,402	12,828,693
Additions	2,959,266	-	225,416	26,450	46,806	3,257,938
Disposals	-	(48,600)	-	-	-	(48,600)
At 31 July 2022	9,181,059	-	5,370,606	869,158	617,208	16,038,031
Depreciation						
At 1 August 2021	1,264,345	48,600	3,666,057	691,082	249,457	5,919,541
Charge for the year	276,197	-	658,081	61,363	101,800	1,097,441
On disposals	-	(48,600)	-	-	-	(48,600)
At 31 July 2022	1,540,542	-	4,324,138	752,445	351,257	6,968,382
Net book value						
At 31 July 2022	7,640,517	-	1,046,468	116,713	265,951	9,069,649
At 31 July 2021	4,957,448	-	1,479,133	151,626	320,945	6,909,152

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

17. Tangible fixed assets (continued)

Included in the net book value of property displayed above are the following amounts ascribable to land:

	Group 2022 £	<i>Group 2021 £</i>
Freehold land	2,412,696	631,875
Freehold buildings	6,768,363	4,957,447
	<u>9,181,059</u>	<u>5,589,322</u>

Note: A leasehold of building was acquired in Carlisle with a life of 53 years which is being depreciated over 25 years.

18. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2021	37,008,395
Additions	6,203,840
Disposals	(9,182,001)
Revaluations	(474,611)
Foreign exchange movement	213,184
At 31 July 2022	<u>33,768,807</u>
Net book value	
At 31 July 2022	<u>33,768,807</u>
At 31 July 2021	<u>37,008,395</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

18. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2021	132,003	37,008,395	37,140,398
Additions	-	6,203,840	6,203,840
Disposals	-	(9,182,001)	(9,182,001)
Revaluations	-	(474,611)	(474,611)
Foreign exchange movement	-	213,184	213,184
At 31 July 2022	132,003	33,768,807	33,900,810
Net book value			
At 31 July 2022	132,003	33,768,807	33,900,810
At 31 July 2021	132,003	37,008,395	37,140,398

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Develop Training Group Limited	06299573	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
Develop Training Limited	06115331	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
CompEx Certification Limited	02336110	Stafford House, 120-122 High Street, Orpington, Kent, BR6 0JS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Develop Training Limited	6,857,262	(7,269,510)	(370,357)	(2,988,502)
CompEx Certification Limited	1,574,170	(1,183,281)	390,889	362,569

Subsequent to the year end, Develop Training Group Limited was dissolved on 13 December 2022.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

18. Fixed asset investments (continued)

Group and Company

	2022 £	2021 £
Investments at fair value comprise:		
Equities	26,975,356	30,330,801
Securities	5,392,399	6,066,122
Cash within investment portfolio	1,401,052	611,473
	<u>33,768,807</u>	<u>37,008,396</u>

The fair value of listed investments is determined by reference to the bid (sale) price at close of business on the date of the valuation or fair value if the market value is unavailable.

19. Debtors

	Group 2022 £	<i>Group</i> <i>2021</i> £	Company 2022 £	<i>Company</i> <i>2021</i> £
Due within one year				
Trade debtors	3,987,985	5,683,967	3,052,558	4,588,568
Amounts owed by group undertakings	-	-	3,818,230	2,744,927
Other debtors	143,448	207,071	112,799	191,319
Prepayments and accrued income	1,066,261	1,019,229	548,673	719,207
	<u>5,197,694</u>	<u>6,910,267</u>	<u>7,532,260</u>	<u>8,244,021</u>

As at the year end, JTL was owed £222,039 (2021: £136,503) from CompEx Certification Limited and £3,596,191 (2021: £2,608,424) from Develop Training Limited. £53,889 interest was charged for the year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

20. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade creditors	3,095,833	2,832,514	2,921,004	2,306,034
Other taxation and social security	717,136	792,639	400,045	469,043
Other creditors	757,540	1,213,566	487,899	554,488
Accruals and deferred income	4,717,482	3,740,018	4,300,743	3,533,302
	9,287,991	8,578,737	8,109,691	6,862,867

Deferred income relates to the license and apprenticeship fees being recognised over the period that they relate to.

	Group 2022 £
Deferred income	
Deferred income at 1 August 2021	248,495
Resources deferred during the year	342,538
Amounts released from previous periods	(264,437)
	326,596

21. Provisions

Group and Company

	Dilapidations £
At 1 August 2021	228,611
Additions	15,555
	244,166
At 31 July 2022	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

22. Statement of funds

Statement of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2022 £
Unrestricted funds						
General Funds	46,002,012	40,611,641	(43,618,448)	41,891	(472,272)	42,564,824

Statement of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted funds						
General Funds	43,773,342	35,961,162	(40,301,109)	(464,030)	7,032,647	46,002,012

23. Summary of funds

Summary of funds - current year

	Balance at 1 August 2021 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2022 £
General funds	46,002,012	40,611,641	(43,618,448)	41,891	(472,272)	42,564,824

Summary of funds - prior year

	Balance at 1 August 2020 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2021 £
General funds	43,773,342	35,961,162	(40,301,109)	(464,030)	7,032,647	46,002,012

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	9,331,185	9,331,185
Intangible fixed assets	44,807	44,807
Fixed asset investments	33,768,807	33,768,807
Current assets	8,952,182	8,952,182
Creditors due within one year	(9,287,991)	(9,287,991)
Provisions for liabilities and charges	(244,166)	(244,166)
Total	42,564,824	42,564,824

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	7,077,821	7,077,821
Intangible fixed assets	37,146	37,146
Fixed asset investments	37,008,395	37,008,395
Current assets	10,685,998	10,685,998
Creditors due within one year	(8,578,737)	(8,578,737)
Provisions for liabilities and charges	(228,611)	(228,611)
Total	46,002,012	46,002,012

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022**

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

	Group 2022 £	Group 2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(3,437,188)	2,228,670
Adjustments for:		
Depreciation charges	1,161,125	1,187,831
Amortisation charges	12,339	1,169
Gains on investments	474,610	(7,032,647)
Dividends, interests and rents from investments	(359,253)	(417,846)
(Increase)/decrease in debtors	1,712,573	(726,913)
Increase in creditors	709,256	1,179,218
Tax charge	(41,891)	464,030
Increase in provisions	15,555	59,528
Tax received	41,891	-
Net cash provided by/(used in) operating activities	289,017	(3,056,960)

26. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	3,754,488	3,775,731
Total cash and cash equivalents	3,754,488	3,775,731

27. Analysis of changes in net debt

	At 1 August 2021 £	Cash flows £	At 31 July 2022 £
Cash at bank and in hand	3,775,731	(21,243)	3,754,488
	3,775,731	(21,243)	3,754,488

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

28. Operating lease commitments

At 31 July 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Not later than 1 year	1,173,148	931,166	547,636	388,683
Later than 1 year and not later than 5 years	2,451,596	1,579,620	1,171,833	664,306
Later than 5 years	230,786	353,762	230,786	229,518
	<u>3,855,530</u>	<u>2,864,548</u>	<u>1,950,255</u>	<u>1,282,507</u>

29. Related party transactions

JTL had the following transactions and year end balances with The Electrical Contractors' Association Limited ("ECA") and Unite the Union, both of which are members of the charitable company. JTL also had the following transactions and year end balances with the Joint Industry Board for the Electrical Contracting Industry ("JIB") which has as its constituent parties the ECA and Unite the Union.

Information about related party transactions and outstanding balances is set out below:

	Expenditure £	<i>Outstanding Balances £</i>
Electrical Contractors' Association is a member of the charitable company	-	-
At year ending 31 July 2022	24,918	-
At year ending 31 July 2021	17,117	-
Joint Industry Board has its constituent parties with ECA and Unite	-	-
At year ending 31 July 2022	466,352	(6,594)
At year ending 31 July 2021	251,510	30,000

Amounts payable to Unite relate to the provision of room hire. Amounts payable to ECA includes the BUPA annual membership, plus additional services. Amounts payable to JIB relate to Electrotechnical and Plumbing Apprentice registration fees and Health & Safety Assessment fees.

JTL

England & Wales - Charity number 1080254

Accounts



JTL

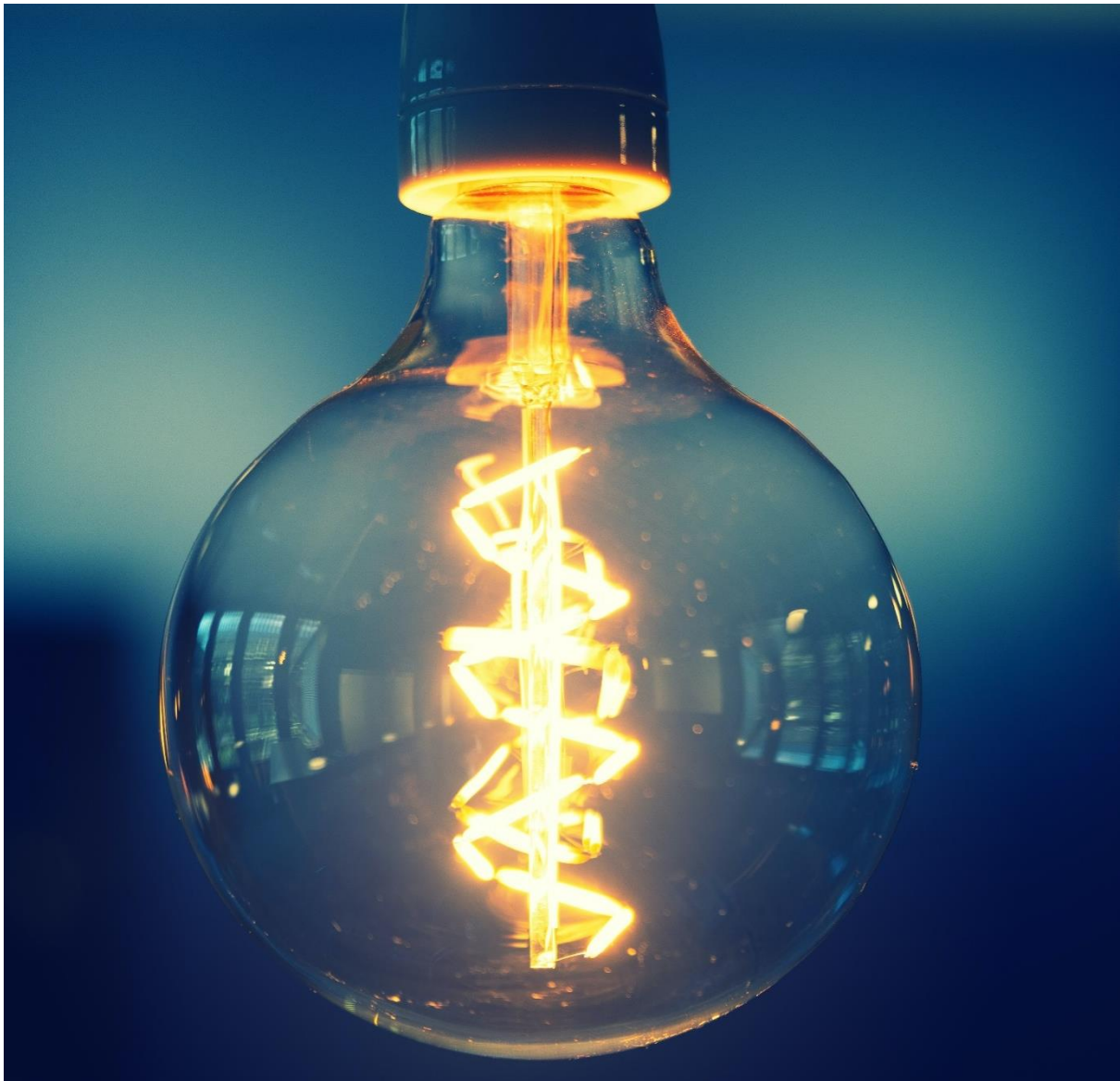
(A company limited by guarantee)

Group Consolidated Financial Statements

Company Registration No 1080254

Charity No 03958541

Year ended 31st July 2021



JTL
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Group Consolidated Financial Statements

Year Ended 31st July 2021



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Group Consolidated Financial Statements

Year Ended 31st July 2021



Charity registration number	1080254
Company registration number	03958541
Trustees	G Russell (Chairman) ^{1 3 4} J Allott P Bird (resigned 08.03.21) J Burrows ⁶ (resigned 24.03.21) R Clarke ^{2 3} A Eldred ^{2 3} C Fenton ⁷ M Jobling ⁶ (appointed 24.03.21, resigned 27.04.21) J Lelliott ^{1 2} (appointed 24.03.21) P McNaughton ^{1 4} T Shelley ⁵ I Woodland ^{1 4} (resigned 31.08.21)
Chief Executive	J Graham
Company Secretary	C Turner
Registered Office	Stafford House 120-122 High Street Orpington Kent BR6 0JS
Auditors	Menzies LLP Centrum House 36 Station Road Egham Surrey TW20 9LF
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

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Group Consolidated Financial Statements

Year Ended 31st July 2021



Bankers
Barclays Bank PLC
1 Churchill Place
London
E14 5HP

Investment Managers
Barclays Wealth Management
1 Churchill Place
London
E14 5HP

Board Sub Committee Membership

- 1 Investments
- 2 Finance, Audit & Risk
- 3 Quality and Standards
- 4 Remuneration
- 5 Equality, Diversity & Safeguarding
- 6 Health & Safety
- 7 CompEx Certification Limited (formerly
JT Limited)
- 8 Develop Training

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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021



Structure, Governance and Management

The Trustees (who are also Directors of the charity for the purposes of the Companies Act) present their report and the audited financial statements of JTL (the charity and the group) for the year ended 31st July 2021.

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, the Companies Act 2006, the Charities Act 2011 and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2019).

Within the Trustees' Annual Report is the strategic report, required under S414c(11) of the Companies Act 2006, which contains the following headings:

- Coronavirus Pandemic
- Achievements and Performance
- Financial Review
- Reserves Policy
- Remuneration Policy
- Public Benefit
- Principal Risks and Uncertainties

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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021

Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of charity law. The Trustees who have served during the year and to the date of this report were as follows:

**Nominated by
Unite the Union**



- J Allott
- R Clarke
- I Woodland (resigned
31.08.21)

**Nominated by the Electrical
Contractors' Association**



- J Burrows (resigned
24.03.21)
- A Eldred
- M Jobling (appointed
24.03.21, resigned
27.04.21)
- P McNaughton
- S Rugg (appointed
11.11.21, resigned
21.02.22))

**Other independent
appointments**

- P Bird (resigned
08.03.21)
- C Fenton
- J Lelliott (appointed
24.03.21)
- G Russell (Chairman)
- T Shelley

Charitable Objects

The charity's objects set out in its Articles of Association are *"to encourage training of persons employed in the electrical installation engineering industry and such other industries as the Trustees may decide"*.

The charitable company's principal activities during the year were the delivery of Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.



Vision and Values

JTL's vision is:

"to be the training organisation of choice to the building services engineering sector".

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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021



The company's values have proved more important than ever during the challenging times encountered in 2020/21 and beyond.



Structure and Members

JTL is a charitable company limited by guarantee and was set up on 23rd March 2000. Formerly, the company operated as JT Limited which was incorporated in 1989. JTL's company registration number is 03958541 and its charity number is 1080254. The charity is governed by its Articles of Association.

The company's members are Unite the Union and the Electrical Contractors' Association. The members have a liability not exceeding £10 per member.

Recruitment and Training of Trustees

The Articles of Association entitle Unite the Union and the Electrical Contractors' Association to each appoint up to four Trustees and a further independent Trustee to be Chairman. The Trustees may appoint up to a further four independent Trustees. The company is administered by the Board of Trustees, with the Chief Executive (appointed by the Trustees) managing the day-to-day operations of the charity.

Trustee recruitment is undertaken in accordance with the Articles of Association.

Induction and training are provided by the management and company's professional advisors on a regular basis.

Related Parties

The principal transactions with related parties are with the Joint Industry Board for the Electrical Contracting Industry (JIBECI) and the Joint Industry Board for Plumbing and Mechanical Engineering Services (JIB PMES). This relates to the registration of all apprentices with the relevant Joint Industry Board for the purpose of receiving apprentice cards and cards recognising their craft competence at the end of the apprenticeship. The registration fees are



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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021

agreed annually with the relevant JIB and formalised in an annual agreement signed by each organisation.

The arrangement is believed to provide added value to JTL apprentices and is subject to regular review by the JTL Board.

Compliance with Trustees' Duties under Section 172(1) Companies Act 2006

Trustees must act in the way they consider, in good faith, would be most likely to promote JTL's success to achieve its charitable purposes. The Trustees, in doing so, delegate day to day management and decision-making to the Chief Executive and other members of the Executive Management Team, who are required to act to further JTL's strategy and to ensure that activities are carried out in compliance with agreed plans and policies and in accordance with JTL's values. The Trustees receive regular reports on JTL's performance and plans. In carrying out their duties, the Trustees have regard (amongst other matters) to:

- **The likely long-term consequences of any decision**

In 2020/21, Trustees debated and decided to roll over JTL's strategic vision and three-year plan due to the uncertainties surrounding future planning given the on-going Covid-19 pandemic. They also reviewed, amongst other plans the IT Strategy and Financial plans. The long-term likely impact for JTL has been considered as well as the consequences of their decisions.

- **The interests of the charity's employees**

Trustees had oversight of the impact of Covid-19 on ways of working for JTL staff and the need to close the training centres and other places of work and to furlough some staff. They reviewed the steps put in place to promote staff health and wellbeing, including means of keeping in touch with those on furlough. We have renewed our approach to people management and career progression to enable our staff to fulfil their potential, with a specific focus on under-represented groups and in line with our safe, feminist and anti-racist principles.

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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021



- **The need to foster the charity's business relationships with suppliers, customers, and others**

JTL continually strive to make partnerships with suppliers, customers, and others more equitable, collaborative and with a view to gaining better value for money and improving the learner experience.

- **The impact of the charity's operations on the community and the environment**

The organisational structure is designed to enable us to become a safe environment for all stakeholders that come in contact with JTL, especially employees and learners. We have continued to invest and improve our safeguarding to ensure that we better protect all those with whom we work. Risks relating to Safeguarding are considered and debated by the Board, which receives quarterly reports on safeguarding casework and progress, including against agreed key performance indicators.

- **Maintaining a reputation for high standards of business conduct**

JTL strives to achieve its strategic goals; we lead by example by demonstrating in all areas the same values that we wish to see in the people we work with and those we aim to influence. Further, our values and the behaviours we want to see, including our commitment to safeguarding, are embedded in our staff recruitment, induction, and appraisal procedures.

Governance and Key Management Personnel

The governance of JTL takes the form of a non-executive Board of Trustees which meets quarterly. In addition, there are formal Board Sub-Committees including Investment, Remuneration, Finance, Audit & Risk and Quality & Standards. The Board has agreed formal Standing Orders for its own operation and formal Terms of Reference for each of the Sub-Committees.

In addition to the above, there are further two Sub-Committees formed to cover Health and Safety and Equality, Diversity and Safeguarding. Board representatives meet regularly with the executive on these matters and report formally back to the Board of Trustees.

Regular skills audits of Board members are conducted in order to ensure that, across its membership, it has a good understanding of all key areas of business undertaken by and relevant to JTL. The results are reviewed by the Board and the outcomes influence subjects for future training for Board members.

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Trustees' Annual Report (Including Strategic Report)

Year Ended 31st July 2021

The Board also conducts an annual self-evaluation of its performance. The evaluation is influenced by the Charity Governance Code and the Code of Good Governance for Independent Training Providers published by the Association of Employment and Learning Providers (AELP). The results of the self-evaluation are considered by the Board and appropriate action taken to address areas for improvement.

The Board delegates the day-to-day operations of JTL to the executive team through a formal Delegated Levels of Authority document which is reviewed periodically by the Board. The executive team is led by the Chief Executive supported by the Executive Management Team (EMT) which consists of the following roles, each with responsibility for defined functions within the business:

- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- National Delivery Director

Key Management Personnel Remuneration

The key management personnel of the charity include the Trustees and the EMT.

The Trustees of the charity give their time freely and are not remunerated.

The Chief Executive's remuneration is set annually by the Remuneration Committee. The Remuneration Committee is made up of the Chairman and three other trustees nominated by the ECA, Unite the Union and the independent directors. It is the responsibility of the Chief Executive to set the pay of the EMT.

The Remuneration Committee also has responsibility to consider the recommendation of the Chief Executive regarding the overall remuneration of the organisation. This recommendation is based on organisational and staff performance, market testing conducted by the HR Director, Consumer Price Index data and feedback from the members on their likely pay awards. The decision of the Remuneration Committee is then applied through a performance related pay process lead by the Chief Executive and EMT.

Employees

The average monthly full-time equivalent number of employees of JTL for the year ended 31st July 2021 was 382 (2020: 356).

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JTL communicates with its staff through a number of channels including regular executive blogs, webinars, newsletters, EMT and Senior Management Team (SMT) meetings, other manager and staff meetings, a staff forum and the intranet. The annual staff conference was cancelled in 2021 due to the Coronavirus pandemic.

JTL ensures that no discrimination is shown on the grounds of any protected characteristics such as: race, colour, nationality, ethnic or national origin, gender, gender reassignment, religion or belief, sexual orientation, age, marital status including civil partnerships, pregnancy and maternity, caring responsibilities or disability (the latter is subject to the industry's safety requirements).



Rewarding everyone fairly, regardless of gender, is at the heart of the JTL leadership team's agenda. However, women are under-represented in the building services engineering sector and assessors are required to be occupationally competent in their discipline, which currently limits the number of female applicants. Our gender split is currently 70% male and 30% female which reflects JTL's reliance on a nationwide team of occupationally competent assessors, predominantly male, who account for 37% of its total workforce.

	JTL Gender Gap		Proportion of relevant employees with bonus pay	Number with bonuses
	Hourly Pay Differential	Annual Bonus Differential		
Mean	17.4% (17.7%)	-82.7% (61.7%)		
Median	17.8% (18.1%)	-127.8% (74.6%)		
Male			1.4% (3.00%)	5 (5)
Female			0.9% (9.7%)	5 (6)

This is not a pay but a representation issue. All JTL recruitment is based on competence and not gender, race, creed or orientation. The majority of female employees are in lower paid administrative functions. The move to having JTL centres and tutors will have a positive impact on the gap as more female tutors are likely to be available.



JTL acknowledges its responsibilities in relation to tackling modern slavery and commits to complying with the provisions of the Modern Slavery Act 2015. The organisation understands that this requires an ongoing review of both its internal practices in relation to its labour force and, additionally, its supply chains. No labour provided to JTL in the pursuance of its services is obtained by means of slavery or human trafficking.

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JTL is a Disability Confident Employer and actively seeks to attract and recruit disabled people by providing a fully inclusive and accessible recruitment process. We interview all disabled people who meet the minimum criteria for our vacancies. We are supportive of our employees who may become disabled during their employment and proactively offer and make reasonable adjustments as required. We encourage training, career progression and promotion for all disabled persons employed by the company. We expect all our employees and people working with us to treat all people with respect and ensure that appropriate disability equality awareness briefings take place on a regular basis.



JTL has an obligation to meet the Prevent Duty requirements as defined by the Counter Terrorism and Security Act 2015. In meeting this duty, JTL has developed a training programme for all staff, has a Prevent strategy in place and has amended its policies and key documents to reflect the Prevent Duty. A staff working group is in place to focus on Equality, Safeguarding and Prevent and meets half-yearly to provide updates to all staff as appropriate.

Aims and Objectives

The JTL Executive Management Team present to the Board, who annually approve, a rolling three-year organisational strategy, and underpinning one-year business plan. The five strategic goals of the organisation are to:

- Increase our learner numbers and market share in our core apprenticeships year on year.
- Improve our financial resilience, sustainability and results.
- Continue to diversify and grow our products and services to better meet the changing needs of the industry and its workforce.
- Enhance and innovate (our processes and systems) to enable us to be a great, high quality organisation: responsive to our learner and employer needs with a minimum Grade 2 "Good" Ofsted; and
- Recruit and retain great people and be a great place to work.

The Trustees believe that, despite the challenges faced during 2020/21, JTL has made satisfactory progress against its charitable objects and its strategic and business plan objectives.

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Public Benefit Statement

The Trustees have had regard to their responsibilities in demonstrating public benefit as set out in guidance provided by the Charity Commission. The charity has and continues to demonstrate a number of areas of public benefit within its core charitable objective of the advancement of education, in the form of advanced apprenticeship training, achieving high levels of success through the support and mentoring offered throughout the typically four-year apprenticeship period.

Given the challenges faced during the pandemic, JTL has paid particular attention to mental health support for its learners, many of whom were badly affected by the uncertainties of the situation and the impact on their learning, employment and family circumstances. JTL partners with the Electrical Industries Charity to offer targeted support for individuals in particular need.



The impact on beneficiaries is through the training of persons employed in, or wishing to enter, the building services engineering sector to obtain qualifications for life. In doing so this ensures the success and prosperity of the sector by supporting and improving an appropriately trained and skilled workforce. The high achievement rates of JTL apprentices are a good indicator of the effectiveness of its programmes and therefore the value for money obtained for the public purse.

JTL also continues to offer its employer grant schemes including an adoption grant for employers who take on apprentices who have been made redundant during their apprenticeship to help them complete their apprenticeship successfully.

JTL also offers Traineeships which are a Government-funded scheme, which last up to 16 weeks. These prepare young people who are not yet ready for an apprenticeship, with skills which will help them with future employment as well as giving work experience which may lead to employment. Greater emphasis on initial advice and guidance and initial assessment supports JTL's No Wrong Door strategy which ensures all learners are given the appropriate support and guidance to meet their individual needs in making choices about their career in the industry.



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JTL provides all its apprentices with free, high-quality textbooks, learning materials and toolkits to support their progress and achievement without the need to incur the costs associated with such purchases.



It is also apparent that charitable status is attractive to colleges of further education who are more willing to work with JTL in innovative partnership arrangements than is otherwise the case with profit seeking providers. Such arrangements are proving beneficial to learners and employers and are providing improved services to local communities.

All apprenticeship courses are fully accessible and available free of charge to its learners, as the costs are met by the government and employers or are underwritten by JTL's charitable funds.

JTL offers our apprentices a chance to stay in touch and continue their development through JTL Toolbox, a free online support package specifically aimed at employers and those who have completed or are near to completing their apprenticeship. Power Up is a CPD platform within Toolbox which offers free taster training sessions to electricians which will help them in their day-to-day job role and support their continued professional training needs.



Energy and Carbon Reporting



JTL recognises the climate crisis and the need for everyone to take action to address this global threat. The government's SECR policy was implemented on 1st April 2019, this is the Charity's first-time adoption of disclosures on energy carbon.

However, JTL has been part of the Government's Energy Saving Opportunity Scheme since 2015 and the most recent four-yearly audit, by Infinite Utilities Limited, took place and was reported to the Environment Agency in November 2019. At that time, JTL's emissions were as follows:

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Type of Emissions	Fuel	kWh	Kg CO ₂ e	T CO ₂ e	% of Total
Direct (Scope 1)	Electricity	467,821	132,426	132.426	17.1
	Gas	243,996	44,880	44.88	5.8
	Company Vehicles (Petrol)	172,154	40,244	40.244	5.2
	Company Vehicles (Diesel)	652,852	165,145	165.145	21.4
	Sub Total	1,536,823	382,695	382.695	49.5
Indirect (Scope 2)	Sub Total	N/A	N/A	N/A	N/A
Indirect Other (Scope 3)	Business Travel (Own User Petrol Vehicles)	326,844	76,407	76.40	9.9
	Business Travel (Own User Diesel Vehicles)	1,239,474	313,538	313.583	21.4
	Sub Total	1,566,318	389,945	389.945	50.5
Total		3,103,141	772,640	772.640	100
Intensity Ratio (total/Group Revenue)		0.08643	0.02152	0.00002	

The impact of Covid-19 on working practices, in particular lockdowns, reduced mileage and working from home, will have skewed this picture since March 2020. Changing working practices in the future, as we move to a new normality, will also impact on our energy consumption moving forwards.

Energy audits will be conducted annually from 2021/22.

- **SECR Methodology Statement 2021**

The analysis above is based on the activity undertaken by Infinite Utilities Limited. It includes the Total Energy Calculation (including the significant energy consumption), Profiling of Site Energy data, Analysis of Transport, and Onsite Energy Audits of JTL's Head Office (Orpington), flagship training centre (Birmingham) and National Administration Centre (Wrexham) as reported in the suite of ESOS Phase 2 Reports.

We are committed to reducing our carbon emissions to which transport remains our largest contributor. We are making significant steps to address this, including:

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- Encouraging company car users to move away from petrol and diesel cars to hybrid and fully electric cars. Over the full cycle of company renewals to 2024, this is very likely to reduce our carbon output to under 100 tCO₂e based on the current reordering trend.
- Examining potential solutions to encourage own car users to move away from high carbon emitting vehicles. This could include salary sacrifice schemes to provide a car under 75gCo₂ pre-Tax/NI to own users. It is also likely that increases in vehicle excise duty, fuel pricing and the extension of clean air zones will encourage self-selection of cleaner vehicles at natural replacement.

With regard to buildings, we have already taken steps towards reducing carbon emissions including:

- Moving our Birmingham training centre from an energy inefficient building (with poor insulation, old plant equipment including 3 gas boilers and a mix of inefficient incandescent and fluorescent lighting, and windows, which accounted for 65% of building fabric, which were single glazed, leaked energy and provided no thermal properties) to a new building designed with a journey toward Net Zero in mind (including LED lighting, efficient VRF Heat pumps as a main source of heating and cooling, carbon absorbing laurel hedging around the perimeter boundary and photovoltaic roof panels and EV chargers). The estimated saving is a 40% reduction in carbon output on a property which is 20% larger.
- Our Orpington property has also had energy efficient frames/windows installed which will impact positively against gas consumption and typically reduce consumption/ carbon emissions by 10%.

Further potential energy savings will be considered on an on-going basis and as JTL expands and improves its estate.

STRATEGIC REPORT



CORONAVIRUS PANDEMIC

The world has faced unparalleled adversity in the Coronavirus pandemic (Covid-19) which has had a devastating global effect on people, businesses, economies and governments commencing in the second half of 2019/20 and continuing throughout 2020/21 and beyond. Despite efforts by the UK government to implement extraordinary business support measures, JTL has continued to experience the consequences of the pandemic:

- The total loss of the anticipated recruitment of c600 new apprentices between April and July 2020 will continue to impact for the four years that those individuals should

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have been in learning.

- Up to c50% of existing apprentices were furloughed by their employers for periods during 2019/20/21 which affected their progression opportunities and will require remedial catch-up learning.
- AM2 centres were shut for a number of months which prevented anticipated completions being achieved resulting in a backlog which needed clearing in addition to the new planned completions.

However, the decision, in England, to treat education – including further education and apprenticeships – as a key priority has meant that some return to a semblance of normality has been possible. Training centres and FE colleges remained generally open, having made special arrangements to be as Covid-secure as possible. Likewise, the construction industry, and therefore building services engineering, continues to operate. Many apprentices were furloughed for periods of time although they were encouraged to continue their learning during this time. However, there was an inevitable impact on their progress.

JTL has continued to pro-actively manage the crisis throughout 2020/21:

- The Business Continuity Management team (BCM) has continued to meet regularly to consider all aspects of the pandemic on JTL activity and to advise the EMT on actions required to meet changing Government regulations and put the safety of its staff, learners and employers at the forefront of its BCM plans.
- Support staff have largely continued to work from home although offices were reopened in accordance with Government regulations and some staff found it easier to return to the office and/or flex their working locations.
- Subject to personal circumstances, field staff resumed visits to employers and apprentices as soon as Government regulations allowed as it was believed that risks of infection were relatively low in the open air/site-based locations the majority of such visits entailed.
- A minimal number of staff were furloughed as the majority of JTL's business activities continued.
- Increased contact (albeit remote) with all learners was put in place to ensure safeguarding was maintained and for mental health and wellbeing purposes.
- Remote learning arrangements were put in place to maximise teaching and learning for JTL apprentices during a sustained period and to minimise disruption to their progress. This was made available to all apprentices regardless of whether they were still working, furloughed, self-isolating or redundant. The aim was "to keep our learners learning".



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- Plans were for a return to more normal conditions were implemented including how to assess any loss of progress and implement additional teaching and learning to catch up.

Given the nature of the four-year apprenticeships delivered by JTL, performance has inevitably been affected and will continue to do so with the impact and effects of Covid-19 continuing beyond 2020/21, but significant efforts have been rewarded as the business has continued to successfully meet these challenges.

ACHIEVEMENTS AND PERFORMANCE



Management

The EMT initially set out a three-year strategy - with a view to this being reviewed and updated on a rolling annual basis - framed around the vision to be the training organisation of choice to the building services engineering sector, supporting the organisation's drive to pursue a journey from "good to great".

Given the uncertain situation and the frequently changing circumstances, JTL decided to roll-over its three-year Strategic Plan as it was believed unrealistic to plan effectively for the coming



three years. A Business Plan Lite was agreed for 2020/21 which focussed on maintaining the business during the turbulent year. As it was very unclear how the sector would cope with the pandemic, high, medium and low performance targets were agreed and carried through to variable financial forecasts. However, in the end, recruitment held up better than expected and met the medium targets; this may, in part, be due to the Government apprenticeship recruitment incentives.

We continue to work with our delivery partners but also opened more of our own training centres to support our employers and learners as appropriate.

The EMT is supported by a Senior Management Team (SMT) comprising the next tier of performance management within the company which is made up of Heads of Departments and Heads of Learning and Assessment. The EMT and SMT meet and work together to continuously improve JTL's performance.

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Statistics

During the year JTL:

- recruited 1,731 (2020: 2,338) apprentices.
- delivered 1,089 (2020: 1,200) apprentice achievements.
- market share in the core electrotechnical discipline is 31.6%
- According to ESFA published data, JTL's overall achievement rate was 67.6% (2019/20: 71.4%). This compares with a national average of 64.1%. Due to the Covid-19 pandemic, the ESFA has not published any timely achievement rates.
- At 31st July 2020, JTL had 7,293 apprentices in training.



College Partners and JTL Centres

JTL continues to fund all college fees for its apprentices in training to enable them to successfully complete the appropriate off-the-job learning elements of the apprenticeship. JTL employs occupationally qualified and competent field staff who regularly monitor, review and assess the apprentices' progress.



The core business model is for JTL to work with delivery partners where the quality is good, and it meets employer needs. However, where this model has proved unsatisfactory in terms of quality or financial viability of provision, JTL has continued its strategy of developing its own centres. It now operates its own training from the following centres:

- Ashford
- Bedford (college partnership)
- Birmingham
- Bury (college partnership)
- Carlisle
- Maidstone (college partnership)
- Norwich
- Nottingham
- Orpington
- Oxford
- Preston (college partnership)
- Tankersley (South Yorkshire)
- York



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JTL also operates a training centre in exclusive partnership with P & R Hurt in Yeovil.



Quality

Quality is a key factor in assessing the effect of our training on both employers and apprentices. The Education Inspection Framework and Self-Assessment Report form a key foundation of JTL's quality activities to help maintain a clear focus on Ofsted priorities. In November 2016, JTL was re-inspected by Ofsted and once again achieved a "Grade 2 - Good" inspection report. JTL's focus on the quality of its provision results in it continuing to have achievement rates well above the national average in its core disciplines of electrotechnical and plumbing.



In addition, JTL holds BS EN ISO 9001:2008 for quality management systems and it has held the Investors in People (IIP) standard since 1995 (most recently re-assessed in 2021) and the Matrix standard since 2012 (which was also successfully re-assessed in 2021). In 2020, JTL was re-accredited with Committed 2 Equality and maintained its Gold standard for Equality.



0270

Accredited to
ISO/IEC 17024:2012 to
provide certification of
persons

CompEx Certification Limited has also been accredited by UKAS to ISO 17024:2012 in respect of its CompEx operations since 2010 (re-audited in 2021).

JTL employs a rolling internal audit programme which includes delivery partner inspections.

Equality, Diversity and Safeguarding



JTL is committed to a policy of equality and diversity for everyone. No applicant for a training scheme place with JTL, apprentice, customer or member of staff shall knowingly receive less favourable treatment on the protected characteristics, nor will any other condition or requirement that cannot be justified disadvantage them.

JTL is also committed to safeguarding and promoting the welfare of children and young people and expects all staff to share this commitment. This has been of particular importance during the Covid-19 lockdown period where learners have been particularly vulnerable to mental health and wellbeing issues. We have taken additional steps to stay in touch with our learners during this period to monitor their welfare.

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The building services engineering industry is generally regarded as a white, male industry and JTL continues to address this stereotyping through its growing apprentice ambassador scheme which sees existing female and Black, Asian, Minority Ethnic (BAME) apprentices working with schools and at careers events to promote the opportunities in the industry as well as to network with each other.



FINANCIAL REVIEW

The JTL strategy set out by the Executive Management Team in 2018 included, as one of its five objectives, a strategic objective of improving financial management and performance. This included specifically delivering a positive overall net movement of funds and, within that, moving JTL from an operating deficit to an operating surplus.

The principal funding source is the Education and Skills Funding Agency. The charity uses this income source to further its aims and objectives including increasing apprentice learner numbers, increasing market share and enhancing and innovating its provision.

No fundraising is carried out and any income from investments is generated via a responsible and ethical approach implemented by the Investment Managers, Barclays, which, amongst other things, excludes investment in Tobacco, Arms, Gambling and Pornography.

The Consolidated Statement of Financial Activities for the year shows an operating loss for the year of £4,339,947 (2020: Loss £2,895,996). Net movement in funds for the year amounted to £2,228,670 (2020: £530,659) after investment gains of £7,032,647 (2020: £3,700,655) and taxation. This resulted in a net asset position, all held as unrestricted funds as at 31st July 2021, of £46,002,012 (2020: £43,773,342). The Trustees are satisfied with the net asset position at the year end and are confident that sufficient funds are available to meet future needs.

For the charity alone, total income for the year amounted to £28,203,803 (2020: £33,164,661), with a net movement in funds of £2,737,971 (2020: £3,211,605). Total donations to JTL from CompEx Certification Limited and Develop Training Group Limited under the Gift Aid scheme in the year to 31st July 2021 was £0 (2020: £592,668). The 2020 profit amount was not accrued at the end of the year following clarification of Financial Reporting Standard 102. The subsidiaries had total income for the year of £7,737,596 (2020: £5,637,504) and costs of £7,780,301 (2020: £7,463,826) which is in line with strategy and expectation.

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Finance, Audit and Risk Committee (FARC)

The Finance, Audit and Risk Committee was active throughout 2020/21. In addition to standard agenda items covering company and financial performance, internal and external audit activity and preparation of the financial statements, the Committee also considered a number of items in focus at its meetings. These included:

- Bad debt policy
- IT security
- Property
- Proposed new finance system
- Quality management and activity
- Reserves Policy
- Risk appetite of all group related companies
- Safeguarding



Investments

Under the Articles of Association, the charity has the power to make any investments which the Trustees see fit.

In terms of investment funds, JTL's objective is to achieve capital growth, whilst maintaining a balanced risk profile over the medium term and to deliver annual net gains to support the consolidated financial position, as set out in the three-year strategy. JTL's funds are managed solely by Barclay's Wealth with funds invested on a medium risk profile.

In terms of socially responsible investing, regular discussions are held at the JTL Board, JTL Investment Committee and with the investment managers regarding the approach taken on behalf of JTL. The Investment Committee is aware that the investments are managed by the charity department of Barclays who have an established ethical investing offering. This is made up of a 3-stage process that includes:

- A negative screen which is applied using MSCI ESG Business Involvement Screening Research to remove companies whose primary businesses are focused around tobacco, alcohol, armaments, gambling, adult entertainment or fossil fuels.
- Independently calculated MSCI ESG results are then used to remove companies that do not meet a minimum threshold around environmental, social and corporate governance characteristics.
- Positive Analysis - Companies are identified that help to address at least one of the UN's Sustainable Development goals.

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During the year, the overall return of the portfolio was 22.42%. The JTL portfolio has performed comparatively better than the ARC (Asset Risk Consultants) Sterling Steady Growth Charity Index which delivered a return of 18.14% during the same period.

 Subsidiaries

In addition to the investment funds, JTL has two wholly owned subsidiaries, CompEx Certification Limited and Develop Training.

CompEx Certification Limited (formerly JT Limited)



The principal business of CompEx Certification Limited is the operation of the CompEx Certification Scheme. The CompEx Scheme is the global solution for validating core competency of employees and contract staff of major users in the gas, oil and chemical sectors for both offshore and onshore activities.

CompEx Certification Limited has, under contract to the Engineering Equipment and Materials Users Association (EEMUA), managed and operated the CompEx Scheme since it was developed in 1994 and, in April 2014, acquired the Scheme from EEMUA.

Develop Training



When JTL acquired Develop in September 2019, it comprised a group of four companies:

- Develop Training Group Limited (DTGL)
- Develop Training Limited (DTL)
- Develop Solutions Limited (DSL)
- Develop Training Employee Benefit Limited (DTEBL)

The intention is to close all but Develop Training Limited. Develop Solutions Limited was dissolved on 7th April 2020. Develop Training Employee Benefit Limited was dissolved on 7th December 2021 and Develop Training Group Limited is due to be dissolved in 2022.

Develop is an accredited provider of compliance, technical, and safety training for the utilities and construction, defence, healthcare, facilities management, and telecommunication sectors.

Develop Training Limited, a predominantly commercial course provider was acquired to compliment and provide a source of funds to the JTL group to further its Charitable aims.

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A plan to turn around Develop Training Limited from the current loss-making position to making profits is currently in progress and will be achieved through review, management and efficiencies through the use of shared resources with JTL.



Reserves Policy

The general reserves of the group at 31 July 2021 were £46,002,012 of which £7,114,967 is represented by tangible and intangible fixed assets. Free reserves, defined as excluding such funds attributed to these assets, were £38,887,045.

The current reserves policy requires that unrestricted funds held by the charity should be more than six months (£20,150,554) and less than twelve months (£40,301,109) of the resources expended. After allowing for factors detailed in Charity Commission guidance for best practice, the charity's reserves are in line with this policy. At this level the charity would be able to continue its activities until arrangements could be found to transfer and fund the transfer of the training of apprentices under its managing agency to another organisation.

In addition, the Reserves Policy was reviewed and amended by the Finance, Audit and Risk Committee during the year to reflect the need for digital and technological improvements, capital investments in new JTL training centres and potential acquisitions. It was also agreed that the Finance, Audit and Risk Committee would have an annual review, to support the next strategic and business planning cycle to update and restate JTL's Reserves Policy to ensure that the level of reserves is reasonable to cover all operational and other commitments.

The Trustees consider that in light of the above and the current economic climate, the amount in reserves is appropriate.



Principal Risks and Uncertainties

The Board ensures, through the specific delegation of responsibilities, that the Executive Management Team will manage significant business risks through a combination of risk identification, analysis, evaluation, control and action planning so as to contain risk within limits acceptable to the Board.

In line with JTL's risk management policy and framework, risks are logged on JTL's risk register and reviewed regularly. The most significant risks are then reviewed and discussed monthly by the Executive Management Team and quarterly by the Finance, Audit & Risk Committee and reported to the Board.

The most significant risks currently identified are:

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- Covid -19 and related operational and financial implications
- Poor Ofsted inspection outcome.
- Loss of learner, staff and/or employer personal identifiable data.

The Trustees have assessed these major risks and are satisfied that adequate steps are being taken to mitigate exposure and reduce the risks.



Plans for future periods

JTL's core business is delivering high quality apprenticeships to the building services engineering sector. The strategy is to continue to concentrate on this sector but to expand the range of training offered including to some of the smaller, more specialist areas of the industry. In addition to our apprenticeship provision, we are strengthening our pre-apprenticeship/traineeship programme.

The JTL three-year strategy and annual business plan set out specific targets to grow our learner numbers and our market share. Our preferred option continues to be a mixed delivery model strategy with our partners, but it is also likely that we will increase the levels of our direct delivery at our own current and new centres.



While building services engineering sector is predominantly made up of SME/micro businesses, we are also continuing to improve our engagement with national accounts in order to support our employers in utilising the apprenticeship levy.

JTL remains committed to the implementation of a technology strategy and have set out a digital journey. This includes increased automation of systems and processes plus e-documentation, e-portfolios and a new customer relationship management system.



Underpinning everything we do is our focus on the quality of our provision and ensuring that we not only meet but exceed the expectations of our customers, learners, funding bodies and the industry. In doing this we also want to be an enjoyable, fulfilling and exciting place to work, an organisation which people are proud to be part of and one which rewards excellence and achievement. Simply put, we want to

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be a great place to work and a great organisation to work with.

JTL continues to monitor external opportunities for partnership and acquisition as long as these support the JTL objectives, ethos and the overall business strategy.

The JTL strategic objective of improving financial management and performance continues to support all our development plans and continued improvement.

Going Concern

The Trustees have assessed the financial impact of Covid-19 on the charity to date, along with latest financial results and future forecasts and, as a result, have a reasonable expectation that the financial impact of Covid-19 on the charity has now peaked and will reduce year on year going forward, and therefore the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Trustees' Responsibilities Statement

Trustees (who are also directors of JTL for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 which give a true and fair view of the state of affairs of the charitable company and the group and of their incoming resources and application of resources, including the income and expenditure of the charitable company and the group 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 in the Charities Statement of Recommended Practice (SORP) 2019 (FRS102).
- 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company and the group will continue in operation.

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The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and the group and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

We, the Directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company Directors.

Auditors

Menzies LLP were appointed to fill a casual vacancy and have been appointed as auditor for the ensuing period in accordance with section 485 of the Companies Act 2006.

The report of the Directors has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.

Signed on behalf of the Board of Trustees

Geoffrey Russell 15FFE1B893524BD...

Chair of the Trustees

Date: 01-Apr-2022

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MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL

Opinion

We have audited the financial statements of JTL (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 July 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 July 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. 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. 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 course of 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.

JTL

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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 including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have 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 including the Strategic 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.

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.

JTL**(A company limited by guarantee)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including the Companies Act 2006, Charities Act 2011, Employment and Health and Safety legislation, GDPR and the UK Code of Fundraising Practice. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

We understood how the charitable company is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the company secretary. We corroborated our inquiries through our review of board minutes.

The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. We considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: fictitious employees, apprentices that don't exist, fictitious suppliers, the posting of unusual journals and complex transactions and the use of management override of controls to manipulate results, or to cause the Company to enter into transactions not in its best interests.

Audit procedures performed by the engagement team included:

- identifying and assessing the design and 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;
- challenging assumptions and judgements made by management in its significant accounts estimates;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

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. This description forms part of our Auditors' report.

JTL

(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF JTL (CONTINUED)

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. 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.

DocuSigned by:

Janice Matthews

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Janice Matthews FCA (Senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Centrum House

36 Station Road

Egham

Surrey

TW20 9LF

Date: 01-Apr-2022

JTL
(A company limited by guarantee)



**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 JULY 2021**

	Note	Unrestricted funds 2021 £	Total funds 2021 £	As restated Total funds 2020 £
Income from:				
Donations and legacies	4	110,203	110,203	362,760
Charitable activities	5	27,785,956	27,785,956	31,795,578
Other trading activities	6	7,647,157	7,647,157	5,351,642
Investments	7	417,846	417,846	704,723
Total income		35,961,162	35,961,162	38,214,703
Expenditure on:				
Raising funds	8,9	7,774,974	7,774,974	7,562,635
Charitable activities	11	32,526,135	32,526,135	33,548,064
Total expenditure		40,301,109	40,301,109	41,110,699
Net expenditure before net gains on investments		(4,339,947)	(4,339,947)	(2,895,996)
Net gains on investments		7,032,647	7,032,647	3,700,655
Net income before taxation		2,692,700	2,692,700	804,659
Taxation		(464,030)	(464,030)	(274,000)
Net movement in funds		2,228,670	2,228,670	530,659
Reconciliation of funds:				
Total funds brought forward		43,773,342	43,773,342	43,242,683
Net movement in funds		2,228,670	2,228,670	530,659
Total funds carried forward		46,002,012	46,002,012	43,773,342

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

The notes on pages 36 to 56 form part of these financial statements.

JTL**(A company limited by guarantee)
REGISTERED NUMBER: 03958541**
**CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2021**

	Note	2021 £	As restated 2020 £
Fixed assets			
Intangible assets	16	37,146	-
Tangible assets	17	7,077,821	5,144,864
Investments	18	37,008,395	35,688,572
		44,123,362	40,833,436
Current assets			
Debtors	19	6,910,267	6,647,384
Cash at bank and in hand		3,775,731	3,861,124
		10,685,998	10,508,508
Creditors: amounts falling due within one year	20	(8,578,737)	(7,399,519)
Net current assets		2,107,261	3,108,989
Total assets less current liabilities		46,230,623	43,942,425
Provisions for liabilities		(228,611)	(169,083)
Net assets excluding pension asset		46,002,012	43,773,342
Total net assets		46,002,012	43,773,342
Charity funds			
Restricted funds	24	-	-
Unrestricted funds	24	46,002,012	43,773,342
Total funds		46,002,012	43,773,342

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

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Geoffrey Russell
Chair of the Trustees
Date: 01-Apr-2022

The notes on pages 36 to 56 form part of these financial statements.

JTL**(A company limited by guarantee)**
REGISTERED NUMBER: 03958541**COMPANY STATEMENT OF FINANCIAL POSITION**
AS AT 31 JULY 2021

	Note	2021 £	As restated 2020 £
Fixed assets			
Tangible assets	17	6,909,152	5,004,749
Investments	18	37,140,398	35,820,575
		44,049,550	40,825,324
Current assets			
Debtors	19	8,244,021	7,989,259
Cash at bank and in hand		3,397,469	3,243,652
		11,641,490	11,232,911
Creditors: amounts falling due within one year	20	(6,862,867)	(6,027,561)
Net current assets		4,778,623	5,205,350
Total assets less current liabilities		48,828,173	46,030,674
Provisions for liabilities		(228,611)	(169,083)
Total net assets		48,599,562	45,861,591
Charity funds			
Restricted funds	24	-	-
Unrestricted funds	24	48,599,562	45,861,591
Total funds		48,599,562	45,861,591

The Company's net movement in funds for the year was £2,737,971 (2020 - £3,211,605).

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 were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

15FFE1B893524BD.....
Geoffrey Russell
 Chair of the Trustees

Date: 01-Apr-2022

The notes on pages 36 to 56 form part of these financial statements.

JTL
(A company limited by guarantee)



CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	(3,056,960)	(1,985,880)
Cash flows from investing activities		
Dividends, interests and rents from investments	417,846	704,723
Proceeds from the sale of tangible fixed assets	-	310,000
Purchase of intangible assets	(38,315)	-
Purchase of tangible fixed assets	(3,120,788)	(3,008,205)
Payments to acquire subsidiary undertakings	-	(132,001)
Payments to acquire investments	(2,377,795)	(49,891,856)
Receipts from sales of investments	6,818,131	52,304,760
Movement in cash held by investment managers	1,272,488	(457,926)
Net cash provided by/(used in) investing activities	2,971,567	(170,505)
Cash flows from financing activities		
Repayments of borrowing	-	(599,000)
Net cash provided by/(used in) financing activities	-	(599,000)
Change in cash and cash equivalents in the year	(85,393)	(2,755,385)
Cash and cash equivalents at the beginning of the year	3,861,124	6,616,509
Cash and cash equivalents at the end of the year	3,775,731	3,861,124

The notes on pages 36 to 56 form part of these financial statements

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

1. General information

JTL is a charitable company limited by guarantee in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

The address of the registered office is given in the charity information on page 3 of these financial statements.

The nature of the charity's operations and principal activities are delivering Advanced Apprenticeships in Electrotechnical, Plumbing, Engineering and Heating and Ventilating.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

JTL 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 significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 Basis of consolidation

The financial statements consolidate the accounts of JTL and its wholly owned subsidiaries undertakings, CompEx Certification Limited, Develop Training Group Limited and Develop Training Limited .

The charity has taken advantage of the exemption contained within Section 408 of the Companies Act 2006 not to present its own income and expenditure account.

The net movement in funds dealt with in the income and expenditure account of the charity was £2,737,971 (2020: £3,211,605).

2.3 Going concern

The Trustees have assessed the use of going concern and have considered possible events or conditions that might cast significant doubt on the ability of the Charity to continue as a going concern including the ongoing and reducing negative financial impact of Covid-19. The Trustees have made this assessment for a period of at least one year from the date of the approval of these financial statements. The Trustees have concluded that there is a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing these financial statements.

2.4 Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. All funds received during the year were unrestricted.

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

2. Accounting policies (continued)

2.5 Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes gains on disposals of tangible fixed assets, recognised upon completion of the sale.

2.6 Expenditure

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

- Expenditure on charitable activities comprises costs which directly relate to education and training activities as well as an allocation of support costs, see note (2.7).
- Costs of raising funds, which includes:
 - o Trading expenditure consists of expenditure relating to the operation of the trading subsidiary CompEx Certification Limited and Develop Training Limited.
 - o Investment management expenses which consist of amounts charged by Investment Managers for managing the charity's investments.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

2.7 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

2.8 Government grants

Government grants of a revenue nature are recognised in the Statement of Financial Activities in the same period as the related expenditure.

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

2. Accounting policies (continued)

2.9 Intangible assets and amortisation

Intangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the amortisation rate applied was:

Software	- 25 % straight line
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2.10 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost (or deemed cost) less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended.

Assets costing less than £1,000 individually are not capitalised and are expended within the year.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life. During the year the depreciation rates were:

Freehold property	- 4% straight line
Short-term leasehold property	- 25% straight line
Motor vehicles	- 33% straight line
Fixtures and fittings	- 25% straight line
Computer equipment	- 25% straight line
IT software cost	- 25% straight line

No depreciation is provided for on Freehold Land

2.11 Investments

Investments are recognised initially at fair value, which at year end is normally the transaction price excluding transaction costs. Subsequently, they are continuously measured at a mark to market at fair value with changes recognised in 'net gains or losses on investments' in the consolidated statement of financial activities if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investments in subsidiaries are measured at cost less impairment.

2.12 Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SoFA unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

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

2. Accounting policies (continued)

2.13 Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

2.14 Leases

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

2.15 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

2.16 Tax

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. As such, surpluses and gains are exempt from Corporation Tax providing they are applied for charitable purposes. The trading subsidiary is subject to Corporation Tax, however, has committed to donate its profit to the parent company in the form of Gift Aid within 9 months of the year end such that no tax charge arose in the year. This donation is not accrued at the year end as it does not represent a legal or constructive obligation.

2.17 Financial instruments

The charity holds basic Financial Instruments. The financial assets and financial liabilities of the Charity are as follows:

- Financial assets: Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 19. Prepayments are not financial instruments.
- Cash at bank – is classified as a basic financial instrument and is measured at face value.

All other investments are classified as basic financial instruments and held at their fair value.

Financial Liabilities: Trade creditors, accruals and other creditors will be classified as financial instruments and are measured at amortised cost as detailed in note 20. Basic taxation and social security are not included in the financial instrument's disclosure. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.

3. Critical accounting estimates and areas of judgement

Judgements (apart from those involving estimates) have been made in the process of applying the following accounting policies that have had a significant effect on amounts recognised in the financial statements;

- Depreciation rates for tangible fixed assets
- Provision for bad and doubtful debts

JTL
(A company limited by guarantee)



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

4. Income from donations and legacies

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Furlough grant income	110,203	110,203	362,760
	<u> </u>	<u> </u>	
<i>Total 2020</i>	<u>362,760</u>	<u>362,760</u>	

5. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
ESFA and Welsh Assembly income receivable	25,046,226	25,046,226	29,016,516
Other income receivable	2,739,730	2,739,730	2,779,062
	<u> </u>	<u> </u>	<u> </u>
	<u>27,785,956</u>	<u>27,785,956</u>	<u>31,795,578</u>
<i>Total 2020</i>	<u>31,795,578</u>	<u>31,795,578</u>	

Other income receivable of £2,739,730 (2020 £2,779,062) comprises of income from various sources including employer contributions, commercial courses, room hire, rental income, miscellaneous income and royalties.

JTL
(A company limited by guarantee)



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

6. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Trading income in subsidiaries	7,647,157	7,647,157	5,351,642
<i>Total 2020</i>	5,351,642	5,351,642	

7. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Dividends and interest from listed investments	417,846	417,846	704,723
<i>Total 2020</i>	704,723	704,723	

8. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Direct trading expense	2,551,726	2,551,726	2,902,994
Support costs of trading	5,092,579	5,092,579	4,529,994
	7,644,305	7,644,305	7,432,988
<i>Total 2020</i>	7,432,988	7,432,988	

JTL
(A company limited by guarantee)



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

9. Investment management costs

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Investment management fees	130,669	130,669	129,647
<i>Total 2020</i>	129,647	129,647	

10. Analysis of grants

	Grants to Individuals 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Grants, Education and training	1,733,400	1,733,400	1,463,254
<i>Total 2020</i>	1,463,254	1,463,254	

11. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Education and training	32,526,135	32,526,135	33,548,064
<i>Total 2020</i>	33,548,064	33,548,064	

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

12. Analysis of expenditure by activities

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £	<i>Total funds 2020 £</i>
Education and training	25,428,524	1,733,400	5,364,211	32,526,135	33,548,064
<i>Total 2020</i>	<i>27,202,294</i>	<i>1,463,254</i>	<i>4,882,516</i>	<i>33,548,064</i>	

13. Auditors' remuneration

	2021 £	<i>2020 £</i>
Fees payable to the Charity's auditor and its associates for the audit of the Company's annual accounts	25,000	20,000
Fees payable to the Company's auditor and its associates in respect of:		
The auditing of accounts of subsidiaries of the Charity	12,500	12,000
Accountancy and tax services	5,500	33,345

14. Staff costs

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Wages and salaries	15,396,867	12,850,516	12,407,111	12,452,457
Social security costs	1,628,692	1,408,778	1,334,710	1,361,690
Contribution to defined contribution pension schemes	1,886,831	1,757,649	1,629,926	1,692,944
	18,912,390	16,016,943	15,371,747	15,507,091

During the year termination payments of £192,503 (2020:£nil) were paid.

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

14. Staff costs (continued)

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

	Group 2021 No.	<i>Group 2020 No.</i>	Company 2021 No.	<i>Company 2020 No.</i>
Directors	8	8	6	6
Operations	309	301	273	255
Support	163	161	116	108
	480	<i>470</i>	395	<i>369</i>

The average headcount expressed as full-time equivalents was:

	Group 2021 No.	<i>Group 2020 No.</i>	Company 2021 No.	<i>Company 2020 No.</i>
Directors	8	8	6	6
Operations	299	289	264	246
Support	155	149	112	104
	462	<i>446</i>	382	<i>356</i>

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

	Group 2021 No.	<i>Group 2020 No.</i>
In the band £60,001 - £70,000	7	8
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	2	2
In the band £90,001 - £100,000	-	2
In the band £100,001 - £110,000	2	-
In the band £130,001 - £140,000	1	1
In the band £200,001 - £210,000	1	1

15. Trustees' and Key Management Personnel Remuneration and Expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

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

15. Trustees' and Key Management Personnel Remuneration and Expenses (continued)

During the period, four trustees were reimbursed £678 (2020: £1,111) for expenses relating to travel costs.

The Charity considers its key management personnel comprise of:

- The Trustees
- Chief Executive Officer
- Chief Operating Officer
- Director of Learning & Innovation
- Director of Policy & External Relations
- Human Resources Director
- National Delivery Director

As noted above no trustees were remunerated during the year. The total amount of employee benefits received by key management personnel (Salary, Employer NI, Employers Pension, Benefit in Kind etc.) was £929,520 (2020: £1,063,455).

16. Intangible assets

Group

	Computer software £	Goodwill £	Total £
Cost			
At 1 August 2020	-	24,001	24,001
Additions	38,315	-	38,315
At 31 July 2021	38,315	24,001	62,316
Amortisation			
At 1 August 2020	-	24,001	24,001
Charge for the year	1,169	-	1,169
At 31 July 2021	1,169	24,001	25,170
Net book value			
At 31 July 2021	37,146	-	37,146
At 31 July 2020	-	-	-

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Intangible assets (continued)

Company

	Goodwill £
Cost	
At 1 August 2020	24,001
At 31 July 2021	24,001
Amortisation	
At 1 August 2020	24,001
At 31 July 2021	24,001
Net book value	
At 31 July 2021	-
At 31 July 2020	-

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

17. Tangible fixed assets

Group

	Freehold property £	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT consultancy £	Total £
Cost or valuation							
At 1 August 2020	3,764,127	188,738	48,600	4,760,598	857,480	387,099	10,006,642
Additions	2,457,666	47,094	-	303,088	118,322	194,618	3,120,788
At 31 July 2021	6,221,793	235,832	48,600	5,063,686	975,802	581,717	13,127,430
Depreciation							
At 1 August 2020	1,114,980	160,140	29,700	2,702,711	676,525	177,722	4,861,778
Charge for the year	149,365	12,875	18,900	852,921	74,334	79,436	1,187,831
At 31 July 2021	1,264,345	173,015	48,600	3,555,632	750,859	257,158	6,049,609
Net book value							
At 31 July 2021	4,957,448	62,817	-	1,508,054	224,943	324,559	7,077,821
At 31 July 2020	2,649,147	28,598	18,900	2,057,887	180,955	209,377	5,144,864

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

17. Tangible fixed assets (continued)

Company

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Software / IT Consultancy £	Total £
Cost or valuation						
At 1 August 2020	3,764,127	48,600	4,858,470	744,264	375,784	9,791,245
Additions	2,457,666	-	286,720	98,444	194,618	3,037,448
At 31 July 2021	6,221,793	48,600	5,145,190	842,708	570,402	12,828,693
Depreciation						
At 1 August 2020	1,114,980	29,700	2,837,851	633,944	170,021	4,786,496
Charge for the year	149,365	18,900	828,206	57,138	79,436	1,133,045
At 31 July 2021	1,264,345	48,600	3,666,057	691,082	249,457	5,919,541
Net book value						
At 31 July 2021	4,957,448	-	1,479,133	151,626	320,945	6,909,152
At 31 July 2020	2,649,147	18,900	2,020,619	110,320	205,763	5,004,749

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

17. Tangible fixed assets (continued)

The net book value of land and buildings for both the Charity and the Group comprised:

	2021	2020
	£	£
Freehold land	631,875	431,875
Freehold buildings	4,957,447	2,649,147
	5,589,322	3,081,022

Note: A leasehold of building was acquired in Carlisle with a life of 53 years which is being depreciated over 25 years.

18. Fixed asset investments

Group	Listed investments £
Cost or valuation	
At 1 August 2020	35,688,572
Additions	2,377,795
Disposals	(6,818,131)
Revaluations	7,032,647
Foreign exchange movement	(1,272,488)
At 31 July 2021	37,008,395
Net book value	
At 31 July 2021	37,008,395
At 31 July 2020	35,688,572

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

18. Fixed asset investments (continued)

Company	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 August 2020	132,003	35,688,572	35,820,575
Additions	-	2,377,795	2,377,795
Disposals	-	(6,818,131)	(6,818,131)
Revaluations	-	7,032,647	7,032,647
Foreign exchange movement	-	(1,272,488)	(1,272,488)
At 31 July 2021	132,003	37,008,395	37,140,398
Net book value			
At 31 July 2021	132,003	37,008,395	37,140,398
At 31 July 2020	132,003	35,688,572	35,820,575

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Class of shares	Holding
Develop Training Group Limited	06299573	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
Develop Training Limited	06115331	Derby Training Centre, Ascot Drive, Derby, DE24 8GW	Ordinary	100%
CompEx Certification Limited	02336110	Stafford House, 120-122 High Street, Orpington, Kent, BR6 0JS	Ordinary	100%

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) for the year £	Net assets £
Develop Training Group Limited	-	2,803	2,803	(774,122)
Develop Training Limited	6,571,680	(6,800,671)	(693,021)	(2,618,144)
CompEx Certification Limited	1,165,916	(982,433)	183,483	155,160

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

18. Fixed asset investments (continued)

Group and Company

	2021	2020
	£	£
Investments at fair value comprise:		
Equities	30,330,801	27,022,399
Securities	6,066,122	6,780,896
Cash within investment portfolio	611,473	1,885,277
	37,008,396	35,688,572

The fair value of listed investments is determined by reference to the bid (sale) price at close of business on the date of the valuation or fair value if the market value is unavailable.

19. Debtors

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>As restated</i>	2021	<i>As restated</i>
	£	<i>2020</i>	£	<i>2020</i>
Due within one year				
Trade debtors	5,683,967	4,928,986	4,588,568	4,621,400
Amounts owed by group undertakings	-	-	2,744,927	2,439,966
Other debtors	207,071	175,330	191,319	172,764
Prepayments and accrued income	1,019,229	1,079,038	719,207	755,129
Deferred taxation	-	464,030	-	-
	6,910,267	6,647,384	8,244,021	7,989,259

As at the year end, JTL was owed £136,503 (2020: £89,966) from CompEx Certification Limited and £2,608,424 (2020: £2,350,000) from Develop Training Limited. £53,889 interest was charged for the year.

20. Creditors: Amounts falling due within one year

	Group	<i>Group</i>	Company	<i>Company</i>
	2021	<i>As restated</i>	2021	<i>As restated</i>
	£	<i>2020</i>	£	<i>2020</i>
Trade creditors	2,834,147	2,386,272	2,306,034	1,859,655
Other taxation and social security	792,639	684,116	469,043	505,029
Other creditors	1,399,749	604,629	554,488	139,156
Accruals and deferred income	3,552,202	3,724,502	3,533,302	3,523,721
	8,578,737	7,399,519	6,862,867	6,027,561

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 FOR THE YEAR ENDED 31 JULY 2021**

20. Creditors: Amounts falling due within one year (continued)

Deferred income relates to the license and apprenticeship fees being recognised over the period that they relate to.

	Group 2021 £
Deferred income	
Deferred income at 1 August 2020	433,946
Resources deferred during the year	637,067
Amounts released from previous periods	(822,518)
	248,495

21. Deferred taxation

Group

The deferred tax asset is made up as follows:

	Group 2021 £	<i>Group 2020 £</i>
Tax losses carried forward	-	464,030
	-	464,030

22. Provisions

Group and Company

	Dilapidations £
At 1 August 2020	169,083
Additions	59,528
	228,611
At 31 July 2021	

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

23. Prior year adjustments

Reallocations have been made within the 2020 figures to correctly reflect the nature of the balances. There was no effect to the results for the year or the funds carried forward.

24. Statement of funds

Statement of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2021 £
Unrestricted funds						
General Funds	43,773,342	35,961,162	(40,301,109)	(464,030)	7,032,647	46,002,012

Statement of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2020 £
Unrestricted funds					
General Funds	43,242,656	38,209,569	(41,379,539)	3,700,656	43,773,342

25. Summary of funds

Summary of funds - current year

	Balance at 1 August 2020 £	Income £	Expenditure £	Taxation £	Gains/ (Losses) £	Balance at 31 July 2021 £
General funds	43,773,342	35,961,162	(40,301,109)	(464,030)	7,032,647	46,002,012

Summary of funds - prior year

	Balance at 1 August 2019 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 July 2020 £
General funds	43,242,656	38,209,569	(41,379,539)	3,700,656	43,773,342

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

26. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	7,077,821	7,077,821
Intangible fixed assets	37,146	37,146
Fixed asset investments	37,008,395	37,008,395
Current assets	10,685,998	10,685,998
Creditors due within one year	(8,578,737)	(8,578,737)
Provisions for liabilities and charges	(228,611)	(228,611)
Total	46,002,012	46,002,012

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Tangible fixed assets	5,144,864	5,144,864
Fixed asset investments	35,688,572	35,688,572
Current assets	10,508,508	10,508,508
Creditors due within one year	(7,399,519)	(7,399,519)
Provisions for liabilities and charges	(169,083)	(169,083)
Total	43,773,342	43,773,342

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

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

	Group 2021 £	<i>Group 2020 £</i>
Net income for the year (as per Statement of Financial Activities)	2,228,670	530,659
Adjustments for:		
Depreciation charges	1,187,831	1,061,644
Amortisation charges	1,169	24,001
Gains on investments	(7,032,647)	(3,700,657)
Dividends, interests and rents from investments	(417,846)	(704,723)
Loss on the sale of fixed assets	-	62,000
(Increase)/decrease in debtors	(726,913)	2,343,589
Increase/(decrease) in creditors	1,179,218	(2,045,476)
Tax charge	464,030	274,000
Increase in provisions	59,528	169,083
Net cash used in operating activities	(3,056,960)	(1,985,880)

28. Analysis of cash and cash equivalents

	Group 2021 £	<i>Group 2020 £</i>
Cash in hand	3,775,731	3,861,124
Total cash and cash equivalents	3,775,731	3,861,124

29. Analysis of changes in net debt

	At 1 August 2020 £	Cash flows £	At 31 July 2021 £
Cash at bank and in hand	3,861,124	(85,393)	3,775,731
	3,861,124	(85,393)	3,775,731

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

30. Operating lease commitments

At 31 July 2021 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Not later than 1 year	931,166	1,332,479	388,683	821,479
Later than 1 year and not later than 5 years	1,579,620	2,408,060	664,306	1,176,060
Later than 5 years	353,762	135,000	229,518	-
	2,864,548	3,875,539	1,282,507	1,997,539

31. Related party transactions

JTL had the following transactions and year end balances with The Electrical Contractors' Association Limited ("ECA") and Unite the Union, both of which are members of the charitable company. JTL also had the following transactions and year end balances with the Joint Industry Board for the Electrical Contracting Industry ("JIB") which has as its constituent parties the ECA and Unite the Union.

Information about related party transactions and outstanding balances is set out below:

	Expenditure £	<i>Outstanding Balances £</i>
Unite the Union is a member of the charitable company	-	-
At year ending 31 July 2021	-	-
At year ending 31 July 2020	1,668	-
Electrical Contractors' Association is a member of the charitable company	-	-
At year ending 31 July 2021	17,117	-
At year ending 31 July 2020	19,274	(982)
Joint Industry Board has its constituent parties with ECA and Unite	-	-
At year ending 31 July 2021	251,510	30,000
At year ending 31 July 2020	212,716	2,880

Amounts payable to Unite relate to the provision of room hire. Amounts payable to ECA includes the BUPA annual membership, plus additional services. Amounts payable to JIB relate to Electrotechnical and Plumbing Apprentice registration fees and Health & Safety Assessment fees.