

**AMENDED**

**THE ENGINEERING TRUST**  
**CONSOLIDATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2021**

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Company Registration Number 01706333

Charity Registration Number 287075

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**DIRECTORS' ANNUAL REPORT**

The directors present their report together with the consolidated audited accounts for the year ended 31 August 2021.

**Reference and Administrative Details of the Charity, its Trustees and Advisers**

The Engineering Trust is registered as follows:

Charity Registration Number: 287075

Company Registration Number: 01706333

The directors set out below held office during the year. The directors are all trustees of the charity.

T J Green (Chair) (resigned 13<sup>th</sup> April 2021)  
R J Green (Secretary)  
W J Stewart-Lee (resigned 14<sup>th</sup> September 2021)  
R J Morris  
S D Jaycock (appointed 13<sup>th</sup> July 2021)

The Chief Executive of the Charity is Mark Vingoe based at the Registered Office.

**Bankers**

National Westminster Bank Plc  
43 Cornmarket Street  
Oxford  
OX1 3HA

**Auditors**

Shaw Gibbs (Audit) Limited  
264 Banbury Road  
Oxford  
OX2 7DY

**Registered Office and Principal Office**

2, The Courtyard  
Home Farm  
Caversfield  
Bicester  
OX27 8TG

**Public Benefit**

The trustees have taken into account the Charity Commission guidance on public benefit and believe that the activities of the Trust are in line with that guidance.

**Structure Governance and Management**

The Engineering Trust is registered with the Charity Commission in England and Wales and is a company limited by guarantee registered at Companies House.

The governing instrument of the company is the Memorandum and Articles of Association incorporated 14 March 1983 as amended 4 May 1983, 25 May 2006 and 2<sup>nd</sup> June 2009.

Trustees are drawn from the member companies, which comprise businesses in the local area involved in engineering related activities.

During the year, the Directors have reviewed the major risks, which may affect the charity, and have amended their risk assessments where necessary.

**Objectives and Activities**

To promote training of persons employed, or intending to be employed in industry and commerce. To extend such provision or assistance to the training or education of members of the public generally.

The main business of the company continues to be operated through its wholly owned subsidiary, Engineering Trust Training Limited.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**DIRECTORS' ANNUAL REPORT (CONTINUED)**

**Achievements and Performance**

The Group continues to successfully place future engineers into good quality apprenticeships. Many of the apprentices go on to Foundation degree level or further training and obtain senior or management positions because of their apprenticeship.

The group plans to offer the following apprenticeship standards during 2021/22

- Engineering Manufacturing Technician (Level 4)
- Engineering Space Technician (Level 4)
- Engineering Technician (Level 3)
- Maintenance & Operations Engineering Technician (Level 3)
- Engineering Fitter (Level 3)
- Engineering Design & Draughtsperson (Level 3)
- Fabrication & Welding (Level 3)
- Engineering Operative (Level 2)

The Group currently supports in excess of 150 apprentices together with our subcontractor; Group Training and Development Ltd who operate in Devon.

We currently hold a Grade 2 OFSTED across all four areas:

Effectiveness of Leadership & Management  
Quality of Teaching, Learning & Assessment  
Personal Development, Behaviour & Welfare  
Outcome for Learner

The Covid-19 global pandemic continued to affect us during the first 6 months of 2020/21 financial year. The final four months of the 2020/21 financial year were positive as restrictions eased and productivity within the engineering sector grew along with employer confidence to take on new staff and apprentices.

The pandemic, and other economic factors, continue to affect us in terms of delivery and new start apprenticeships. In the first months of the 2021/22 financial year, the tightening of the labour market has limited our ability to meet the demand from employers looking to take on apprentices. This demand from employers however remains strong, and our pipeline of new apprenticeship opportunities continues to grow. These give us a good portfolio of opportunities for new starts for the remaining part of the current financial year which will be filled when our talent pool increases with school and college leavers looking to be placed within apprenticeship roles.

The Trust continued its work with school and college career events with many in 2020/21 being online. Many now are back to face-to-face events and we continue to support them with our attendance. The Trust has several key projects designed to increase its work and further meet its charitable aims. The Trust has taken on a deeper role in the governance of ETT apprenticeship delivery by completing regular satisfaction and wellbeing surveys of apprentices. They will also survey employers to better understand their experience of ETT delivery and gain improved oversight.

**Plans for Future Periods**

The goals and objectives of the group is to grow, both in terms of the number of apprentices that are trained but also the volume of work the Trust is involved in.

The Group is moving forward with the development of its own Training Venue. This will have its first intake of apprentices in September 2022 and will take in-house some of the delivery currently carried out by college partners. It will also allow the Trust to further develop projects that meets its charitable aim and mission. The Training Venue will require internal investment as well as seeking grants and donations from our industry and relevant philanthropic organisations.

**DIRECTORS' ANNUAL REPORT (CONTINUED)**

**Financial Review**

The group has recorded a deficit of £60,941 (2020: £90,258).

The deficit is, in part, is due to the ongoing charitable expenditure which is covered by reserves accumulated in prior years. The deficit is an issue that continues to be addressed to ensure a sustainable future for the Group. A key element to combat the deficit is the growth in the number of apprenticeships that are delivered by ETT and the development of the Training Venue. In-house delivery of the elements that ETT usually pay colleges for will ensure the funding stays within the Group and the margin, usually made by are partner organisations, retained and added to our bottom line. It is likely that the group will again record a deficit in 2021/22 due to the tight labour market in the first part of the financial year and the costs associated with our growth and the development of the Training Venue. The benefit of our growth and opening of the Training Venue will be felt in the 2022/23 financial year.

Engineering Trust Training Limited has agreed a donation of £17,086 under Gift Aid to The Engineering Trust in respect of 2021/22 (2019/20: £23,709).

**Directors' Responsibilities**

The trustees (who are also directors of The Engineering Trust for the purposes of company law) are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year. In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that 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.

**Statement of disclosure to auditors**

In so far as the trustees are aware there is no relevant audit information of which charity's auditor is unaware and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

**Auditor**

A resolution to reappoint Shaw Gibbs (Audit) Limited as auditors for the ensuing year will be proposed at the annual general meeting.

ON BEHALF OF THE BOARD

05 May 2022

.....  
Date

  
R J Green (Chair)

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGINEERING TRUST**

**Opinion**

We have audited the financial statements of The Engineering Trust (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 August 2021 which comprise the group statement of financial activities, the group balance sheet, the charity balance sheet, the group statement of cash flows and the 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 group's and charitable company's affairs as at 31 August 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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**

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

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

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' 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 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 (incorporating the directors' report) for the financial year of which the financial statements are prepared is consistent with the financial statements, and
- the directors' report has been prepared in accordance with applicable legal requirements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ENGINEERING TRUST**

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

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate and sufficient 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;
- the parent charitable company's 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
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption s in preparing the directors' report.

**Responsibilities of trustees**

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

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

**Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://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 charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Samantha Daniels (Senior Statutory Auditor)**  
**for and on behalf of Shaw Gibbs (Audit) Limited**

*Samantha Daniels*

05 May 2022

**Chartered Certified Accountants**  
**Statutory Auditor**

264 Banbury Road  
Oxford  
OX2 7DY

Shaw Gibbs (Audit) Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

|   | Notes    | 2021<br>Unrestricted<br>funds<br>£ | 2020<br>Unrestricted<br>funds<br>£ |
|---|----------|------------------------------------|------------------------------------|
| <b>Income from:</b>                               |          |                                    |                                    |
| Investments                                       |          | 51                                 | 598                                |
| Other trading activities                          |          | 594,639                            | 614,938                            |
| <b>Total income</b>                               | <b>2</b> | <u>594,690</u>                     | <u>615,536</u>                     |
| <b>Expenditure on:</b>                            |          |                                    |                                    |
| Raising Funds                                     | <b>5</b> | 585,000                            | 599,231                            |
| Charitable activities                             | <b>5</b> | 70,631                             | 106,563                            |
| <b>Total Expenditure</b>                          |          | <u>655,631</u>                     | <u>705,794</u>                     |
| <b>Net expenditure</b>                            |          | (60,941)                           | (90,258)                           |
| Balances brought forward at 1 September 2020      |          | <u>420,239</u>                     | <u>510,497</u>                     |
| <b>Balances carried forward at 31 August 2021</b> |          | <u><u>359,298</u></u>              | <u><u>420,239</u></u>              |

All funds are unrestricted.

All income and expenditure derives from continuing activities.

The Consolidated statement of financial activities includes all gains and losses other than those recognised during the year.

The notes on pages 10 to 17 form part of these accounts.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**CONSOLIDATED BALANCE SHEET**

|   | Notes | 2021<br>£             | 2020<br>£             |
|---|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                                       |       |                       |                       |
| Tangible assets   | 9     | <u>8,621</u>          | <u>9,122</u>          |
| <b>CURRENT ASSETS</b>                                     |       |                       |                       |
| Debtors   | 12    | 108,861               | 80,623                |
| Cash at bank and in hand                                  |       | <u>335,041</u>        | <u>394,168</u>        |
|   |       | 443,902               | 474,791               |
| <b>CREDITORS: AMOUNTS FALLING DUE<br/>WITHIN ONE YEAR</b> | 13    | <u>(93,225)</u>       | <u>(63,674)</u>       |
| <b>NET CURRENT ASSETS</b>                                 |       | <u>350,677</u>        | <u>411,117</u>        |
| <b>NET ASSETS</b>   |       | <u><u>359,298</u></u> | <u><u>420,239</u></u> |
| <b>FUNDS - Unrestricted</b>                               |       |                       |                       |
| Capital reserve   | 14    | 12,614                | 12,614                |
| Accumulated surplus                                       | 14    | <u>346,684</u>        | <u>407,625</u>        |
|   |       | <u><u>359,298</u></u> | <u><u>420,239</u></u> |

These accounts were approved and authorised for issue on by the Board.



R J Green  
Chair

05 May 2022

.....  
Date

Company number: 01706333 (England and Wales)

The notes on pages 10 to 17 form part of these accounts.



**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**CHARITY ONLY BALANCE SHEET**

|   | Notes | 2021<br>£             | 2020<br>£             |
|---|-------|-----------------------|-----------------------|
| <b>FIXED ASSETS</b>                                       |       |                       |                       |
| Tangible assets   | 10    | 1,520                 | 2,025                 |
| Investments   | 11    | <u>160,000</u>        | <u>160,000</u>        |
|   |       | <u>161,520</u>        | <u>162,025</u>        |
| <b>CURRENT ASSETS</b>                                     |       |                       |                       |
| Debtors   | 12    | 4,163                 | 5,701                 |
| Cash at bank and in hand                                  |       | <u>94,976</u>         | <u>143,418</u>        |
|   |       | 99,139                | 149,119               |
| <b>CREDITORS: AMOUNTS FALLING DUE<br/>WITHIN ONE YEAR</b> | 13    | <u>(2,900)</u>        | <u>(2,900)</u>        |
| <b>NET CURRENT ASSETS</b>                                 |       | <u>96,239</u>         | <u>146,219</u>        |
| <b>NET ASSETS</b>   |       | <u><u>257,759</u></u> | <u><u>308,244</u></u> |
| <b>FUNDS - UNRESTRICTED</b>                               |       |                       |                       |
| Capital reserve   | 14    | 12,614                | 12,614                |
| Accumulated surplus                                       | 14    | <u>245,145</u>        | <u>295,630</u>        |
|   |       | <u><u>257,759</u></u> | <u><u>308,244</u></u> |

These accounts were approved and authorised for issue on by the Board.

  
R J Green  
Chair

05 May 2022  
.....  
Date

Company number: 01706333 (England and Wales)

The notes on pages 10 to 17 form part of these accounts.

**THE ENGINEERING TRUST**  
**FOR THE YEAR ENDED 31 AUGUST 2021**  
**CONSOLIDATED CASH FLOW STATEMENT**

|  | <b>Group<br/>2021<br/>£</b> | <b>Group<br/>2020<br/>£</b> | <b>Charity<br/>2021<br/>£</b> | <b>Charity<br/>2020<br/>£</b> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Cash Used in Operating Activities</b>                     | (57,508)                    | (54,474)                    | (48,445)                      | (99,147)                      |
| <b>Cash flows from investing activities</b>                  |                             |                             |                               |                               |
| Interest income  | 51                          | 598                         | 3                             | 33                            |
| Purchase of tangible fixed assets                            | (1,670)                     | (877)                       | 0                             | 0                             |
| Cash provided by (used in) investing activities              | <u>(1,619)</u>              | <u>(279)</u>                | <u>3</u>                      | <u>33</u>                     |
| Increase/(decrease) in cash and cash equivalents in the year | (59,127)                    | (54,753)                    | (48,442)                      | (99,114)                      |
| Cash and cash equivalents at the beginning of the year       | 394,168                     | 448,921                     | 143,418                       | 242,532                       |
| Total Cash and cash equivalents at the end of the year       | <u>335,041</u>              | <u>394,168</u>              | <u>94,976</u>                 | <u>143,418</u>                |

The notes on pages 10 to 17 form part of these accounts.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS**

**1 Summary of significant accounting policies**

**General Information and basis of preparation:** The Engineering Trust is a charitable company limited by guarantee registered in the UK. In the event of the charity being wound up, the liability in respect of each member is limited to a sum not exceeding £20 if there is a deficiency of assets. The address of the registered office is given in the charity information on page 1. The nature of the charity's operations and principal activities are to promote training of persons employed, or intending to be employed, in industry and commerce. To extend such provision or assistance to the training or education of members of the public generally.

The charity constitutes a public benefit entity as defined by FRS102. The accounts 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 FRS 102), the Financial Reporting Standard applicable in the UK & the Republic of Ireland (FRS 102) and the Companies Act.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity.

The accounts consolidate The Engineering Trust and its subsidiary Engineering Trust Training Limited. The trading results of the subsidiary are shown in note 4. Transactions and balances between the subsidiary have been eliminated from the consolidated financial statements.

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

**Unrestricted funds** are income generated for the objects of the charity without further restriction and are available as general funds.

**Income recognition:**

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

**Expenditure recognition:**

All expenditure is accounted for on an accruals basis. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties and the amount of the obligation can be measured reliably. It is categorised under the headings of cost of raising funds and expenditure on charitable activities including direct and support costs.

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

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation is Provided using bases and rates which reflect the anticipated useful lives of the assets and their estimated residual values.

|                  |                          |
|------------------|--------------------------|
| Office equipment | 15%-33% reducing balance |
|------------------|--------------------------|

The gain or loss arising on the disposal of an asset is determined as the difference between the Sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pensions - Defined contribution scheme**

Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

**Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include management and governance costs.

**Going concern basis**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. They have reviewed the financial position in conjunction with reserve levels and consider them adequate to meet future operational commitments. The future financial impact of Covid-19 has been considered as part of the review and they conclude that the going concern basis of Accounting remains appropriate for the preparation of the financial statements.

**Investment in subsidiaries**

The investment in subsidiaries is at cost.

**Taxation**

No corporation tax is payable due to the charitable status of the parent company. Taxable profits are generated by the trading subsidiary are transferred as a gift to the parent company.

**Amendments to the financial statements**

These revised financial statements replace the original financial statements. The accounts have been amended to correct an omission in the directors' annual report. The gift aid amount in paragraph 2 under Financial Review was originally omitted in error and has now been added at £17,086.

**2. INCOMING RESOURCES**

The Group's Income for the year is largely derived from the activities of Engineering Trust Training Limited. A significant proportion of this related to contracts with the Education and Skills Funding Agency for monitoring and assessment of apprenticeships in engineering.

**3. SUMMARY PERFORMANCE OF THE CHARITY ALONE:**

|                                      | <b>2021</b>   | <b>2020</b>    |
|--------------------------------------|---------------|----------------|
|                                      | <b>£</b>      | <b>£</b>       |
| Income                               | <u>36,461</u> | <u>33,382</u>  |
| Expenditure on raising funds         | 16,327        | 26,360         |
| Expenditure on charitable activities | <u>70,619</u> | <u>106,563</u> |
| Net expenditure                      | (50,485)      | (99,540)       |
| Total funds brought forward          | 308,244       | 407,784        |

**Total funds carried forward**

257,759

308,244

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

**4 INCOME EARNED FROM TRADING ACTIVITIES**

The wholly owned trading subsidiary, Engineering Trust Training Limited (ETT), is incorporated in the United Kingdom (company number 02423523) and pays profits to the charity under the gift aid scheme. ETT is a registered training provider specialising in engineering apprenticeships and other work-based learning. A summary of the trading results is shown below.

The summary financial performance of the subsidiary alone is:

|  | <b>2021</b>   | <b>2020</b>  |
|--|---------------|--------------|
|  | <b>£</b>      | <b>£</b>     |
| Turnover and other operating income    | 656,839       | 698,939      |
| Cost of sales and administration costs | (643,623)     | (677,872)    |
| Interest receivable                    | 51            | 565          |
| Profit before tax                      | 13,267        | 21,632       |
| Corporation Tax                        | -             | -            |
| Profit after tax                       | <u>13,267</u> | <u>9,283</u> |

The assets and liabilities of the subsidiary were:

|                                      |                 |                 |
|--------------------------------------|-----------------|-----------------|
| Fixed assets                         | 7,101           | 7,097           |
| Current assets                       | 344,765         | 325,674         |
| Current liabilities                  | <u>(90,312)</u> | <u>(60,775)</u> |
| Total net assets                     | <u>261,554</u>  | <u>271,996</u>  |
| Aggregate share capital and reserves | <u>261,554</u>  | <u>271,996</u>  |

**5. RESOURCES EXPENDED**

|                                  | <b>TOTAL</b>   | <b>TOTAL</b>   |
|----------------------------------|----------------|----------------|
|                                  | <b>2021</b>    | <b>2020</b>    |
| Cost of raising funds            | 16,327         | 26,360         |
| Raising funds trading activities | 568,673        | 572,871        |
| Total cost of raising funds      | 585,000        | 599,231        |
| Charitable activities            |                |                |
| Direct costs                     | 55,715         | 90,814         |
| Support costs                    | 14,916         | 15,749         |
| Total charitable activities      | 70,631         | 106,563        |
|                                  | <u>655,631</u> | <u>705,794</u> |

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2020**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

|          |   |                  |                  |
|----------|---|------------------|------------------|
| <b>6</b> | <b>DIRECTORS AND EMPLOYEES</b>  | <b>2021</b><br>£ | <b>2020</b><br>£ |
|          | <b>Staff costs including directors' emoluments</b>                                  |                  |                  |
|          | Wages and salaries  | 266,881          | 296,281          |
|          | Social security costs   | 27,653           | 31,899           |
|          | Pension costs   | <u>29,746</u>    | <u>34,942</u>    |
|          |   | <u>324,280</u>   | <u>363,122</u>   |
|          | No employee received amounts between £70,000 and £80,000 in the year. (2020: None). |                  |                  |
|          |   | No.              | No.              |
|          | Average monthly number employed including executive directors                       |                  |                  |
|          | Office and management   | <u>8</u>         | <u>9</u>         |

No trustees received any remuneration in the year (2020: none).

Trustees/directors received reimbursement of expenses of £nil during the year (2020:£nil).

**Pension costs:**

The group operates an auto-enrolled staff pension scheme. The pension cost charge represents contributions payable by the group to the scheme and amounted to £29,746 (2020 £34,942).

**7 TAXATION**

The company is a registered charity and is exempt from corporation tax for its charitable activities. Corporation tax of £nil (2020: £nil) has been incurred by Engineering Trust Training Limited.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

**8 OPERATING LEASE RENTALS**

At the reporting end date, the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

|   | <b>2021</b>   | <b>2020</b>   |
|---|---------------|---------------|
|   | £             | £             |
| Total future non-cancellable operating lease payments | <u>45,590</u> | <u>54,234</u> |

**9 TANGIBLE FIXED ASSETS - GROUP**

|                          | <b>Office equipment<br/>and other</b> |
|--------------------------|---------------------------------------|
|                          | £                                     |
| <b>Cost or valuation</b> |                                       |
| 1st September 2020       | 26,088                                |
| Additions                | 1,670                                 |
| 31st August 2021         | <u>27,758</u>                         |
| <b>Depreciation</b>      |                                       |
| 1st September 2020       | 16,966                                |
| Charge for the year      | 2,171                                 |
| 31st August 2021         | <u>19,137</u>                         |
| <b>Net book amount</b>   |                                       |
| 31st August 2021         | <u>8,621</u>                          |
| 31st August 2020         | <u>9,122</u>                          |



## 10 TANGIBLE FIXED ASSETS – CHARITY

| 11 | FIXED ASSET INVESTMENTS<br>- GROUP AND CHARITY | Group          |               | Charity      |              |
|----|--|----------------|---------------|--------------|--------------|
|    |  | 2021<br>£      | 2020<br>£     | 2021<br>£    | 2020<br>£    |
|    | Shares in group undertaking                    | -              | -             | 160,000      | 160,000      |
| 12 | DEBTORS<br>- GROUP AND CHARITY                 |                |               |              |              |
|    |  | 2021<br>£      | 2020<br>£     | 2021<br>£    | 2020<br>£    |
|    | Trade debtors                                  | 81,753         | 44,325        | -            | -            |
|    | Other tax recoverable                          | 2,163          | 3,701         | 2,163        | 3,701        |
|    | Prepayments and accrued income                 | 24,945         | 32,597        | 2,000        | 2,000        |
|    |  | <u>108,861</u> | <u>80,623</u> | <u>4,163</u> | <u>5,701</u> |

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

| 13                           | <b>CREDITORS: AMOUNTS FALLING DUE<br/>WITHIN ONE YEAR - GROUP AND<br/>CHARITY</b> | <b>Group</b>         | <b>Charity</b>      |
|------------------------------|---|----------------------|---------------------|
|                              | <b>2021</b>   | <b>2020</b>          | <b>2021</b>         |
|                              | <b>£</b>  | <b>£</b>             | <b>£</b>            |
|                              |   |                      | <b>2020</b>         |
|                              |   |                      | <b>£</b>            |
| Trade creditors              | 35,082  | 15,792               | -                   |
| Other creditors              | 14,782  | 12,338               | -                   |
| Accruals and deferred income | 29,680  | 20,220               | 2,900               |
| Tax and social security      | 13,681  | 15,324               | -                   |
|                              | <u>93,225</u>   | <u>63,674</u>        | <u>2,900</u>        |
|                              | <u><u>93,225</u></u>  | <u><u>63,674</u></u> | <u><u>2,900</u></u> |

**14 UNRESTRICTED FUNDS - GROUP AND COMPANY**

|  | <b>Group<br/>Accumulated<br/>Surplus<br/>£</b> | <b>Charity<br/>Capital<br/>Reserve<br/>£</b> | <b>Charity<br/>Accumulated<br/>Surplus<br/>£</b> |
|--|--|--|--|
| At 1 September 2020                    | 407,625  | 12,614                                       | 295,630  |
| Net resources and<br>Movement in funds | (60,941)                                       | -  | (50,485)   |
|  | <u>346,684</u>                                 | <u>12,614</u>                                | <u>245,145</u>                                   |
| At 31 August 2021                      | <u><u>346,684</u></u>                          | <u><u>12,614</u></u>                         | <u><u>245,145</u></u>                            |

The capital reserve is the excess of assets over liabilities taken over from the Oxford and District Training Group.

**15 CONSTITUTION**

The Engineering Trust is a company limited by guarantee and not having a share capital. In the event of liquidation, each member is liable to contribute a sum not exceeding £20 if there is a deficiency of assets.

**16 RELATED PARTIES**

Transactions with Engineering Trust Training Limited, a subsidiary company of The Engineering Trust, are not disclosed. The company has taken advantage of the exemptions provided by SORP FRS 102 - Related party disclosures not to disclose transactions with the related undertakings of The Engineering Trust Training Limited.

**THE ENGINEERING TRUST  
FOR THE YEAR ENDED 31 AUGUST 2021**

**NOTES TO THE CONSOLIDATED ACCOUNTS (CONTINUED)**

**17 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

|  | <b>Group<br/>2021<br/>£</b> | <b>Group<br/>2020<br/>£</b> | <b>Charity<br/>2021<br/>£</b> | <b>Charity<br/>2020<br/>£</b> |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Net movement in funds                                | (60,941)                    | (90,258)                    | (50,485)                      | (99,540)                      |
| Add back depreciation charge                         | 2,171                       | 2,714                       | 505                           | 675                           |
| Deduct interest income shown in investing activities | (51)                        | (598)                       | (3)                           | (33)                          |
| Decrease/(Increase) in Debtors                       | (28,238)                    | 63,957                      | 1,538                         | (249)                         |
| Increase/(Decrease) in Creditors                     | 29,551                      | (30,289)                    | -                             | -                             |
| Net cash used in operating activities                | <u>(57,508)</u>             | <u>(54,474)</u>             | <u>(48,445)</u>               | <u>(99,147)</u>               |