



Smailes Goldie Group
CREATING ADVANTAGE

REGISTERED COMPANY NUMBER: 01007353 (England and Wales)
REGISTERED CHARITY NUMBER: 508775

Humberside Engineering Training Association Limited

Consolidated Financial Statements

31 August 2022



SD-0208979-1-6

Humberside Engineering Training Association Limited

Contents of the Consolidated Financial Statements for the year ended 31st August 2022

	Page
Report of the Trustees	1 to 10
Report of the Independent Auditors	11 to 13
Consolidated Statement of Financial Activities	14
Consolidated Balance Sheet	15
Charity Balance Sheet	16
Consolidated Cash Flow Statement	17 to 18
Notes to the Consolidated Financial Statements	19 to 26

Humberside Engineering Training Association Limited

Report of the Trustees for the Year Ended 31st August 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the group for the year ended 31st August 2022, which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

LEGAL AND ADMINISTRATIVE INFORMATION

Name:	Humberside Engineering Training Association Limited		
Charitable Objectives:	To advance the theoretical and practical education and training of persons engaged or intending to be engaged in the engineering industry.		
Company Number:	01007353		
Constitution:	The Company is limited by guarantee. It was incorporated on 7 th April 1971 under the Companies Acts 1948 to 1967 and is governed by its Memorandum and Articles of Association as amended September 1980 and April, 1995.		
Trustees (who are also directors):	The directors who held office during the year, and up to the date of this report are:- M.T. Joslin (Chair) R.M. Swain I.C. Palmer L. Maloigne (Resigned 11 April 2022) D.P. Sowden L.S. Fretter (Appointed 11 April 2022) T. Mottershead E.J. Greenfield D.J. Oliver M.T. Daubney		
Appointment of Trustees:	HETA aims to develop and maintain a diverse group of individuals that will support the aim of the company. Trustees are identified and recruited based on skill set and experience. No one is entitled to act as a Trustee whether on appointment or on any reappointment until he or she has expressly acknowledged, in whatever way the Trustees decide, his or her acceptance of the office of Trustee and Member. The appointment of a Trustee must not cause the number of Trustees to exceed any number fixed as the maximum number of Trustees.		
Chief Executive:	I. Elliott		
Registered Office:	27-31 Dansom Lane Hull HU8 7LA		
Registered Charity Number:	508775		
Auditors:	Smailes Goldie Chartered Accountants Statutory Auditor Regent's Court Princess Street Hull East Yorkshire HU2 8BA	Solicitors:	Bridge McFarland 1 Marina Court Hull HU1 2AZ

Humberside Engineering Training Association Limited

Report of the Trustees for the Year Ended 31st August 2022

LEGAL AND ADMINISTRATIVE INFORMATION (continued)

Bankers: HSBC
3-4 Jameson Street
Hull
HU1 3JX

Bankers: Santander
2 Humber Quays
Wellington Street
Hull
HU1 2BN

Enquiries about the Charity should be addressed to the Chief Executive at the Registered Office.

Investment Powers:

The income and property of the Association shall be applied solely towards the promotion of the objects of the Association.

Organisational Structure:

The business of HETA is managed by the Directors (Trustees) with day to day responsibility delegated to the Chief Executive who is appointed by the Board.

The Board met six times during the year. The meetings were conducted using a 'hybrid' model over both video conferencing and face to face. This model provided members with a more efficient way to meet and increased participation.

Confirmations:

The Board confirms that it considers the financial statements compliant with statutory requirements, the Memorandum and Articles of Association and SORP: Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with Financial Reporting Standard 102 (effective January 2019).

The Board also confirms that it has complied with the duty in section 17(5) of the Charities Act 2011 with regard to following guidance published by the Charity Commission.

The day to day strategic and operational management of HETA is carried out by the Senior (strategic) Leadership Team consists of;

- **Chief Executive**
- **Deputy Chief Executive**
- **Human Resources Manager**
- **Operations Manager**
- **Head of Sales and Marketing**

In turn they are supported by;

- **Health and Safety Manager**
- **2 x Centre (curriculum) Managers**
- **Field Team Manager**
- **Curriculum Manager Higher Education**
- **IT Support Manager**
- **Management Accountant**
- **Administration Manager**
- **Teaching and Learning Improvement Manager**

HETA's key strategic aims are to:

- Maintain and continuously improve the quality of our training programmes so as to **become the training provider of choice** across the region.
- **Reduce the reliance** on public funding by generating additional income through HE programmes, full cost commercial training and by delivering additional training for employers participating in the enhanced advanced apprenticeship programme.
- Maintain and improve employers' understanding of the provision to actively seek ongoing curriculum development that will allow HETA **to expand the portfolio** of training programmes.

Humberside Engineering Training Association Limited

Report of the Trustees for the Year Ended 31st August 2022

- Actively **engage with schools** across the Humber region so as to provide the best IAG to potential apprentices and to support teaching and learning professionals with STEM related curriculum.
- Maintain and continuously develop the quality of the staff at HETA and develop a reputation as being an **Employer of Choice**.
- Ensure equality and promote diversity among staff, learners and employers.

Review of Activities at HETA for the year 2021-22

The tone of this year's report is written in the context of being post-pandemic, looking at some key achievements and looking forward to some significant developments.

1 Summary of Activities

HETA has continued to deliver a significant number of training and education programmes to our different client groups that have generated income to support the continued growth of the charity. These include;

- Advanced Apprenticeships to both 16-18 and 19+ learners - **£4,101K**
- Traineeships for unsponsored learners - **£296K**
- HE programmes - **£353K**
- Adult upskilling courses for those already operating in the labour market - **£820K**
- Other income streams - **£71K**

Overall income year on year is;

£5,641K 2021-22 against £5,081K 2020-21

In delivering these various activities, the company has generated an operating surplus of **£325K**- an uplift of 77% year on year and this reflects how businesses (both HETA and our client group) have moved on from the disruption caused by the pandemic.

This surplus allows for continued investment in the current and future activities of the Charity; **Investment in new assets for the year was £461K**

Key documents to support the business

The HETA Business Plan

This key document is now into the third edition which spans 2020-2023. With input from the wider management team and the Chair, it has been revised and re-written to reflect the next stages of growth and development at HETA for the next three financial years. Following ongoing input meeting from the wider management team (and eventual sign-off from the Board of Trustees) the 4th edition will be published in 2023.

This document is a living document and will continue to be revised as market conditions change and opportunities arise. To support this top-level plan, each department within HETA has written an operational "Implementation Plan"- this focuses on the detail changes and improvements to the business.

Response to the global pandemic-looking back and to the future

It is universally recognised that most countries are past the worst impact of the pandemic, but residual problems are still hindering businesses across the UK-HETA is no exception.

Positively, our employer base continues to recruit Apprentices in significant numbers-the September 2021 intake was considerably larger than 2020 and the 2022 intake exceeded all previous recruitment records.

The Self-Assessment Report (SAR) is the other key document that allows external agencies to judge the effectiveness of HETA. The SAR for 2020-21 was published on the Ofsted portal with the 2021-22 edition about to be published.

At the time of writing, HETA is self-grading as a Grade Two (Good) provider.

As part of the internal validation/accreditation/quality assurance process, the SAR is scrutinised by external 'readers' including input from the Board of Trustees

**Report of the Trustees
for the Year Ended 31st August 2022**

2 Significant Developments

A new training centre at Grimsby

HETA operates from three sites across the Humber region - Hull, Scunthorpe and Stallingborough (Grimsby) and it is this centre that is now the focus of the ongoing property strategy. The current Stallingborough training centre sits within the CATCH complex/campus and as such is leased.

The current lease expired in August 2022 but it was possible to obtain an extension until August 2023.

A decision was taken to acquire suitable land and to implement a design and build project thus providing a wholly owned site. In real terms this means we will achieve a 25% increase in classroom and workshop space with the capacity to add expansion spaces in future years.



**Report of the Trustees
for the Year Ended 31st August 2022**

2 Significant Developments (continued)

Working with North East Lincs Council, it has been possible to acquire land near the existing training centre. A project design and build programme has been achieved with work starting in October 2022.

This project is a significant investment and will give HETA a training centre that reflects what a modern learning facility should provide for both staff and learners. On completion, it will provide classrooms, workshops, office and social spaces with the increased capacity to expand learner numbers and offer an ever-evolving curriculum and training offer.

Previous annual reports will show that a similar project was undertaken in Hull in 2017-18 and this created an aspiration to achieve a similar if not better training centre that will provide high quality learning and working spaces.

Total cost for the new centre at Grimsby is approx. £5.5m and is being financed via bank funding (loans) and reserves. In 2022, the UK has reached a point where the availability of extra 'project focused' funding has been paused and it has been disappointing that there have been no other additional funding sources to support the build or fit-out of this new facility.

Given this lack of extra funding, the position on reserves has been taken to a low level. The agreed policy has been previously set at between 50%-150% of total salary costs. In financial year 2022-23, cash reserves are forecast to be at 34% but then rising in future years.

3 Fulfilling our charitable ethos - Getting Young People into Work

HETA is a training provider and a Job Broker.

In 2021-22, HETA continued to secure employment for a significant number of young people acting as a recruiter for employers. This approach essentially has two facets-Traineeships and Sponsored Apprenticeships.

The Traineeship programme is a government initiative. It is designed to act as a pathway into employment, an apprenticeship or further learning. The entry criteria and delivery requirements are flexible.

HETA uses the Government's Traineeship programme to widen participation and to ensure small to medium employers can access suitable Apprenticeship candidates without having to commit to paying a whole year of 'off the job' wages.

HETA is now into the 9th year of delivering on this programme and has adopted a model that is regarded as being exemplary practice which sees young people being exposed to both trade and employability skills with progression into a job (please see section above re: job placement).

The company receives a funding amount that is now one fifth (previously one third) of the core funding for an Advanced Apprenticeship.** We purposely deliver a ***much-enhanced learning experience that is not covered by the funding allocation.

In short, HETA over delivers in order to maximise employment opportunities for young people and to ensure that employers have access to a talent pipeline.

Data shows the following: HETA staff were able to place 47 Traineeships (from 55 starts) into employment in 2021-22.

**Report of the Trustees
for the Year Ended 31st August 2022**

Welfare for Learners

HETA seeks to deliver the best possible learning experience for young people however our aim is to support our learners in a more holistic manner. This includes support and education around physical and mental health. In some cases, we provide financial support to buy uniform, IT kit and we manage the travel allowances for Traineeships.

In 2022, we secured some extra funding for two years from another local charity to provide a small group of Traineeships with a Training Allowance-to all intents and purposes, this was a substitute wage that in some cases provided valuable financial support to the household income.

Looking forward, HETA has 'ring-fenced' a sum of money to extend this scheme across to our South Bank learners in Scunthorpe and Grimsby and so the aim is to secure further grant funding in the future in order to be able to continue with this.

Safeguarding Arrangements at HETA

HETA is committed to Safeguarding and ensuring our learners are safe from all forms of physical and online abuse including the risks of radicalisation and extremism.

Safeguarding is promoted from the Board of trustees down through the whole organisation. There is a named Board member with a responsibility for Safeguarding and Prevent within HETA and Safeguarding and Prevent is a standard agenda item at all Board meetings.

The CEO is the Safeguarding Lead and the HR Manager at HETA is the designated Safeguarding Officer for the organisation and has received appropriate training for the role and also training on safe staff recruitment practice. HETA has clear written policies and procedures relating to both Safeguarding and the Prevent Duty. The HETA Code of Personal and Professional Conduct for Staff forms part of the Employee Handbook.

Staff are vigilant and aware of the risks to apprentices and lesson observations monitor how staff challenge behaviours, promote the welfare of our learners and take opportunities to promote fundamental British Values.

Schools engagement

HETA continues to provide a range of unfunded activities to schools.

Information, Advice and Guidance (IAG) to young people; the pandemic had a significant impact on schools engagement.

The overall aim is to engage with schools across the region and beyond going out to South Yorkshire and Greater Lincolnshire. In real terms this means a raft of different activities but the response to the pandemic curtailed a lot of the planned work normally carried out.

In 2021-22 HETA carried out 89 separate activities versus 32 for the previous year. It is clear that post-pandemic, there has been a huge uplift in schools activities. To mitigate this, more Information, Advice and Guidance (IAG) content and resources were put online and this will continue into 2023.

Humberside Engineering Training Association Limited

Report of the Trustees for the Year Ended 31st August 2022

Schools Activities 2021 - 2022
36% of applicants heard about HETA from their school or college.
School Visits/Activity
Overall Planned: 179
70 School Visits (6 virtual)
7 College Visits
6 Combined School and College events
6 Large Events
Leeds City Council Apprenticeship Recruitment Fair.
Calderdale College (Careers fair with representatives and schools/colleges from York, North Yorkshire and East Riding.
Franklin College Careers Fair (Over 70 providers and universities present, 700+ attendees)
Doncaster Chamber Careers Fair
York High School Careers Fair (Hosted all schools and colleges in York
Offshore Wind Conference - Bridlington Spa

Health, Well Being and Personal Development for staff and learners

As part of a more rounded approach to the future wellbeing of the younger learners, HETA self-funds and provides a programme of information, training and counselling around the issues of;

- **Diet**
- **Alcohol**
- **Drugs**
- **Mental health issues-** we now have mental health 'First Aiders' embedded on each site
- **Fitness**
- **Team Working**
- **Communication Skills**
- **Safeguarding and the "Prevent" (from radicalisation) strategy**

Our staff are HETA-they are our greatest asset and the investment in finding, recruiting, training and retaining the best people remains a cornerstone of the business.

The recruitment market remains a challenge across most business sectors and HETA is no exception. The company is mindful of normal 'churn' via retirements and resignations and as such adopted a more proactive approach to recruitment in 2021 that has now become the norm into 2022 and beyond.

By utilising a range of tactics to recruit and to try and succession plan (for retirees) it has been possible to recruit some excellent replacement staff.

HETA continues to invest in staff development via structured Continuous Development Days, online training, teacher training from Levels 3 to 5, external events, webinars etc.

4 Volunteers/Volunteering

HETA does not recruit volunteers as part of our core activities preferring to use establishment staff however the Board of Trustees are all volunteers.

We do encourage staff to carry out a range of unfunded 'pro bono' activities. Some staff are Governors at schools across the region and also work with other charities.

Humberside Engineering Training Association Limited

Report of the Trustees for the Year Ended 31st August 2022

4 Volunteers/Volunteering (continued)

The CEO is a member of the Hull and East Yorkshire (HEY) Local Enterprise Partnership Skills and Employment Board and Vice Chair of the HEY LEP Apprenticeship Group and is a member of the Local Skills Improvement Plan (LSIP) Board.

5 Fundraising

Broader fundraising strategy

As a charity, our primary source of funding comes from the UK Government and we generate some revenue from commercial training operations. This has become more important to our trading operations and 2021-22 saw an uplift of 29% year on year.

HETA has generated some additional funding in 2021-22.

£39k from another charity that supports some of our learners with a training grant.

£25k from North East Lincs Council to support the acquisition of new equipment

£20k from University of Derby to support the acquisition of new equipment and job creation.

Project funding for both revenue and capital items via the Department of Education's Strategic Development Fund 2.

This has generated an additional £402k of funding in 2023 to support development of new curriculum with particular focus on Low Carbon/Net Zero technologies and the acquisition of new equipment.

HETA will continue to be active in seeking out more additional funding streams to support the growth of the business; staff development, curriculum improvements, the physical premises and the improvement of the learning environment.

At the time of writing, the latest capital build project is under way but lacks any additional funding beyond bank borrowings and reserves.

6 Recruitment, Training and Induction of Trustees

HETA appointed one new Trustee in 2021-22. It was fortunate that we were able to recruit from the same company (from where the departing Trustee worked) and with the same skills set. There is still one vacancy for a suitably qualified and experienced individual from an accountancy/finance background who can support the Trustees and the Deputy CEO around the area of financial performance.

Current Trustee/Directors are primarily recruited from HETA 'employers' i.e. the current client base however the previous drive to increase the range of skills and experience has been maintained however it remains a challenge to recruit new candidates.

The current board has been increased and enhanced by recruiting new members from both client companies and other types of employers.

When new board members are recruited, they will be invited to participate in company induction and familiarisation. In addition, they will be informed about the Charity Commissions' Code of Conduct for Trustees.

The Chair and the two senior post holders (CEO & Deputy CEO) attend regular updates on policy changes that relate to the management of charities.

The appointed auditors and accountants will provide further information with regard to financial regulations surrounding charities.

**Report of the Trustees
for the Year Ended 31st August 2022**

7 Key Performance Indicators

HETA utilises a range of Key Performance Indicators (KPIs) including;

- Student Recruitment
- Retention
- Timely and Overall Success Rates
- Income Generation
- Expenditure

Targets apply to each KPI and these are set each year in conjunction with the Leadership team. Performance on these KPIs are reported periodically and monitored throughout the year. The KPI's are continually reviewed as a result we have adopted some new measures and deleted/revised some others.

8 The Management of Risk

HETA has adopted a Business Risk Register (BRR) and the Board will receive updates on each area of risk to assess the appropriateness and robustness of the controls being deployed to mitigate risk. The BRR is reviewed periodically by the management team and at board meetings by the Trustees.

9 Policy on Reserves

Please see the note above regarding the new training centre at Grimsby. The charity, Humberside Engineering Training Association Ltd. (HETA) Policy on Reserves is:

The charity will aim to hold, non-committed, end of year cash reserves of not less than 50% and not more than 150% of the total annual staff and contractor employment costs. The reserves policy remains a key aspect of financial health but the Trustees continue to review this annually.

This formula will enable the directors and management of HETA adequate contingency funds to deal with significant variations of year to year business activity.

At the Balance Sheet date the unrestricted cash reserves represented 65% (2021: 44%) of the year's employment costs (including subcontract instructors and excluding HATA apprentices). The board approved the reserves dropping below the target whilst the charity sold the Copenhagen Road property.

The need to vacate our current rented premises at Stallingborough (Grimsby) and the strong desire to create a higher quality, 21st century learning and working environment was and is a big driving force behind the new build project mentioned above. It is unfortunate that current market conditions have conspired against the build process in that materials costs are increasing in an inflationary market.

Combined with the fact that the UK seems to be in a funding hiatus and that no additional capital grants are available, means that the build project is being financed from both bank borrowings and reserves.

Whilst the reserves policy exists, the board of Trustees have approved that this can be flexible in order to achieve the project completion.

With the knowledge and approval of the board, unrestricted cash reserves for 2022-23 are forecast to reduce to 34% as a result of the investment in the new training facility at Stallingborough, but are forecast to rise in subsequent years taking HETA back within the tolerances allowed in the reserves policy.

10 Going Concern

As mentioned in section 2, above, the trustees have considered the operational and financial implications following the lifting of restrictions imposed and the reduction in support surrounding the CV19 outbreak and the subsequent economic uncertainty leading to inflationary pressures. Having prepared financial forecasts covering a range of scenarios, the trustees conclude that it remains appropriate to continue to prepare accounts on a going concern basis.

**Report of the Trustees
for the year ended 31st August 2022**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Humberside Engineering Training Association Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

AUDITORS

The auditors, Smailes Goldie, will be deemed to be re-appointed under s487 of the Companies Act 2006.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21st March 2023 and signed on the board's behalf by:

ON BEHALF OF THE BOARD

A handwritten signature in black ink, appearing to read 'M.T. Joslin', with a large, stylized flourish at the end.

M.T.JOSLIN - TRUSTEE & CHAIR

Report of the Independent Auditors to the Members of Humberside Engineering Training Association Limited

Opinion

We have audited the financial statements of Humberside Engineering Training Association Limited (the 'parent charity') and its subsidiaries (together comprising the 'charitable group') for the year ended 31st August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Company Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group's and parent charity's affairs as at 31st August 2022, and of the group's incoming resources and application of resources, including its result, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charity 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 group's or parent charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report of the Independent Auditors to the Members of Humberside Engineering Training Association Limited

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities as set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable group, including the Companies Act 2006, Charities Act 2011, ESFA rules, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation. An understanding of these laws and regulations and the extent of compliance was obtained through discussion with management and inspecting legal and regulatory correspondence.

We assessed the susceptibility of the charitable group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

Report of the Independent Auditors to the Members of Humberside Engineering Training Association Limited

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

- agreeing financial statement disclosures to underlying supporting documentation;
 - reading the minutes of meetings of those charged with governance;
 - enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, ESFA and other relevant regulators.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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.



Stephen Bramall BSc FCA (Senior Statutory Auditor)
for and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

21 March 2023

Humberside Engineering Training Association Limited

Consolidated Statement of Financial Activities **(Incorporating an Income and Expenditure Account)** **for the year ended 31st August 2022**

	Notes	2022 £	2021 £
INCOME AND ENDOWMENTS FROM			
Donations and Legacies			
Government Grants	3	-	432
Charitable activities			
Apprentice Training	4	4,397,513	3,972,830
HNC & HND		352,647	421,664
Adult Training		820,580	641,642
Work with Schools		-	7,560
		5,570,740	5,043,696
Investment income	5	3,767	1,492
Other income		66,910	35,016
Total		5,641,417	5,080,636
EXPENDITURE ON			
Charitable activities			
Apprentice Training	6	3,936,250	3,644,200
HNC & HND		447,226	452,481
Adult Training		916,373	768,791
Work with Schools		16,833	31,737
Total		5,316,682	4,897,209
NET INCOME		324,735	183,427
RECONCILIATION OF FUNDS			
Total funds brought forward		6,662,209	6,478,782
TOTAL FUNDS CARRIED FORWARD		<u>6,986,944</u>	<u>6,662,209</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

FUND ACCOUNTING

All income and expenditure relates to unrestricted funds.

Humberside Engineering Training Association Limited

Consolidated Balance Sheet At 31st August 2022

		2022	2021
		Unrestricted funds £	Unrestricted funds £
FIXED ASSETS	Notes		
Tangible assets	12	<u>5,839,521</u>	<u>6,638,462</u>
CURRENT ASSETS			
Debtors	14	<u>960,303</u>	850,568
Cash at bank		<u>2,165,546</u>	<u>1,304,530</u>
		3,125,849	2,155,098
CREDITORS			
Amounts falling due within one year	15	<u>(827,365)</u>	<u>(838,409)</u>
NET CURRENT ASSETS		<u>2,298,484</u>	<u>1,316,689</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,138,005	7,955,151
CREDITORS			
Amounts falling due after more than one year	16	<u>(1,151,061)</u>	<u>(1,292,942)</u>
NET ASSETS		<u>6,986,944</u>	<u>6,662,209</u>
FUNDS	20		
Unrestricted funds		<u>6,986,944</u>	<u>6,662,209</u>
TOTAL FUNDS		<u>6,986,944</u>	<u>6,662,209</u>

The financial statements were approved by the Board of Trustees on 21 March 2023 and were signed on its behalf by:



M.T. Joslin - Trustee/Director

Humberside Engineering Training Association Limited

Company Balance Sheet At 31st August 2022

			2022 Unrestricted funds £	2021 Unrestricted funds £
FIXED ASSETS	Notes			
Tangible assets	12		5,839,521	6,638,462
Investments	13		<u>1</u>	<u>1</u>
			5,839,522	6,638,463
 CURRENT ASSETS				
Debtors	14		1,027,966	1,136,114
Cash at bank			<u>2,043,039</u>	<u>961,475</u>
			3,071,005	2,097,589
 CREDITORS				
Amounts falling due within one year	15		<u>(812,434)</u>	<u>(833,264)</u>
 NET CURRENT ASSETS			<u>2,258,571</u>	<u>1,264,325</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES			8,098,092	7,902,788
 CREDITORS				
Amounts falling due after more than one year	16		<u>(1,151,061)</u>	<u>(1,292,942)</u>
 NET ASSETS			<u><u>6,947,031</u></u>	<u><u>6,609,846</u></u>
 FUNDS				
Unrestricted funds	20		<u>6,947,031</u>	<u>6,609,846</u>
 TOTAL FUNDS			<u><u>6,947,031</u></u>	<u><u>6,609,846</u></u>

The financial statements were approved by the Board of Trustees on 21 March 2023 and were signed on its behalf by:



M.T. Joslin - Trustee/Director

Humberside Engineering Training Association Limited

**Consolidated Cash Flow Statement
for the year ended 31st August 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>564,744</u>	<u>375,182</u>
Net cash provided by operating activities		<u>564,744</u>	<u>375,182</u>
 Cash flows from investing activities:			
Purchase of tangible fixed assets		(461,017)	(273,104)
Sale of tangible fixed assets		950,092	-
Interest received		3,767	1,492
Interest paid		<u>(40,045)</u>	<u>(42,009)</u>
Net cash used in investing activities		<u>452,797</u>	<u>(313,622)</u>
 Cash flows from financing activities:			
Loan repayments in year		<u>(156,525)</u>	<u>(178,241)</u>
 Change in cash and cash equivalents in the reporting period		861,016	(116,680)
Cash and cash equivalents at the beginning of the reporting period		<u>1,304,530</u>	<u>1,421,210</u>
 Cash and cash equivalents at the end of the reporting period		<u><u>2,165,546</u></u>	<u><u>1,304,530</u></u>

**Notes to the Consolidated Cash Flow Statement
for the year ended 31st August 2022**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	324,735	183,427
Adjustments for:		
Depreciation charges	309,958	286,538
(Profit)/Loss on disposal of fixed assets	(92)	(524)
Interest received	(3,767)	(1,492)
Interest paid	40,045	42,009
(Increase)/decrease in debtors	(109,735)	(332,614)
Increase/(decrease) in creditors	<u>3,600</u>	<u>197,836</u>
Cash generated from operations	<u>564,744</u>	<u>375,182</u>

2. ANALYSIS OF CHANGES IN NET FUNDS/(DEBT)

	At 1.9.21 £	Cash flow £	Other non-cash changes £	At 31.8.22 £
Cash				
Cash at bank	<u>1,304,530</u>	<u>861,016</u>		<u>2,165,546</u>
	<u>1,304,530</u>	<u>861,016</u>		<u>2,165,546</u>
Debt				
Debts falling due within 1 year	(180,432)		14,644	(165,788)
Debts falling due after 1 year	<u>(1,292,942)</u>	<u>156,525</u>	<u>(14,644)</u>	<u>(1,151,061)</u>
	<u>(1,473,374)</u>	<u>156,525</u>	<u>-</u>	<u>(1,316,849)</u>
Net debt	<u>(168,844)</u>	<u>1,017,541</u>	<u>-</u>	<u>848,697</u>

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements for the year ended 31st August 2022

1. COMPANY INFORMATION

Humberside Engineering Training Association Limited is a private company limited by guarantee incorporated in the United Kingdom (England & Wales). In the event of the charity being wound up, the liability in respect of the guarantee is limited to £20 per member of the charity. There are currently 9 members on the membership roll (2021: 9). The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are fully detailed in the Report of the Trustees.

2. GROUP AND CHARITY ACCOUNTING POLICIES

Basis of preparing the financial statements

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

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.

Basis of consolidation

The group financial statements consolidate the financial statements of the charity and its subsidiary undertaking, Humber Apprentice Training Agency Limited, at 31st August 2022 using acquisition accounting.

Going Concern

The trustees have considered the operational and financial implications following the lifting of restrictions imposed and the reduction in support surrounding the CV19 outbreak and the subsequent economic uncertainty leading to inflationary pressures. Having prepared financial forecasts covering a range of scenarios, the trustees conclude that it remains appropriate to continue to prepare accounts on a going concern basis.

Income

Incoming resources from charitable activities

Incoming resources from charitable activities excludes value added tax. Where incoming resources are dependent upon the Charity delivering a service, the income is not recognised until the service is delivered.

Donations

Donations and gifts are included in full in the Statement of Financial Activities when receivable.

Grants

Grants and allowances receivable are accounted for as income in the year in which entitlement arises.

Gifts

Gifts in kind are valued by reference to the equivalent commercial cost of acquiring such assets or services.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Notes to the Consolidated Financial Statements - continued
for the year ended 31st August 2022**

2. ACCOUNTING POLICIES - continued

Allocation and apportionment of costs

Expenses directly associated with the delivery of training are charged as direct charitable expenses and split between those relating to unrestricted and those relating to restricted funds.

Depreciation is split between restricted and unrestricted funds by reference to the charge arising on each specific asset.

Employees are categorised as either directly involved in training or administration and related costs apportioned accordingly.

Staff time spent delivering projects which are subject to restricted funding is recharged from unrestricted funds at agreed hourly rates.

Direct costs not capable of being attributed to any individual class of activity are apportioned according to the relative income of each activity.

Support costs are apportioned according to the amount of direct cost associated with each class of activity.

Governance costs reflect the strategic and compliance costs of the charity including an allowance for the Chief Executive's time spent on such matters.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land	- not depreciated
Buildings	- 2% on cost
Building services	- between 5 and 10 years
Plant and machinery	- between 5 and 10 years

Taxation

As a registered charity, the company is generally exempt from Corporation Tax, but not from VAT. The company accounts for VAT in accordance with the regulations relevant to the nature of the supplies which it makes. Any irrecoverable VAT is shown separately as an expense.

Fund accounting

Incoming resources for services where, upon full performance of the service, any surplus can be retained and used for general purposes are classified as unrestricted, whereas if any surplus is retrievable by the donor then the resources are classified as restricted.

Pension costs and other post-retirement benefits

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

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Investments

Investments in subsidiaries are measured at cost less impairment.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements - continued **for the year ended 31st August 2022**

3. GOVERNMENT GRANTS

In the current year the group received £0 (2021: £432) from the Government in respect of job retention scheme grants. The grants related to apprentices employed by Humber Apprentice Training Agency Limited, where the sponsoring employer had placed the apprentice on furlough.

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Apprentice fees	Apprentice Training	472,249	663,175
ESFA funding	Apprentice Training	3,925,264	3,309,655
ESFA funding	HNC & HND	29,500	59,000
HNC income	HNC & HND	323,147	362,664
Adult training	Adult Training	785,112	597,577
Passport	Adult Training	35,468	44,065
Get set project	Work with Schools	-	7,560
		<u>5,570,740</u>	<u>5,043,696</u>

5. INVESTMENT INCOME

	2022 £	2021 £
Deposit account interest	<u>3,767</u>	<u>1,492</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct costs £	Support costs (See note 7) £	2022 Totals £	2021 Totals £
Apprentice Training	2,799,488	1,136,762	3,936,250	3,644,200
HNC & HND	305,326	141,900	447,226	452,481
Adult Training	625,618	290,755	916,373	768,791
Work with Schools	<u>11,492</u>	<u>5,341</u>	<u>16,833</u>	<u>31,737</u>
	<u>3,741,924</u>	<u>1,574,758</u>	<u>5,316,682</u>	<u>4,897,209</u>

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31st August 2022

7. SUPPORT COSTS

	Managemen t	Finance	Human resources
	£	£	£
Apprentice Training	148,879	136,269	583,282
HNC & HND	18,584	17,010	72,810
Adult Training	38,080	34,854	149,188
Work with Schools	699	640	2,742
	<u>206,242</u>	<u>188,773</u>	<u>808,022</u>

	Other	Governance costs	2022 Totals	2021 Totals
	£	£	£	£
Apprentice Training	222,686	45,646	1,136,762	1,040,742
HNC & HND	27,798	5,698	141,900	149,703
Adult Training	56,958	11,675	290,755	254,353
Work with Schools	1,046	214	5,341	10,500
	<u>308,488</u>	<u>63,233</u>	<u>1,574,758</u>	<u>1,455,298</u>

8. NET INCOME

Net income is stated after charging:

	2022 £	2021 £
Auditors' remuneration	9,490	9,490
Depreciation - owned assets	309,958	286,538
Operating lease rentals	<u>130,000</u>	<u>130,000</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

No trustee received any remuneration during the year (2021: £Nil).

Trustees' expenses

Travel and subsistence expenses totalling £97 were paid to one trustee during the year (2021: £112).

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31st August 2022

10. STAFF COSTS

	2022 £	2021 £
Wages and salaries	3,083,703	2,881,489
Social security costs	257,326	210,788
Other pension costs	363,664	350,869
	<u>3,704,693</u>	<u>3,443,146</u>

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

	2022	2021
Management	5	5
Administration	14	15
Training and support	55	52
Apprentices-HATA	21	32
	<u>95</u>	<u>104</u>

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

	2022	2021
£60,001 - £70,000	-	-
£70,001 - £80,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
	<u>1</u>	<u>-</u>

11. NET INCOMING RESOURCES OF PARENT COMPANY

As permitted by paragraph 397 of the SORP, the Statement of Financial Activities of the parent charity is not presented in these financial statements. The parent's net incoming resources for the year ended 31st August 2022 totalled £337,185 (2021: £192,897).

12. TANGIBLE FIXED ASSETS

Group and Charity	Land and Buildings £	Plant and machinery £	Totals £
COST			
At 1st September 2021	6,868,976	2,251,090	9,120,066
Additions	242,722	218,295	461,017
Disposals	(1,724,762)	(10,032)	(1,734,794)
At 31st August 2022	<u>5,386,936</u>	<u>2,459,353</u>	<u>7,846,289</u>
DEPRECIATION			
At 1st September 2021	1,211,815	1,269,789	2,481,604
Charge for year	122,537	187,421	309,958
Eliminated on disposal	(774,762)	(10,032)	(784,794)
At 31st August 2022	<u>559,590</u>	<u>1,447,178</u>	<u>2,006,768</u>
NET BOOK VALUE			
At 31st August 2022	<u>4,827,346</u>	<u>1,012,175</u>	<u>5,839,521</u>
At 31st August 2021	<u>5,657,161</u>	<u>981,301</u>	<u>6,638,462</u>

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31st August 2022

13. FIXED ASSET INVESTMENTS

Charity	Shares in group undertaking s £
COST	
At 1st September 2021 and 31st August 2022	<u>1</u>
NET BOOK VALUE	
At 31st August 2022	<u>1</u>
At 31st August 2021	<u>1</u>

There were no investment assets outside the UK.

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

Humber Apprentice Training Agency Limited (10234302)

Registered office: United Kingdom

Nature of business: Training

This investment represents 100% of the voting equity instruments of the subsidiary.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	819,031	615,173	817,505	597,334
Amounts owed by group undertakings	-	-	69,189	303,385
Prepayments	<u>141,272</u>	<u>235,395</u>	<u>141,272</u>	<u>235,395</u>
	<u>960,303</u>	<u>850,568</u>	<u>1,027,966</u>	<u>1,136,114</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans and overdrafts (see note 17)	165,788	180,432	165,788	180,432
Trade creditors	270,314	372,000	270,255	371,940
Amounts owed to group undertakings	-	-	1	1
Social security and other taxes	105,780	113,350	104,200	108,264
Accrued expenses	<u>285,483</u>	<u>172,627</u>	<u>272,191</u>	<u>172,627</u>
	<u>827,365</u>	<u>838,409</u>	<u>812,434</u>	<u>833,264</u>

Humberside Engineering Training Association --Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31st August 2022

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

Group and Charity

	2022 £	2021 £
Bank loans (see note 17)	<u>1,151,061</u>	<u>1,292,942</u>

17. BANK LOANS

An analysis of the maturity of loans is given below:

Group and Charity

	2022 £	2021 £
Amounts falling due within one year on demand	165,788	180,432
Amounts falling due between two and five years	500,547	623,313
Amounts falling due in more than five years	<u>650,514</u>	<u>669,629</u>
	<u>1,316,849</u>	<u>1,473,374</u>

The loans are repayable by monthly instalments over ten years and fifteen years respectively.

The first loan commenced in August 2014. Interest is charged at 3.00% over bank base rate and charged directly to expenses, as incurred. The capital repayments are fixed at £6,028 per month.

The second loan commenced in June 2017. Interest is charged at 1.95% over bank base rate and charged directly to expenses, as incurred.

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

Group and Charity

	2022 £	2021 £
Less than one year	140,000	130,000
Between 2 and 5 years	-	-
	<u>140,000</u>	<u>130,000</u>

Leases are negotiated over various terms to suit the requirements at that time. Break clauses are included wherever appropriate and the above liability has been calculated from the balance sheet date to either the end of the lease or the first break clause, whichever is the earlier.

19. SECURED DEBTS

The following secured debts are included within creditors:

Group and charity

	2022	2021
	£	£
Bank loans	<u>1,316,849</u>	<u>1,473,374</u>

The loans are secured by charges over the charity's freehold land and buildings.

Humberside Engineering Training Association Limited

Notes to the Consolidated Financial Statements - continued for the year ended 31st August 2022

20. MOVEMENT IN FUNDS

	At 1.9.21 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	6,662,209	324,735		6,986,944
TOTAL FUNDS	<u>6,662,209</u>	<u>324,735</u>		<u>6,986,944</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	5,641,417	5,316,681	324,736
TOTAL FUNDS	<u>5,641,417</u>	<u>5,316,681</u>	<u>324,736</u>

The General Fund represents accumulated reserves freely available to support the objects of the charity.

On transition to FRS 102 the company claimed relief to use the previous GAAP revaluation as deemed cost for fixed assets previously revalued. Accordingly, the revaluation reserve has now been amalgamated with general funds.

21. PENSION COMMITMENTS

The company operates a group personal pension scheme. The assets of the scheme are held by independent managers. Contributions into the scheme during the year amounted to £341,847 (2021: £329,166). There were no amounts prepaid at the balance sheet date (2021: £Nil). Contributions outstanding at the balance sheet date totalled £26,898 (2021: £28,273).

22. RELATED PARTY DISCLOSURES

Debtor and creditor balances with the charity's subsidiary company are shown in notes 14 and 15. All balances are interest free and repayable on demand.

During the year key management personnel remuneration of £ 365,299 (2021: £334,568) was paid.

During the year the company obtained legal services from a firm of solicitors in which one of the charity's trustees is a partner. The transaction was conducted on an arm's length basis for a total consideration of £10,565 (2021 £13,266). Due process and declaration of interests was followed.

There are no further related party transactions that require to be disclosed.

23. INDEMNITY INSURANCE

The company's insurance premiums include indemnity insurance to protect both the Charity and the Trustees.

