

Company Number: 01300119

**GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED
(By Guarantee)**

FINANCIAL STATEMENTS

31 August 2023

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GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)

CHARITY INFORMATION

For the year ended 31 August 2023

Reference and Administrative Information

Charity name:	Gloucestershire Engineering Training Limited
Charity registration number:	273571
Company registration number:	01300119
Registered office and operational address:	Barnwood Point, Corinium Avenue, Gloucester, GL4 3HX

Management Board

Appointment date

J Brearley	29/11/1991
C Biggin	10/02/2015
G Miller (resigned 14/11/2023)	25/11/2015
T Southgate	01/06/2018
A Powell	01/02/2019
A Kinder	01/08/2019
I Henderson	11/10/2019
S Biggs	05/08/2021
R Grey	18/01/2022
J Farrington	03/10/2022
H Gardiner	03/10/2022
L Marley	19/09/2023

Company Secretary

R Hill	06/09/2021
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Chief Executive

W Thomas	06/09/2021
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Senior Management Team

W Thomas	Chief Executive Officer
C Sterry	Head of Services (left October 2023)
E Phelpstead	Learner Services Manager
R Hoyland	Finance Manager
C Spender	Academic Manager
I Mustoe	Quality Manager (from July 2023)
L Jones	Skills & Development Manager
J Weatherley	Training & Maintenance Manager

Bankers

Lloyds Bank Plc
19 Eastgate Street
Gloucester
GL1 1NU

Auditors

Hazlewoods LLP
Staverton Court
Cheltenham
GL51 0UX

Solicitors

Davies & Partners
Rowan House
Barnwood
Gloucester
GL4 3RT

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)

CHAIRMAN'S REPORT

For the year ended 31 August 2023

CHAIRPERSON'S REPORT 2022-2023

Following on from 2021/2022 which was very much a transition year post COVID, 2022/2023 has been a much-improved year for GET in terms of delivery, Apprenticeship on programme delivery and End Point Assessment completions. Currently we have 66 learners who are out of the Apprenticeship funding, however we have successfully supported a further 92 through End Point Assessment. GET has developed and adapted significantly in its operational approach to ensure the Apprentices were trained to support our employer succession planning. Academic year 2022/2023 has an increased intake of Apprentices (124), Level 4 (10), Level 3 (99) and Level 2 (15). In addition to the Apprentices, we had a new cohort of 54 HE learners start on HNC/D.

Another great milestone for GET was our Ofsted inspection. There has been a lot of press regarding the increased rigor of the new Education Inspection Framework and the challenging outcomes for a high number of colleges and independent training providers. GET achieved a "Good" grade for all areas, and we were only two minor points away from achieving Outstanding. Whilst this is a very positive outcome for us, there is clarity on the areas we need to improve upon which will be reflected in the SAR (Self-Assessment Report) and QIP (Quality Improvement Plan). One of these areas is the way we report the Quality of Education to our Board/Governors.

There has most definitely been an impact on the younger generation due to the closure of schools and CAG's (Centre Assessments Grades) have had a negative impact on our learners' both academically and socially and the outcomes and progression into Year 2 of the Technical Certificate, where there has been a high number of learners fail their Math's and Materials units. GET has however provided support to ensure most of the learner's progress. Higher Education learners have been far more successful over the last 12 months which is very positive news.

There have been agreements to provide additional paid support for learners this academic year at both Level 2 or Level 3 Technical Certificate and practical delivery. Just 5 learners failed one or more modules of their HNC/D. A very big improvement in comparison to the previous two Academic years, which is thanks to the dedication of the Academic Team and the support of the employers.

As always, a review of the delivery year was undertaken, with measures put in place to avoid similar issues with learners failing. We have adapted the curriculum delivery plan and allocated sessions at the end of the year to support those learners who were close to passing.

Positively, all timetabled delivery for the practical delivery was successfully completed by the first week in August. Thanks to the dedication and support of the Staff within the Practical Delivery Team, all the learners can now progress to the development (Level 3) stage of their Apprenticeship.

Financially, as anticipated, we have performed well this academic year, with surplus of £87,598. Recruitment for 2023/2024 has been very positive, with the biggest intake to date Level 3 Apprentices (93 in Barnwood and 11 in Forest of Dean) and Level 4 Apprentices (34), a total of 138 Apprentices and 39 new Higher Education learners added to the current groups of HE learners.

Although the average number of Staff has remained the same year on year, we have successfully recruited two additional Academic Tutors, two Instructors, two Skills & Development Advisors, a Quality Manager and a Learner Liaison Officer to support growth and succession planning due to retirement. Along with this recruitment drive we have agreed a succession plan to recruit two additional members of Staff every year for the next two years to support future retirements.

Commercial skills training is increasing with far more demand due to the appointment of a Training & Maintenance Manager, creating a more efficient operating model which has resulted in largely increased income, however external demand currently exceeds our capacity to deliver.

A satellite centre in the Forest of Dean has been identified and we have opened for training in September 2023. The main aim of the project is to reduce our carbon footprint and to support the young Apprentices in the Forest, with the logistical challenge of getting into Barnwood. Many are aged between 16-17 and non-drivers, who are reliant on public transport which has not been the best. This will allow the first years from the Forest to complete the Level 2 practical skills nearer home and only attend GET on a day release basis in Years 2 and 3.

We have now successfully managed the end of our shortfall deposit agreements with all but two of our customers. This was done to reduce the company's liabilities and finance future growth; we have agreed with employers for them to stop paying shortfall deposits and in return GET will ringfence their outstanding refunds as designated to offset the Year 1 Apprenticeship funding deficit and to finance growth. We have agreed an interest free loan with one of our employer partners to return the shortfall deposits over a period of ten years, with the first payment made in August 2023. The shortfall deposit liability has reduced £222,919 year on year.

It has been another demanding year for everyone, these difficulties are reducing on a weekly basis. I want to thank all the Staff at GET for their continued hard work, efforts, and commitments during these extremely busy and demanding times. I would also like to thank all our customers and Board of Directors for their patience and ongoing support.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)

CHAIRMAN'S REPORT

For the year ended 31 August 2023

We are very mindful of the external pressures around the economy and continue to monitor and discuss any implications with our trusted employer partners on a regular basis, this supports our regular business plan and strategy review. This also included the new education reforms around technical education and the current review of the Apprenticeship standards.

Well done and a big thank you to everyone involved.

Tristram Southgate
Chairperson
Gloucestershire Engineering Training

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
MANAGEMENT BOARD'S REPORT
For the year ended 31 August 2023

The Management Board presents its report, including the Directors' Report as required by the Companies Act 2006, and audited financial statements for the year ended 31 August 2023.

Structure, Governance and Management

Governance Document

The organisation is a charitable company limited by guarantee. The Charitable Company was established under a Memorandum of Association which established the objects and powers of the Charitable Company and is governed under its Articles of Association. In the event of the Charitable Company being wound up trustees are required to contribute an amount not exceeding £20.

Recruitment and Appointment of Management Board

The Directors of the Charitable Company are also charity trustees for the purposes of charity law and under the Company's Articles of Association are known as trustees of the Management Board. Under the requirements of the Memorandum and Articles of Association membership will automatically terminate three years from the date of admission to membership. Members may then reapply as provided in article 10(2). (The wording of 10(2) is below).

10(2) Membership is open to organisations/companies which are engaged in industry, engineering, manufacturing or commerce and who:

- a) Apply to the charity in the form required by the Directors; and
- b) Are approved by the Directors.

The Management Board consists of a Chairperson and Vice Chairperson, the minimum number of Directors shall be 4 and the maximum shall be 12 and the majority of the Board must be "Industry Directors".

To qualify for appointment as a Director a person must:

- a) be employed by or be a Director of a company or organisation involved in industry, engineering manufacturing or commerce; or
- b) have previously worked in industry, engineering manufacturing or commerce for a number of years so as to have extensive experience of such sectors; or
- c) have professional or other relevant skills ("Independent Directors").

Management Board Induction and Training

As direct customers and users of the Charitable Company's training and development resource in-coming Directors are generally familiar with the operational goals and principles of the Association. Those who are not are provided with an appropriate induction.

Risk Management

The major risk to which the Charitable Company is exposed is the reduction in Government funding. The Management Board monitor and evaluate this and other risks by holding regular Board meetings. Budgets are prepared and updated to predict possible losses arising from these risks.

Organisational Structure

The Charitable Company is divided into four departments: Learner Services Team, Skills Development Team, Practical Delivery Team, and Academic Delivery Team. The day-to-day management of the Charitable Company rests with the CEO, with delegated responsibilities to the Senior Management Team. The Learner Services, Finance and IT Team provides support services throughout the organisation. The Skills Development Team reviews, internally quality assures the learner portfolios and prepares the learner for End Point Assessment, with the support of the employer to ensure that the apprenticeship programme is achieved. The Practical Delivery Team provides off the job training on the workshop whereas the Academic Team provide the classroom-based elements which includes our commercial HE offering and functional skills. All teams are now working far closer together within the organisation to meet the needs of the apprenticeship standard and individual learner journey.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
MANAGEMENT BOARD'S REPORT
For the year ended 31 August 2023

As a Charity we regularly benchmark our remuneration and benefits packages against a variety of measures – firstly we look at the local market rates by comparing our salaries and T&Cs against our competitors, we look at benchmarking against other Group Training Associations (GTA) across the UK and use national statistics from public research (KPMG etc.). We aim to make sure we are at least competitive and are paying the market rates but also need to make our offer attractive without being overly excessive to the market position. This activity is completed internally by HR and the CEO and presented and discussed at Board level. Very recently board directors who have a suitable background have also carried out these reviews as a supporting measure.

External Stakeholders

Gloucestershire Engineering Training Limited is audited by the Department of Education (DofE), Education and Skills Funding Agency (ESFA), Office for standards in education (Ofsted) and Education Awarding Organisations (Aos) in order to deliver approved Apprenticeship Standards.

Objectives and Strategies

The Memorandum and Articles of Association of the Charitable Company state that the objects for which the Charitable Company is established are:

- i) to promote and advance adequate training of persons employed or intending to be employed in industry and commerce.
- ii) subject to the foregoing object, to extend such training to members of the public generally.

The objectives are achieved by the provisions of a training centre, offering both the Skills and Knowledge aspects of the programme, and contracts with each Employer. The contracts are funded by the Apprenticeship Levy for full Apprenticeships or on a commercial basis for Skills training. There have been no major policy changes during the year.

Strategic Report

Achievements and Performance

Given the challenges we have faced over the last thirty-six months, the Trustees think it is commendable how the organisation and the staff within have adapted and grown the business and opened a satellite centre within the Forest of Dean.

Practical Delivery – the training year ended on time a high number of first year learners completed their training, 98 out of the 113 recruited passing. The learners who were not successful were withdrawn from the apprenticeship scheme by their employers for failing to meet the behavioural requirements of the apprenticeship programme. Some learners finished slightly earlier and returned to their employer's premises ahead of the revised date or were given additional free training to support the stretch in their development. The 15 level 2 apprentices are progressing well and three have completed their end point assessment (EPA).

Academic Delivery – the Academic delivery finished as planned. We have most definitely noticed a difference in abilities of the younger apprentices this academic year. Far more support sessions have been provided over the last twelve months, particularly in areas such as Mathematics and materials for the level 3 apprentices.

Failure rates for the academic year 2022-2023 have improved significantly. Learners who unfortunately failed modules were given the opportunity to repeat the training at the end of the academic year or return for a short period in September 2023. The failures were down the learners' attitude and engagement or in some instances capability or poor retention. Apprenticeship success rates at GET did drop as low as 67%, with the national average as low as 53.4%, this was due to leaver and the delay in completing EPA, however these are now increasing very rapidly to the level we are accustomed to, and we have a target to reach 85% plus.

Skills Development Team – A high volume of work was carried out to keep learners progressing, the recruitment of dedicated staff to support EPA has been very positive, staff have provided well above and beyond the requirements of the on-programme training. We have supported employers with more engagement visits and provided support for EPA, such as interview techniques and reviewing learner EPA submission documents.

There is still a delay in learners who need to complete EPA (End Point Assessment), 57 currently. The team is working hard with the employers to get the apprenticeships completed and we have recruited a further member of staff within the team to support this and support with succession planning.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
MANAGEMENT BOARD'S REPORT
For the year ended 31 August 2023

HE numbers interestingly have also seen a significant increase, with more learners following a level 4 apprenticeship route to complete their HNC/D. The commercial training aspect at GET continues to grow in both skills training and direct NVQs, and the appointment of a skills and maintenance manager has supported this growth.

We have been able to show more commitment to our charitable objectives this year and have provided support for two external organisations as well as supporting some individuals to training at Barnwood.

Financial Review

The budget for 2022-2023 predicted a surplus of £329k. 6 months into the year, we provided a reforecast for the remainder of the year which saw this figure drop by £152k to end the year with a surplus of £177k. This reduction was mainly due to the timing of End Point Assessment completions and additional staff recruitment.

We ended 2022-2023 with a net surplus of £88k, £89k less than the forecast due to the annual accrued income adjustment for leavers being partly offset by salary savings from delayed recruitment. During this financial year, the shortfall deposit reserve has increased by a further £26k due to changes in the GET shortfall deposit arrangements.

The 2023-2024 training year has started very well with 137 learners starting their apprenticeships (Level 3 & 4) at GET in September 2023 and together with the successes of this year, we are expecting to end 2023-2024 with a surplus of £324k.

Principal Funding Sources

The principal funding source is primarily our employer customer base supported by the Education and Skill Funding Agency funding for Apprenticeships in the main via the Apprenticeship Levy. All businesses regardless of size are supported by the apprenticeship levy, either via 5% contribution from the employer or co-investment approach.

We understand the requirements under Charity regulations to disclose our involvement in fundraising. The Charity is not involved in such activities as all monies are generated from commercial activities and charitable activities funded by local employers, supported by government funding. The Charitable Company does not have any volunteers.

Investment Policy

The Charitable Company does not have an investment portfolio. All funds are held in bank deposit accounts and monitored regularly by the Board.

Reserves Policy

The Trustees reserves policy is to build and have sufficient funds to cover 3 to 6 months' operating costs if apprenticeship funding ceased to exist. Retained reserves are currently £689k, which is at the lower end of this range but we continue to work towards building up this reserve further. We also have designated funds to finance what were the shortfall deposits from employers and provide financial security to the charitable organisation.

Plans for Future Periods

A new 10-year lease has now been signed with a 5 year break out option, with the following agreed as part of our Strategy and Business Plan:

- Increase the number of Apprentices undertaking the Level 3 programme to an optimum number of 95-105 at Barnwood with current staffing levels.
- Convert the majority of our Commercial HE on to Level 4 Apprenticeship programs.
- Consideration to increasing the number of learners in academic sessions from 12-16.
- Continue to grow and improve our commercial offering, which has shown very positive growth in 2022/23
- Identify new income opportunities such as delivering more commercial academic courses such as CAD-Computer aided design, Abrasive wheels.
- Consideration to evening delivery to support commercial training around welding and electrical safety
- Forest of Dean GET site now operational with 10-year lease starting September 2023 and presently occupied with 10x Year 1 Level 3 apprentices.

Public Benefit

The trustees confirm that they have complied with the duty set out in section 4 of the Charities Act 2011, to have due regard to the public benefit guidance published by the Charity Commission.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
MANAGEMENT BOARD'S REPORT
For the year ended 31 August 2023

Auditors

Hazlewoods LLP have expressed their willingness to continue in office.

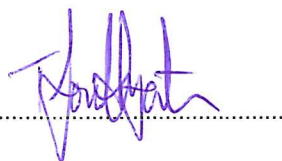
Statement of Disclosure to Auditor

- a) so far as the trustees of the Management Board are aware, there is no relevant audit information of which the Charitable Company's auditors are unaware, and
- b) they have taken all steps that they ought to have taken as trustees of the Management Board in order to make themselves aware of any relevant audit information and to establish that the Charitable Company's auditors are aware of that information.

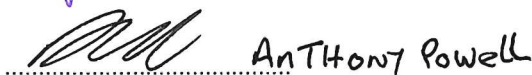
This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

By order of the Board

T Southgate
Chairperson



A Powell
Vice Chairperson



Date: 25/1/2024

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF MANAGEMENT BOARD'S RESPONSIBILITIES OF GLOUCESTERSHIRE
ENGINEERING TRAINING LIMITED
For the year ended 31 August 2023

The management board are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the charities SORP (Accounting and Reporting by Charities – Statement of Recommended Practice).
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The management board are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 and other information included in annual reports may differ from legislation in other jurisdictions.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
INDEPENDENT AUDITORS REPORT TO THE MANAGEMENT BOARD OF GLOUCESTERSHIRE
ENGINEERING TRAINING LIMITED
For the year ended 31 August 2023

Opinion

We have audited the financial statements of Gloucestershire Engineering Training Limited (the 'charitable company') for the year ended 31 August 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related 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 August 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended.
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
INDEPENDENT AUDITORS REPORT TO THE MANAGEMENT BOARD OF GLOUCESTERSHIRE
ENGINEERING TRAINING LIMITED
For the year ended 31 August 2023

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 Directors Report included 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 or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations necessary for the purposes of our audit.

Responsibilities of Trustees

The Trustees are responsible for the other information. As explained more fully in the Management Board's Responsibilities statement set out on page 8 the Trustees (who are also the Directors of the company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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:

We considered the nature of the charitable company's industry and its control environment and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the company operates in and identified the key laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements, including the UK Companies Act, UK Charities Act and Charity SORP and tax legislation, and, those that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgments made in accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatements due to fraud;
- enquiring of management concerning actual and potential litigation and claims and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

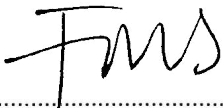
GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
INDEPENDENT AUDITORS REPORT TO THE MANAGEMENT BOARD OF GLOUCESTERSHIRE
ENGINEERING TRAINING LIMITED
For the year ended 31 August 2023

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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 charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Felicity Sang
(Senior Statutory Auditor)

For and on behalf of:
Hazlewoods LLP
Chartered Accountants and Statutory Auditors
Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 25/01/2024

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
For the year ended 31 August 2023

	Note	Unrestricted funds	Designated funds	Total Funds	
				2023	2022
		£	£	£	£
Income from charitable activities					
- Practical Delivery	3	1,115,320	-	1,115,320	984,161
- Academic	3	1,113,005	-	1,113,005	1,113,149
- Skills & Development Advisors	3	745,140	-	745,140	653,197
		<hr/>	<hr/>	<hr/>	<hr/>
		2,973,465	-	2,973,465	2,750,507
Investment income					
Interest receivable		8,379	-	8,379	349
		<hr/>	<hr/>	<hr/>	<hr/>
Total income		<hr/>	<hr/>	<hr/>	<hr/>
		2,981,844	-	2,981,844	2,750,856
Expenditure on charitable activities					
- Practical Delivery	4	1,199,305	-	1,199,305	838,763
- Academic	4	1,061,787	-	1,061,787	1,114,562
- Skills & Development Advisors	4	633,154	-	633,154	565,718
		<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	4	<hr/>	<hr/>	<hr/>	<hr/>
		2,894,246	-	2,894,246	2,519,043
Net surplus for the year		<hr/>	<hr/>	<hr/>	<hr/>
		87,598	-	87,598	231,813
Write-off of shortfall deposits	16	-	25,921	25,921	703,861
Fund balances brought forward at beginning of year		601,142	703,861	1,305,003	369,329
		<hr/>	<hr/>	<hr/>	<hr/>
Fund balance carried forward at end of year		<hr/>	<hr/>	<hr/>	<hr/>
		688,740	729,782	1,418,522	1,305,003

The Statement of Financial Activities includes all gains and losses in the year therefore a statement of recognised gains and losses has not been prepared.

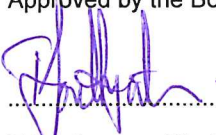
All income and expenditure is derived from continuing activities.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF FINANCIAL POSITION
For the year ended 31 August 2023

		Total Funds	
	Note	2023	2022
		£	£
FIXED ASSETS			
Intangible assets	10	7,067	-
Tangible assets	11	284,756	216,577
		<hr/>	<hr/>
		291,823	216,577
CURRENT ASSETS			
Debtors	12	2,196,770	2,032,432
Cash at bank and in hand		610,638	842,567
		<hr/>	<hr/>
		2,807,408	2,874,999
CREDITORS			
due within one year	13	(740,766)	(1,059,295)
		<hr/>	<hr/>
NET CURRENT ASSETS		2,066,642	1,815,704
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,358,465	2,032,281
CREDITORS			
due after more than one year	13	(939,943)	(727,278)
		<hr/>	<hr/>
NET ASSETS		1,418,522	1,305,003
		<hr/>	<hr/>
TRUSTEES' FUNDS			
Unrestricted funds			
Retained surplus	16	688,740	601,142
Designated funds	16	729,782	703,861
		<hr/>	<hr/>
		1,418,522	1,305,003
		<hr/>	<hr/>

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with the Financial Reporting Standard 102.

Approved by the Board and authorised for issue on 25th January 2024.


.....
T Southgate – Chairperson


.....
A Powell – Vice Chairperson

Company number: 01300119

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS

For the year ended 31 August 2023

	Note	2023 £	2022 £	
Cash flows from operating activities				
Net movement in funds		113,519	935,674	
Adjustments to cash flow from non-cash items:				
Depreciation and amortisation	4,5	73,764	121,534	
Loss on disposal of fixed assets	5	(93)	1,755	
Finance income		(8,379)	(349)	
Finance and hire purchase costs		4,106	5,710	
		<u>182,917</u>	<u>1,064,324</u>	
Working capital adjustments:				
Increase in debtors		(164,355)	(133,816)	
Decrease in creditors		<u>(69,674)</u>	<u>(1,131,739)</u>	
Net cash flow from operating activities		(51,112)	(201,231)	
Cash flows from investing activities				
Interest received		8,379	349	
Acquisitions of fixed assets	10,11	<u>(149,326)</u>	<u>(39,342)</u>	
Net cash flows from investing activities		(140,947)	(38,993)	
Cash flows from financing activities				
Hire purchase interest		(1,884)	(2,846)	
Loan interest		(2,222)	(2,864)	
Movements in finance leases		(10,764)	(10,764)	
Repayment of loans		<u>(25,000)</u>	<u>(25,000)</u>	
Net cash flows from financing activities		(39,870)	(41,474)	
Net movement in cash and cash equivalents		(231,929)	(281,698)	
Cash and cash equivalents at 1 September		842,567	1,124,265	
Cash and cash equivalents at 31 August		610,638	842,567	
Analysis of changes in net debt				
	At 1 September 2022 £	Cash flows £	Other non-cash changes £	At 31 August 2023 £
Cash and cash equivalents				
Cash	842,567	(231,929)	-	610,638
Borrowings				
Due within 1 year	(25,000)	25,000	(25,000)	(25,000)
Due after more than 1 year	(72,917)	-	25,000	(47,917)
Total net debt	<u>744,650</u>	<u>(206,929)</u>	<u>-</u>	<u>537,721</u>

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

1 GENERAL INFORMATION

The company is a private Charitable Company limited by guarantee, registered in England and Wales.

The address of its registered office is:

Barnwood Point
Corinium Avenue
Gloucester
GL4 3HX

2 ACCOUNTING POLICIES

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Basis of preparation

The presentational currency of the financial statements is Pound Sterling, being the functional currency of the primary economic environment in which the Charitable Company operates. Monetary amounts in these financial statements are rounded to the nearest Pound.

Gloucestershire Engineering Training Limited meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Going Concern

The trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast a significant doubt on the ability of the Charitable Company to continue as a going concern. The trustees' make this assessment in respect of a period of at least one year from the date of approval of the financial statements. In making this assessment the trustees review forecasts prepared and consider the position of the Charitable Company at the date of signing the financial statements.

There continues to be some delay in some apprentices completing their EPA-End point assessment, this delay is an impact of COVID and the learners (19/20 and 20/21 cohort) not being able to complete and demonstrate the required skills due to timeframes. To support this, we have extended the apprenticeship for those following the MOET and mechatronics standard to ensure there is sufficient time to complete the EPA preparation and assessments requirements.

On review, the trustees' have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

Format of Accounts

The Company is a registered charity and is not, therefore, a profit-making organisation. In the opinion of the Management Board, references required by the Companies Act 2006 to profits are misleading in the context of the Charitable Company's activities and have therefore been substituted by the term surplus where appropriate.

The Charitable Company has no costs which are directly attributable to sales and is therefore unable to adopt any of the statement of financial activities formats prescribed by the Companies Act 2006.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)

STATEMENT OF CASH FLOWS

For the year ended 31 August 2023

2 ACCOUNTING POLICIES (Continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Charitable Company's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

No judgements have been identified by management in preparing these financial statements.

Key sources of estimation uncertainty have been identified by management in preparing these financial statements as follows:

Shortfall deposits

The Charitable Company report shortfall deposits on the balance sheet aged with regard to management's best estimate of the expected repayment periods of the shortfall deposits.

The discounting element is considered immaterial and therefore no adjustment has been made.

Dilapidation provision

A provision is made in respect of costs that may be incurred at cessation of the property lease in order to return the property to the same state as when the lease was entered into. This estimate is based on management's review of dilapidation costs incurred on similar properties.

The discounting element is considered immaterial and therefore no adjustment has been made.

Accrued income

Accrued income is recognised in respect of funding due to be received, as the Charitable Company provides learner training, based on historical achievement rates of apprentices.

Incoming Resources

Incoming resources represent fees receivable for training services provided by the Charitable Company during the year and is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Grants receivable under Model 35 are recognised under the accrual model. They are held in creditors as deferred income until such time as the Charitable Company can be reasonably certain that the funds can be taken as revenue, rather than being repaid to the Government or passed on to sponsoring companies.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Tangible Fixed Assets

Tangible fixed assets are stated in the balance sheet at cost less depreciation.

Depreciation

Depreciation is calculated to write off the cost of tangible assets over their estimated useful lives at the following rates:

Improvements to leasehold property	Over 10 years
Plant and equipment	10%-33% of cost per annum
Motor vehicles	25% of cost per annum

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

2 ACCOUNTING POLICIES (Continued)

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than one month from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Charitable Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activity over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included within Other Costs.

Borrowings are classified as current liabilities unless the Charitable Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Operating Leases

The cost of operating leases has been charged to the statement of financial activities on a straight-line basis over the term of the term.

Hire Purchase

Assets acquired under hire purchase have been recorded in the balance sheet as tangible fixed assets at their equivalent capital value. The corresponding liability has been included under creditors due within or after one year. The interest element is charged to the statement of financial activities and represents a constant proportion of the balance of capital repayments outstanding.

Resources Expended

All expenditure is accounted for under the accruals concept. The Charitable Company has only one main activity: the provision of training services. All costs, other than professional fees are allocated to the main charitable activity. Within the main charitable activity, costs are allocated across Practical, Academic and Assessment costs. These allocations are based on direct apportionment except for premises costs, which are allocated on approximate floor space and usage. Professional fees are allocated to governance costs.

Fund structure

Unrestricted income funds are general funds that are available for use at the Trustees discretion in furtherance of the objectives of the charity.

Pensions

Contributions payable on behalf of employees to the defined contribution pension scheme are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial Instruments

The Charitable Company 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.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

3 INCOME

2023	Practical Delivery £	Academic £	Skills & Development Advisors £	Total £
Government funded apprenticeships	1,041,002	740,559	680,939	2,462,500
Commercial courses	74,075	372,114	64,024	510,213
Other income	243	332	177	752
	1,115,320	1,113,005	745,140	2,973,465
2022	Practical Delivery £	Academic £	Skills & Development Advisors £	Total £
Government funded apprenticeships	923,982	683,761	646,270	2,254,013
Commercial courses	59,867	428,962	6,700	495,529
Other income	312	426	227	965
	984,161	1,113,149	653,197	2,750,507

All income relates to services provided.

During the year government funding income totalling £1,960,095 (2022 - £2,096,851) was received from the Education and Skill Funding Agency under the agreed training framework.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

4 EXPENDITURE ON CHARITABLE ACTIVITIES

	Practical Delivery	Academic	Skills & Development Advisors	2023 Total	2022 Total
	£	£	£	£	£
Staff costs	569,993	601,405	404,079	1,575,477	1,337,873
Building costs	140,904	99,794	13,477	254,175	229,086
Motor and travel	1,288	27	3,215	4,530	1,851
Depreciation	25,300	12,068	-	37,368	48,096
Business support costs	404,293	328,447	202,121	934,861	804,595
Governance costs	15,544	12,630	7,772	35,946	58,369
Equipment costs	32,775	3,315	259	36,349	24,530
Other costs	9,208	4,101	2,231	15,540	14,643
2023	1,199,305	1,061,787	633,154	2,894,246	
2022	838,763	1,114,562	565,718		2,519,043

5 ANALYSIS OF GOVERNANCE AND SUPPORT COSTS

The Charitable Company identifies the support and governance functions and the costs which relate to them. These costs are then allocated between the practical delivery, academic and skills & development advisors departments by the number of employees in the department.

	Business Support	Governance	2023 Total	2022 Total
	£	£	£	£
Staff costs	522,521	-	522,521	454,550
Building costs	37,353	-	37,353	38,523
Non reclaimable input VAT	98,657	-	98,657	83,194
Motor and travel	3,277	-	3,277	2,706
Advertising	-	-	-	12,150
Depreciation	36,396	-	36,396	73,437
Disposal of fixed assets	(93)	-	(93)	1,756
Equipment costs	10,063	-	10,063	8,589
Other costs	226,687	35,946	262,633	188,059
2023	934,861	35,946	970,807	
2022	804,595	58,369		862,964

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)**STATEMENT OF CASH FLOWS**

For the year ended 31 August 2023

6 AUDITORS' REMUNERATION

	2023	2022
	£	£
Auditors' remuneration (net of VAT)		
Costs of external scrutiny	11,000	7,183
Other financial services	2,455	1,972
	<u>13,455</u>	<u>9,155</u>

7 STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,766,898	1,496,120
Social security costs	181,292	157,671
Pension costs	68,492	57,251
Other staff costs	81,316	81,380
	<u>2,097,998</u>	<u>1,792,422</u>

The Charitable Company operates a defined contribution pension scheme. Contributions are charged to the statement of financial activities as they become payable in accordance with the rules of the scheme. No contributions were outstanding at the end of the current or prior year.

Included within the wages and salaries are ex gratia payments totalling £nil (2022 - £nil).

The key management personnel of the Charitable Company comprise the Management Board and Senior Management Team as listed on page 1. The Management Board, being the trustees, received no remuneration or reimbursement of expenditure. The total amount of employee benefits (including employer pension contributions) received by the Senior Management Team for their services to the Company was £529,489 (2022 - £376,645).

Key management personnel	2023	2022
The number of key management personnel	<u>10</u>	<u>8</u>

The number of key management personnel and other staff who received annual emoluments, excluding pension contributions and Employer's national insurance, but including benefits in kind, in the following ranges was:

	2023	2022
£90,001 to £100,000 p.a	-	1
£100,001 to £110,000 p.a.	<u>1</u>	<u>-</u>

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

8 STAFF COSTS (continued)

The average number of employees was:

	2023	2022
Senior Management Board (And CEO HR and Finance)	7	8
Business Support	5	4
Workshop (Practical delivery)	14	10
VRQ (Academic team)	16	14
Review Officers	8	8
	<hr/>	<hr/>
	50	44
	<hr/>	<hr/>

9 TAXATION

As a registered charity the Charitable Company has no liability in respect of taxation.

10 INTANGIBLE FIXED ASSETS

	Software development costs £
Cost	
At 1 September 2022	-
Additions	<hr/> 8,000
At 31 August 2023	<hr/> 8,000
Depreciation	
At 1 September 2022	-
Charge for year	<hr/> 933
At 31 August 2023	<hr/> 933
Net book value	
At 31 August 2023	<hr/> 7,067
	<hr/>
At 31 August 2022	<hr/> -
	<hr/>

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

11 TANGIBLE FIXED ASSETS

	Leasehold improvements £	Plant and machinery £	Total £
Cost			
At 1 September 2022	638,363	707,122	1,345,485
Additions	25,300	116,026	141,326
Disposals	-	(37,855)	(37,855)
At 31 August 2023	663,663	785,293	1,448,956
Depreciation			
At 1 September 2022	577,941	550,967	1,128,908
Charge for year	26,110	46,721	72,831
Disposals	-	(37,539)	(37,539)
At 31 August 2023	604,051	560,149	1,164,200
Net book value			
At 31 August 2023	59,612	225,144	284,756
At 31 August 2022	60,422	156,155	216,577

Included within plant and machinery are assets held under hire purchase leases with a net book value of £48,895 (2022 - £57,277). The depreciation charged on these assets in the year was £8,382 (2022 - £8,382).

12 DEBTORS

	2023 £	2022 £
Trade debtors	149,261	5,778
Prepayments and accrued income	2,046,667	2,025,795
Other debtors	842	859
	2,196,770	2,032,432

Included with accrued income is £791,870 (2022 - £719,322) due in more than one year.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)
STATEMENT OF CASH FLOWS
For the year ended 31 August 2023

13 CREDITORS

	Note	2023 £	2022 £
Due within one year			
Loans and borrowings	14	25,000	25,000
Net obligations under finance lease and hire purchase contracts	14	9,867	10,386
Trade creditors		58,731	54,584
Taxation and social security		45,461	39,406
Accruals		159,555	16,938
Other creditors (Shortfall Deposits for 17/18 & 18/19 starters)		442,152	912,981
		<hr/> 740,766	<hr/> 1,059,295
Due after one year			
Loans and borrowings	14	47,917	72,917
Dilapidations provision		175,000	175,000
Other creditors (Shortfall Deposits 19/20 to 22/23 starters)		717,026	469,116
HP Liability	14	-	10,245
		<hr/> 939,943	<hr/> 727,278

14 LOANS AND BORROWINGS

	2023 £	2022 £
Due within one year		
Bank loans	25,000	25,000
Net obligations under finance lease and hire purchase contracts	9,867	10,386
	<hr/> 34,867	<hr/> 35,386
Due after one year		
Bank loans	47,917	72,917
Net obligations under finance lease and hire purchase contracts	-	10,245
	<hr/> 47,917	<hr/> 83,162

Hire purchase liabilities are secured over the assets to which they relate.

During 2021 the Charitable Company drew down a loan under the Coronavirus Business Interruption Loan Scheme. The loan is repayable by instalments over six years, with £nil (2022 - £nil) repayable by instalments after more than five years. The loan incurs interest after 12 months at 2.75% and is secured over the assets of the Charitable Company. Bank loans are secured by an unlimited debenture incorporating a fixed and floating charge.

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)**STATEMENT OF CASH FLOWS**

For the year ended 31 August 2023

15 SHARE CAPITAL

The Charitable Company does not have any share capital as it is limited by guarantee. Each of the trustees is a guarantor to the extent of £20 in the event of the Charitable Company being wound up whilst they are trustees, or within one year of them ceasing to be trustees in respect of debts and liabilities contracted before they ceased to be a member.

16 FUNDS

	At 1 September 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 August 2023 £
Unrestricted funds					
- Retained surplus	601,142	2,981,844	(2,894,246)	-	688,740
- Designated funds	703,861	25,921	-	-	729,782
	1,305,003	3,007,765	(2,894,246)	-	1,418,522

Retained surplus relates to net surpluses accumulated by the Charitable Company and are retained to provide working capital.

Designated funds consist of training support funds which previously listed under the other creditors which, after a change in the training support funds process, have now been ringfenced by GET to support the year 1 apprenticeship cost versus the funding from the apprenticeship levy to support the future stability and growth of the charitable company. Over the proceeding years this value will increase to £1.2m to cover the additional costs of training.

17 OTHER FINANCIAL COMMITMENTS

As at 31 August 2023 the following annual commitments were held under non-cancellable agreements:

2023

	Land and buildings £	Other £	Total £
Expiry date:			
Within one year	214,198	9,435	223,633
Between two and five years	711,957	7,285	719,242
Over 5 years	150,000	-	150,000
	1,076,155	16,720	1,092,875

2022

	Land and buildings £	Other £	Total £
Expiry date:			
Within one year	174,446	10,836	185,282
Between two and five years	657,845	18,597	676,442
Over 5 years	14,185	-	14,185
	846,476	29,433	875,909

GLOUCESTERSHIRE ENGINEERING TRAINING LIMITED (By Guarantee)

STATEMENT OF CASH FLOWS

For the year ended 31 August 2023

17 OTHER FINANCIAL COMMITMENTS (continued)

The amount of non-cancellable land and buildings operating lease payments and other lease payments recognised as an expense during the year was £184,198 (2022 - £174,446) and £10,568 (2022 - £11,164) respectively.

18 DEFINED PENSION CONTRIBUTION SCHEME

The Charitable Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charitable Company to the scheme and amounted to £68,492 (2022 - £57,251).

19 RELATED PARTIES

Several members of the Management Board are employed by companies that use GET for their apprenticeship, higher/further education and skills training. All transactions involving these companies are conducted in accordance with the charity's financial regulations and procedures which supports the distance required to avoid any conflicts of interest.

No related party transactions took place in the period of accounts.