

Registered number: 11634699
Charity number: 1182053

NOCN Job Cards
(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 July 2022

NOCN Job Cards
(A Company Limited by Guarantee)

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NOCN Job Cards
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Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 July 2022

| | | |
|----------------------------------|--|--|
| Trustees | Alison Duckles CBE, Chair Graham Hasting-Evans David Mosley Kevin Minton Trevor Gamble MBE Carl Hassell Paul Allman Timothy Brownbridge | Resigned 13/12/2022 Resigned 13/12/2022 |
| Company registered number | 11634699 | |
| Charity registered number | 1182053 | |
| Registered office | Acero Building 1 Concourse way Sheaf Street Sheffield South Yorkshire S1 2BJ | |
| Key Management Personnel | Carl Hassell - Group Director (Job Cards) | |
| Auditors | Armstrong Watson Audit Ltd Thornfield Business Park Northallerton DL6 2XQ | |
| Bankers | National Westminster Bank Plc 7 Market Place Derby DE1 9DS | |
| Solicitors | Andrew Holland Law Limited Suite 1, The Bakery Millennium Business Park Steeton Keighley West Yorkshire BD20 6RB | |

NOCN Job Cards
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Trustees' Report
For the Year Ended 31 July 2022

The Trustees present their annual report together with the audited financial statements of the charity for the year 1 August 2021 to 31 July 2022. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice, 2nd Edition (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Chair's Foreword

The past year has brought many challenges, with the war in Ukraine adding to the impact of the Covid19 pandemic, on top of increasing competitive and regulatory pressures. I'm pleased to report that NOCN Job Cards has weathered these storms well, retaining stable income levels and increasing our reserves, whilst achieving our purpose of supporting operatives, centres and employers to build competence in the construction plant sector, and reduce the sector skills gap.

The launch of NOCN Job Cards in 2018 was a key strategic milestone in the delivery of the NOCN Group vision to be the Educational & Skills Charity of choice, helping learners and apprentices to reach their potential and organisations to thrive. Our diversification into competency SMART cards gives NOCN Group the opportunity to reinforce the importance of the right qualifications for skilled work, setting the standards for the occupational proficiency and providing evidence of the ability to do a job safely in potentially high-risk occupations with a project-based or transient workforce.

Since September 2019, NOCN Job Cards has also provided the carding processing and administration service for CISRS to the National Association of Scaffolding Contractors. As one of the most respected competency cards in the construction industry, driving improved safety in the high-risk scaffolding industry, CISRS fits well within the NOCN Job Cards' charitable purpose.

The critical importance of construction sector keyworkers was brought into focus during the pandemic and the subsequent drive to Build Back Better. NOCN Job Cards has been pleased to play a role in this important work, by supporting learners and apprenticeships to achieve success in the construction sector, through provision and operation of our competency-card schemes.

CPCS has over 180 accredited training/testing centres throughout the UK, with each one quality assured to maintain the quality of testing in line with our agreed standards. The layers of the CPCS card scheme allow learners to progress from skilled to full competence and includes continued professional development to support learners and the construction plant sector to maintain a safe and competent workforce. This, with the introduction of mandatory practical skills testing of all Trainer/Assessors, sets us apart from all other card schemes and ensures we deliver excellence across the construction plant sector.

Our CPCS digital SMART cards are industry leading, but competitive pressure is increasing. Our response has been to strengthen quality assurance, and, through our Management Committee and CPCS management team, work closely with industry working groups to ensure that CPCS card scheme retains its market leading position.

Looking forward, exciting new products in the product development pipeline give me confidence in the successful future of NOCN Job Cards. CITB's new 'Plant Training Model', will bring market change, and our Management Committee are working closely with industry to ensure that CPCS will be meet all new requirements, whilst strengthening our offer to all sector partners.


Alison Duckles CBE

Chair

March 2023

NOCN Job Cards
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Trustees' Report (continued)
For the Year Ended 31 July 2022

Objectives and activities

The purpose of the Charity

The purpose of NOCN Job Cards is to support learners and apprentices to achieve success in life and work and to support communities and organisations to develop and prosper, through the provision and operation of competency-based card schemes.

The objectives of the Charity

The charity's objects are specifically restricted to the advancement of education of operatives working in industry within the United Kingdom and Eire and in other countries which recognise skills and competency card schemes in one or more of the following ways:

- (1) by facilitating skills and competence card schemes which will set standards and develop and test skills and competencies in order to increase public confidence in the operatives' work;
- (2) by promoting participation by operatives in the schemes;
- (3) by promoting participation by operatives in all forms of education and training in conjunction with and in addition to the schemes;
- (4) by improving the quality and flexibility of the educational provision available to operatives;
- (5) by improving access for operatives to learning opportunities and facilitating progression to further learning, employment and higher education;
- (6) by delivering continuing professional development, training qualifications and assessment qualifications to operatives;
- (7) by working with industry to ensure the schemes and operatives are ready for advancements in new technologies; and
- (8) by ensuring the schemes meet the needs of all operatives.

Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when setting up the charity and reviewing the Charity's aims and objectives and in planning future activities. Our Trustees have also complied with their duty in accordance with the UK Charities Act 2011 to follow the Charity Commission's guidance on the operation of this public benefit.

The Charity started to advance its objectives for the general public through the purchase of the Construction Plant Card Scheme (CPCS) from CITB on 1 March 2019 as the first of the competency card schemes that the Charity will operate. This card scheme ensures that Construction Plant Operators have the right qualifications and experience to operate different classes of plant machinery on construction sites.

In September 2019, CISRS signed a contract with NOCN Job cards for NOCN Job cards to deliver the CISRS Cards to the Scaffolding industry. CISRS is one of the oldest and most respected cards in the construction industry. The contract to deliver the CISRS cards fits very well with the NOCN Job cards charitable aims.

Similar occupational card schemes are expected to be set up by the charity in future.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Achievements and performance

Key achievements, activities & performance in the year

CPCS supports people to gain employment and develop their careers in the construction plant sector by issuing them with digital SMART cards via the scheme which is competency based.

During 2021/22 Job Cards has been supporting centres, employers, and operatives in enhancing skills and competence supporting the plant sector and supporting the sector skills gap.

Support from industry is strong, we have many industry working groups supporting development of new products and maintenance of older products ensuring that the scheme is up to date for industries requirements.

Quality assurance has strengthened during the financial year, CPCS has a new Quality Assurance Manual, new reporting forms and EQA's are now more efficient due to completing documentation in real time.

Our competitors have a strong presence in some parts of the construction sector which continues to negatively impact on CPCS market share.

During 2021/22 CITB entered Consultation with the construction levy payers, as a result of the consultation CITB has announced introduction of a new "Plant Training Model" including the way in which grant is triggered for in-scope levy payers. CPCS continue working with CITB, PSRO, our Management Committee ensuring that the scheme is ready for the changes that will be introduced in January 2023 and ensuring that there is minimum disruption to BAU. Initially these changes only affect 8 of the 68 plant categories that CPCS operate, 60 plant categories remain unchanged and in-scope levy payers will continue to be support with the current grant mechanism, this model is unique to the CPCS scheme and has been in place since 2008.

CPCS has been able to gain the support of the board and its industry representatives to create some new products that will be launched in the following accounting year. Alongside this CPCS have also gained support to redevelop scheme requirements to ensure that the scheme is up to date and meets the needs of the plant construction sector, changes will also be launched in the next financial year.

The marketing of new products and relaunch of a much-improved CPCS scheme will enhance: - learner journeys, test centre delivery, employer support as well as strengthen income position during 2022/23.

CISRS smart carding processes are managed by Job Cards on a commission basis, activity levels have been returning to pre-covid levels which is reflected in our accounts and is positive.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Financial review

2021/22 Financial Review

Card income levels remained stable year-on-year overall. Costs were 14% higher in 2021/22 compared to 2020/21 due to the need to continue to invest in the development of the business. This resulted in the charity achieving an operating surplus of £718k surplus in 2021/22 (2021: £1,220k surplus).

| | 2021/22 | 2020/21 |
|------------------------------------|----------------|----------------|
| | £000 | £000 |
| Income | 3,626 | 3,767 |
| Operating costs | (2,908) | (2,547) |
| Operating (deficit)/surplus | 718 | 1,220 |
| Depreciation and amortisation | (360) | (350) |
| Other revaluations | - | 42 |
| Net movement in funds | 358 | 912 |

NOCN Job Cards reserves continue to grow with £0.4m in 2021/22, in comparison to total reserves of £0.1m in 2020/21. The business is expected to continue to generate surpluses in future years.

In the opinion of the Trustees, in the light of the latest projections of incoming resources and costs for 2022/23 and 2023/24, and the confirmation from NOCN of the continued provision of financing facilities from NOCN, NOCN Job Cards continues to be a going concern.

Key risks in the year

The key risks NOCN Job Cards has faced in the year have been:

- Cost inflation. We have seen staff and assessor pay cost pressures increase in the year in line with the increase in inflation generally.
- We continued to see an increased risk in respect of our ability to recruit staff in the latter part of the year to support the higher levels of activity. We continue to look to optimising our recruitment channels and our offer to ensure that we remain competitive in a difficult market.

In the light of the CITB policy changes in respect of the testing grants, there was a risk that we would not be able to adapt. We have been working to adapt the CPCS scheme to be ready to meet these new requirements when they come in. This work is currently on track.

Powers of Investment

The Trustees are authorised by the Memorandum of Association to invest monies not immediately required for the Charity's own purposes in such investments, securities or property as they deem fit subject to any conditions required by law.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Reserves policy

The reserves policy was reviewed and updated in 21/22. The aim of the policy is to keep Job Card's balance sheet unrestricted reserves in the range of £1.6m and £2.4m. Equating to approximately 7 to 10 months of projected operating expenditure. And available Group cash, which it pooled at a group level, within £1.5m and £2.5m. These unrestricted reserves, which are freely available for general use, are held to withstand any short-term financial risks and to support any net windup costs in the event of closure.

As at the end of July 2022, NOCN Job Card's balance sheet unrestricted reserves were outside of this range given the company has only been operational since 2019.

The Board approved a business plan and budget for 2022/23 which will further increase the reserve and available cash levels and we expect that reserve levels will get to the target range in the next 2 to 3 years.

Going concern

In order for the Board to determine the going concern position of Job Cards, a going concern assessment of its position was developed. The assessment included a review of current performance in 2022/23 at the point of signing the accounts, stress testing of budgets and forecast projections under a best and worst case on the statement of financial activities and cashflow position for the period up to the 31st July 2024.

Job Cards is operationally viable as a business with continued projected surpluses to be generated in 2022/23 and 2023/24 under the best and worst case scenarios. However, in the light of the fact that Job Cards has a net current liability of £400k as at the end of 21/22 due to the need to pay the final instalment of the purchase of CPCS from CITB, NOCN has committed to continue to fund NOCN Job Cards until at least 31 July 2024. , the NOCN Board has provided a letter of support to NOCN Job Cards Board to this effect. With the final payment to CITB for the CPCS business being due in December 2022 it is anticipated that NOCN Job Cards will be able to repay the intercompany loan within 2 to 3 years through the development of the CPCS card scheme including bringing the Health and Safety and renewal test inhouse as well as expansion of card schemes into other countries and sectors.

Following this assessment, and the letter of support provided to NOCN Job Cards by NOCN, the Board have assessed that the business continues to remain a going concern for at least the following 12 months from the signing of these accounts and can pay its liabilities as they fall due.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Structure, governance and management

Governing document and structure

The organisation is a charitable company limited by guarantee incorporated on 22 October 2018 and was registered in England and Wales as a charity on 15 February 2019. The charity started to operate from 1 March 2019.

NOCN Job Cards is consolidated under NOCN, given its articles give NOCN majority voting rights on the Board.

Compliance to Charity Governance Code

In 2019 NOCN undertook a review of NOCN's compliance against the Charities Compliance code for larger charities as part of a Group Governance Review. It was assessed that NOCN is substantially compliant with the code and further improvements were made following this review where there were gaps identified.

Appointment of Trustees

As at the 31 July 2022, there were 8 trustees in post at NOCN Job Cards, unchanged from the previous year.

The Chair is a trustee of the Board of NOCN. There are 2 external trustees who have been appointed on the recommendation of the CPCS Management Committee (an advisory group set up by CITB to aid the running of the CPCS card scheme which has no executive power or control over NOCN Job Cards), and 2 Senior Leadership staff of NOCN. Carl Hassell is remunerated by NOCN following his appointment as a trustee of NOCN Job Cards.

The Board make any trustee appointment decisions. Any appointments have to be approved by the NOCN Board.

Trustee induction and training

When new Trustees join the Board, a formal briefing from the Chair and Group Managing Director takes place and they receive an induction pack. Trustees will receive formal training on their responsibilities, including their legal obligations where needed.

Organisational structure

The Chair of NOCN Job Cards Board of Trustees is also a Trustee of NOCN. As such there is a clear link between both the parent and the subsidiary Boards.

The NOCN Job Cards Board of Trustees meets at least quarterly with a full business agenda including a review of the Management Accounts and budget achievement. The company has elected not to set up an Audit Committee for the entity as there is a Group Audit and Risk Committee which will cover all the NOCN Group's entities.

The Board of Trustees delegates the management of the Charity to the Group Managing Director who undertakes these responsibilities through a Senior Leadership Team (SLT) which is comprised of the Group Managing Director, the Deputy Group Managing Director and all the Executive Directors within the Group and a Group Management Team which is made up of the SLT plus the Heads of Function of the NOCN Group entities.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Structure, governance and management (continued)

Pay policy for senior staff

Two Trustees receive remuneration from NOCN as Executive Directors of NOCN but do not receive remuneration from NOCN Job Cards. The rest of the Trustees receive no remuneration.

Details of any Trustee related party transactions are disclosed in the notes to the accounts.

Risk Management

NOCN Group operates to a risk management policy and strategy which NOCN Job Cards has decided to adopt. The aims of the policy and strategy are to:

- Consider best practice in designing a risk management framework;
- Encourage well-managed taking of risk to deliver business objectives;
- Provide staff with policies and procedures necessary to manage risk;
- Embed risk management in the day-to-day conduct of business;
- Identify and prioritise risk using the risk management technology;
- Regularly monitor risk at Managing Director and Director Level; and
- Achieve continuous improvement in risk management.

During the year the NOCN Group's Audit and Risk Committee has routinely considered the Strategic Risk Register and examined specific areas of risk at the request of the Board. The Strategic Risks are also reported to the Board on a Quarterly basis. The Strategic Risk Register is also reviewed on a monthly basis by the NOCN Group Management Team.

NOCN Group's reserves policy provides for mitigation against financial risk.

Future Plans

The CPCS Management Committee was disbanded in September 2022 due to the establishment of the Plant Sector Representative Organisation PSRO. NOCN Job Cards (CPCS) are in the process of forming an "industry engagement group". This is to ensure that the CPCS scheme is further developed to meet the needs of the plant sector's employers and the cardholders and other stakeholders.

NOCN Job Cards will then consider setting up additional card schemes where there is the demand, either to be operated under licence or outright whilst also continuing to invest in the further development of the CPCS card scheme.

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

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Trustees' Report (continued)
For the Year Ended 31 July 2022

Auditor

The auditor, Armstrong Watson Audit Limited, was appointed as auditor in 2022.

Under section 487(2) of the Companies Act 2006, Armstrong Watson Audit Limited 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.

Approved by order of the members of the board of Trustees on 24th February 2023 and signed on their behalf by:



Alison Duckles CBE
Chair

NOCN Job Cards
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Statement of Trustees' responsibilities
For the Year Ended 31 July 2022

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the charity financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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 charity will continue in business.

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

Financial statements are published on the Charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

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Independent Auditor's Report to the of NOCN Job Cards

Opinion

We have audited the financial statements of NOCN Job Cards for the year ended 31 July 2022, which comprise the statement of financial activities, the statement of financial position, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Charitable Company's affairs as at 31 July 2022 and of its results 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 Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 Trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

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Independent Auditor's Report to the of NOCN Job Cards
(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, which includes the Directors' Report prepared for the purposes of Company Law, for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report, which is included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of Trustees

As explained more fully in the Trustees' Responsibilities Statement on page 10, 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 directors 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 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 parent Charitable Company or Group 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 Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

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

- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the industry;

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Independent Auditor's Report to the of NOCN Job Cards
(continued)

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the entity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected, and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

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 Auditor's Report.

Use of our report

This report is made solely to the Company's members 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 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 Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Simon Turner (Senior Statutory Auditor)
For and on behalf of Armstrong Watson Audit
Limited, Chartered Accountants
Northallerton

Date: 07/03/2023

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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: | | | | |
| Grants and donations | 4 | - | - | 13,242 |
| Charitable activities | 5 | 3,625,577 | 3,625,577 | 3,753,768 |
| Total income | | 3,625,577 | 3,625,577 | 3,767,010 |
| Expenditure on: | | | | |
| Charitable activities | 6,7 | 3,267,210 | 3,267,210 | 2,897,369 |
| Total expenditure | | 3,267,210 | 3,267,210 | 2,897,369 |
| Net movement in funds before other recognised gains | | 358,367 | 358,367 | 869,641 |
| Other recognised gains: | | | | |
| Gain/(loss) on revaluation of goodwill | | - | - | 42,076 |
| Net movement in funds | | 358,367 | 358,367 | 911,717 |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 78,360 | 78,360 | (833,357) |
| Net movement in funds | | 358,367 | 358,367 | 911,717 |
| Total funds carried forward | 18 | 436,727 | 436,727 | 78,360 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 17 to 33 form part of these financial statements.

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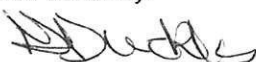
Statement of Financial Position
As at 31 July 2022

| | Note | 2022 £ | 2021 £ |
|---|------|------------------|------------------|
| Fixed assets | | | |
| Intangible assets | 11 | 2,178,608 | 2,516,412 |
| Tangible assets | 12 | 25,564 | 34,003 |
| | | <u>2,204,172</u> | <u>2,550,415</u> |
| Current assets | | | |
| Stocks | 13 | 3,485 | 54,060 |
| Debtors | 14 | 520,449 | 909,075 |
| Cash at bank and in hand | 20 | 288,353 | 470,371 |
| | | <u>812,287</u> | <u>1,433,506</u> |
| Creditors: amounts falling due within one year | 15 | (970,819) | (1,509,878) |
| Net current liabilities | | <u>(158,532)</u> | <u>(76,372)</u> |
| Total assets less current liabilities | | <u>2,045,640</u> | <u>2,474,043</u> |
| Creditors: amounts falling due after more than one year | 16 | (1,608,913) | (2,395,683) |
| Total net assets/(liabilities) | | <u>436,727</u> | <u>78,360</u> |
| Charity funds | | | |
| Unrestricted funds | 17 | 436,727 | 78,360 |
| Total funds | | <u>436,727</u> | <u>78,360</u> |

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 24th February 2023 and signed on their behalf by:


Alison Duckles CBE
Chair

The notes on pages 17 to 33 form part of these financial statements.

NOCN Job Cards
(A Company Limited by Guarantee)

Registered number: 11634699

Statement of Cash Flows
For the Year Ended 31 July 2022

| | Note | 2022 £ | 2021 £ |
|---|------|-------------|-----------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 19 | 1,131,835 | 411,556 |
| Cash flows from investing activities | | | |
| Purchase of intangible assets | 11 | (40,543) | (122,475) |
| Fair Value Assessment of intangible assets | 11 | 26,689 | - |
| Purchase of tangible fixed assets | 12 | - | (4,188) |
| Payments in respect of CPCS deferred consideration | | (1,300,000) | - |
| Net cash used in investing activities | | (1,313,853) | (126,663) |
| Change in cash and cash equivalents in the year | | (182,018) | 284,893 |
| Cash and cash equivalents at the beginning of the year | | 470,371 | 185,478 |
| Cash and cash equivalents at the end of the year | 20 | 288,353 | 470,371 |

The notes on pages 17 to 33 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

1. General information

NOCN Job Cards is a Charitable Company limited by guarantee registered in England and Wales, under the Companies Act 2006. The address of the registered office is Acero Building, 1 Concourse Way, Sheaf Street, Sheffield, South Yorkshire, United Kingdom, S1 2BJ.

The company is a registered charity in England and Wales incorporated under a memorandum of association. The liability in respect of this guarantee, as set out in the memorandum, is limited to £1 per member.

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, 2nd Edition 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), Section 1A of FRS 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

NOCN Job Cards 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 preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

2. Accounting policies (continued)

2.2 Going concern

In order for the Board to determine the going concern position of Job Cards, a going concern assessment of its position was developed. The assessment included a review of current performance in 2022/23 at the point of signing the accounts, stress testing of budgets and forecast projections under a best and worst case on the statement of financial activities and cashflow position for the period up to the 31st July 2024.

Job Cards is operationally viable as a business with continued projected surpluses to be generated in 2022/23 and 2023/24 under the best and worst case scenarios. However, in the light of the fact that Job Cards has a net current liability of £400k as at the end of 21/22 due to the need to pay the final instalment of the purchase of CPCS from CITB, was set up as a new charitable legal entity in 2019 to purchase the CPCS business with no opening reserves, the going concern assessment is reliant on the NOCN Group's financial viability in order to continue to fund NOCN Job Cards to allow it to pay the agreed purchase consideration as it falls due.

As such Job Cards is reliant on NOCN remaining a going concern. NOCN has also undertaken a going concern assessment and has assessed that NOCN Job Cards remains a going concern and has committed to continue to fund NOCN Job Cards until at least 31 July 2024 and the NOCN Board has provided a letter of support to NOCN Job Cards Board to this effect. With the final payment to CITB for the CPCS business being due in December 2022 it is anticipated that NOCN Job Cards will be able to repay the intercompany loan within 2 to 3 years through the development of the CPCS card scheme including bringing the Health and Safety and renewal test inhouse as well as expansion of card schemes into other countries and sectors..

Following this assessment, and the letter of support provided to NOCN Job Cards by NOCN, the Board have assessed that the business continues to remain a going concern for at least the following 12 months from the signing of these accounts and can pay its liabilities as they fall due.

As a result the Board have adopted the going concern basis of accounting and the financial statements have been drawn up on a going concern basis.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

2. Accounting policies (continued)

2.3 Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Income from charitable activities is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Income is classed as unrestricted unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Research and development

Development costs are capitalised within intangible assets where they can be identified with a specific product or project anticipated to produce future benefits, and are amortised on the straight line basis over the anticipated life of the benefits arising from the completed product or project.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Financial Activities.

2.6 Taxation

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

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

2. Accounting policies (continued)

2.7 Intangible assets and amortisation

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

At each reporting date the charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

Amortisation is provided on the following bases:

| | | |
|----------------------|---|-----------------------------|
| Software development | - | straight line over 5 years |
| Goodwill | - | straight line over 10 years |

2.8 Tangible fixed assets and depreciation

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

| | | |
|-----------------------|---|-----------------------------|
| Fixtures and fittings | - | straight line over 10 years |
| Office equipment | - | straight line over 10 years |
| Computer equipment | - | straight line over 5 years |

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Financial Activities.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

2. Accounting policies (continued)

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Statement of Financial Position date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.13 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.15 Fund accounting

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

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charity 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.

Goodwill useful economic life and amortisation

The key judgements and sources of estimation uncertainty relate to the identified useful economic life attributable to the goodwill on acquisition of the trade and assets of CPCS which has been capitalised to the Statement of Financial Position and earn-out payment on the deferred consideration.

4. Income from grants and donations

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|----------------------------|------------------------------------|-----------------------------|-----------------------------|
| Government furlough grants | - | - | 13,242 |

Government grants were provided to assist Charity with cash flow issues during the pandemic.

All income received from government grants was unrestricted in both the current and prior year.

5. Income from charitable activities

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Competency scheme activities | 3,625,577 | 3,625,577 | 3,753,768 |

Income from charitable activities primarily comprises theory and practical test fees, and card upgrades and extensions fees, in respect of the Construction Plant Competence Scheme (CPCS) and Construction Industry Scaffolders Record Scheme (CISRS).

All income from charitable activities in the prior period was unrestricted.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

6. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Competency scheme activities | 3,267,210 | 3,267,210 | 2,897,369 |

All expenditure on charitable activities in the prior period was unrestricted.

7. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ |
|------------------------------|---|-------------------------------|-----------------------------|
| Competency scheme activities | 2,124,594 | 1,142,616 | 3,267,210 |
| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ |
| Competency scheme activities | 1,925,398 | 971,971 | 2,897,369 |

Expenditure on charitable activities was fully unrestricted in the current and previous period.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

7. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Staff costs | 174,416 | 174,416 | 128,910 |
| Depreciation and amortisation | 360,105 | 360,105 | 349,840 |
| Group recharge for support | 567,000 | 567,000 | 461,453 |
| Governance costs | 41,095 | 41,095 | 31,768 |
| | <u>1,142,616</u> | <u>1,142,616</u> | <u>971,971</u> |

Governance costs are made up of audit and accountancy fees and legal and professional fees.

The Group recharge for support is made up of Job Cards' share of the Group's overheads, such as facilities and IT infrastructure costs, these costs are allocated across the group entities on the basis of the share income generated by each entity within the Group as a percentage of the total income of the group.

8. Auditor's remuneration

| | 2022 £ | 2021 £ |
|---|-----------|--------------|
| Fees payable to the charity's auditor for the audit of the charity's annual Accounts | 5,995 | 6,900 |
| Fees payable to the charity's auditor in respect of: All non-audit services not included above | <u>-</u> | <u>2,250</u> |

9. Staff costs

| | 2022 £ | 2021 £ |
|--|------------------|------------------|
| Wages and salaries | 1,153,517 | 1,293,389 |
| Social security costs | 116,110 | 101,597 |
| Contribution to defined contribution pension schemes | 84,037 | 75,989 |
| | <u>1,353,664</u> | <u>1,470,975</u> |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

9. Staff costs (continued)

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

| | 2022 No. | 2021 No. |
|-----------|---------------------|---------------------|
| Employees | 36 | 38 |

One employee received remuneration amounting to more than £60,000 in the period (2021 - 1).

10. Trustees' remuneration and expenses

Our trustees received remuneration during the year of £0 (2021 – 1 Trustee received £5,477 during the year; these related to their previous role as an employee rather than their role as a Trustee).

During the year ended 31 July 2022, no expenses were reimbursed or paid directly to any Trustee (2021 - £108).

11. Intangible assets (Current Year)

| | Software development £ | Goodwill £ | Total £ |
|---------------------------|---------------------------------------|-----------------------|--------------------|
| Cost | | | |
| At 1 August 2021 | 204,980 | 3,316,348 | 3,521,328 |
| Additions | 40,543 | - | 40,543 |
| Purchase price adjustment | - | (26,689) | (26,689) |
| At 31 July 2022 | 245,523 | 3,289,659 | 3,535,182 |
| Amortisation | | | |
| At 1 August 2021 | 37,435 | 967,472 | 1,004,916 |
| Charge for the year | 44,152 | 307,515 | 351,657 |
| At 31 July 2022 | 81,587 | 1,274,987 | 1,356,574 |
| Net book value | | | |
| At 31 July 2022 | 163,936 | 2,014,672 | 2,178,608 |
| At 31 July 2021 | 167,535 | 2,348,877 | 2,516,412 |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

Intangible assets (Prior Year)

| | Software development £ | Goodwill £ | Total £ |
|---------------------|------------------------------|-------------------------|-------------------------|
| Cost | | | |
| At 1 August 2020 | 82,505 | 4,641,814 | 4,724,319 |
| Additions | 122,475 | - | 122,475 |
| Impairments | - | (1,325,466) | (1,325,466) |
| At 31 July 2021 | <u>204,980</u> | <u>3,316,348</u> | <u>3,521,328</u> |
| Amortisation | | | |
| At 1 August 2020 | 8,977 | 657,739 | 666,716 |
| Charge for the year | 28,468 | 309,732 | 338,200 |
| At 31 July 2021 | <u>37,445</u> | <u>967,471</u> | <u>1,004,916</u> |
| Net book value | | | |
| At 31 July 2021 | <u><u>167,535</u></u> | <u><u>2,348,877</u></u> | <u><u>2,516,412</u></u> |
| At 31 July 2020 | <u><u>73,528</u></u> | <u><u>3,984,075</u></u> | <u><u>4,057,603</u></u> |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

12. Tangible fixed assets (Current year)

| | Fixtures and fittings £ | Office equipment £ | Computer equipment £ | Total £ |
|--------------------------|-------------------------------|--------------------------|----------------------------|---------------|
| Cost or valuation | | | | |
| At 1 August 2021 | 17,034 | 15,009 | 22,346 | 54,389 |
| Additions | - | - | - | - |
| At 31 July 2022 | <u>17,034</u> | <u>15,009</u> | <u>22,346</u> | <u>54,389</u> |
| Depreciation | | | | |
| At 1 August 2021 | 3,214 | 2,752 | 14,420 | 20,386 |
| Charge for the year | 1,703 | 1,501 | 5,235 | 8,439 |
| At 31 July 2022 | <u>4,917</u> | <u>4,253</u> | <u>19,655</u> | <u>28,825</u> |
| Net book value | | | | |
| At 31 July 2022 | <u>12,116</u> | <u>10,756</u> | <u>2,691</u> | <u>25,564</u> |
| At 31 July 2021 | <u>13,820</u> | <u>12,257</u> | <u>7,926</u> | <u>34,003</u> |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

Tangible fixed assets (Prior Year)

| | Fixtures and fittings £ | Office equipment £ | Computer equipment £ | Total £ |
|---------------------|-------------------------------|--------------------------|----------------------------|------------|
| Cost or valuation | | | | |
| At 1 August 2020 | 17,034 | 15,009 | 18,158 | 50,201 |
| Additions | - | - | 4,188 | 4,188 |
| At 31 July 2021 | 17,034 | 15,009 | 22,346 | 54,389 |
| Depreciation | | | | |
| At 1 August 2020 | 1,511 | 1,251 | 5,992 | 8,754 |
| Charge for the year | 1,703 | 1,501 | 8,428 | 11,632 |
| At 31 July 2021 | 3,214 | 2,752 | 14,420 | 20,386 |
| Net book value | | | | |
| At 31 July 2021 | 13,820 | 12,257 | 7,926 | 34,003 |
| At 31 July 2020 | 15,523 | 13,758 | 12,166 | 41,447 |

13. Stocks

| | 2022 £ | 2021 £ |
|-------------------------------------|-----------|-----------|
| Finished goods and goods for resale | 3,485 | 54,060 |

The difference between purchase price or production cost of stocks and their replacement cost is not material.

An impairment loss of £Nil (2021 -£Nil) was recognised in cost of sales against stock during the year due to slow-moving and obsolete stock.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

14. Debtors

| | 2022 £ | 2021 £ |
|--------------------------------|----------------|----------------|
| Due within one year | | |
| Trade debtors | 375,299 | 840,393 |
| Other debtors | - | - |
| Prepayments and accrued income | 145,150 | 68,682 |
| | <u>520,449</u> | <u>909,075</u> |

Trade debtors are stated net of bad debt provisions of £1,531 (2021 - £38,182).

15. Creditors: Amounts falling due within one year

| | 2022 £ | 2021 £ |
|------------------------------------|----------------|------------------|
| Contingent consideration | 740,061 | 1,289,318 |
| Trade creditors | 113,919 | 57,258 |
| Amounts owed to group undertakings | - | 1,254 |
| Other taxation and social security | 39,948 | 24,872 |
| Other creditors | 10,135 | 168 |
| Accruals and deferred income | 66,756 | 137,008 |
| | <u>970,819</u> | <u>1,509,878</u> |

Amounts owed to group undertakings are interest free and repayable on demand.

Contingent consideration in creditors due within, and due after, one year relates to the purchase of CPCS from CITB.

16. Creditors: Amounts falling due after more than one year

| | 2022 £ | 2021 £ |
|------------------------------------|------------------|------------------|
| Amounts owed to group undertakings | 1,608,913 | 1,618,054 |
| Contingent consideration | - | 777,629 |
| | <u>1,608,913</u> | <u>2,395,683</u> |

Amounts owed to group undertakings are interest free and are not required to be repaid for at least 1 year

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

17. Statement of funds

Statement of funds - current year

| | Balance at 1 August 2021 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 July 2022 £ |
|---------------------------|----------------------------------|-------------|------------------|-------------------------|---------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 78,360 | 3,625,577 | (3,267,209) | - | 436,728 |

Statement of funds - prior year

| | Balance at 1 August 2020 £ | Income £ | Expenditure £ | Gains/ (Losses) £ | Balance at 31 July 2021 £ |
|---------------------------|-------------------------------------|-------------|------------------|-------------------------|---------------------------------|
| Unrestricted funds | | | | | |
| General Funds | (833,357) | 3,767,010 | (2,897,369) | 42,076 | 78,360 |

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 25,564 | 25,564 |
| Intangible fixed assets | 2,178,608 | 2,178,608 |
| Current assets | 812,287 | 812,287 |
| Creditors due within one year | (970,819) | (970,819) |
| Creditors due in more than one year | (1,608,913) | (1,608,913) |
| Total | 436,727 | 436,727 |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | 34,003 | 34,003 |
| Intangible fixed assets | 2,516,412 | 2,516,412 |
| Current assets | 1,433,506 | 1,433,506 |
| Creditors due within one year | (1,509,878) | (1,509,878) |
| Creditors due in more than one year | (2,395,683) | (2,395,683) |
| Total | 78,360 | 78,360 |

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

| | 2022 £ | 2021 £ |
|---|------------------|-----------|
| Net movement in funds before other recognised gains/(losses) (as per the Statement of Financial Activities) | 358,367 | 869,641 |
| Adjustments for: | | |
| Depreciation charges | 8,439 | 11,632 |
| Amortisation charges | 351,666 | 338,200 |
| Decrease/(Increase) in stocks | 50,575 | (21,138) |
| Decrease/(increase) in debtors | 388,627 | (240,782) |
| Increase/(decrease) in creditors | (25,839) | (545,997) |
| Net cash provided by operating activities | 1,131,835 | 411,556 |

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

20. Analysis of cash and cash equivalents

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Cash in hand | 288,353 | 470,371 |
| Total cash and cash equivalents | 288,353 | 470,371 |

21. Analysis of Net Debt

| | At 1 August 2021 £ | Cash flows £ | At 31 July 2022 £ |
|--------------------------|--------------------------|-----------------|-------------------------|
| Cash at bank and in hand | 470,371 | (182,018) | 288,353 |

22. Pension commitments

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £84,037 (2021 - £75,989). Contributions of £12,447 (2021 - £168) were payable to the fund at the reporting date.

**Notes to the Financial Statements
For the Year Ended 31 July 2022**

23. Related party transactions

During the year the Company was recharged expenditure of £567,000 (2021 - £461,453) from its parent company in relation to support costs.

Other transactions with related parties were as follows:

| | Income/ (costs) 2022 £ | Amounts outstanding from 2022 £ | Income/ (costs) 2021 £ | Amounts outstanding from 2021 £ |
|-------------------------------------|---------------------------------|---|---------------------------------|---|
| Laing O'Rourke Civil Eng Ltd | 598 | 28 | 364 | 589 |
| BAM Nuttall | 3,108 | 588 | 3,090 | 672 |
| CISRS | (315,744) | (25,188) | - | - |
| P Flannery | 5,050 | 532 | 6,038 | 1,401 |
| Construction Plant Hire Association | (600) | - | - | - |

All related party transactions are undertaken under normal commercial terms.

Transactions with Laing O'Rourke Civil Engineering Ltd relate to the issue of job cards. Alison Lamplough is an employee of Laing O'Rourke Civil Engineering Ltd.

Transactions with BAM Nuttall relate to learner registration, certification fees and CPCS cards. Timothy Brownbridge is an Academy Manager at BAM Nuttall.

Transactions with CISRS relate to the commission paid to CISRS for issuing CISRS cards. David Mosley is a director of CISRS.

Transactions with P Flannery relate to the issue of Job cards. Paul Allman was a Director at P Flannery Ltd. There were no other related party transactions during the period.

Transactions with Construction Plant-hire Association (CPA) relate to the 'Plant Technician of the Year' sponsorship at Stars of the Future 2021. Kevin Minton is the Chief Executive at Construction Plant-hire Association.

24. Controlling party

The immediate parent and ultimate controlling parent of the company is NOCN, a Company registered in England and Wales, with registered address Acero Building, 1 Concourse Way, Sheaf Street, Sheffield, United Kingdom, S1 2BJ.

The smallest and largest group in which the company's results are consolidated is that headed by NOCN. The consolidated accounts of this company are available to the public and may be obtained from the company's registered address, as set out above. No other group accounts include the results of the company.