

CHARITY NO: 526139

COMPANY NO: 00760011

**NORTH WEST TRAINING COUNCIL
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2024**

NORTH WEST TRAINING COUNCIL
REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

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NORTH WEST TRAINING COUNCIL

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2024

REFERENCE AND ADMINISTRATIVE INFORMATION

Trustees: Mrs A Hough
Ms C Mawdsley
Mr D W Crosby
Mr D Bramwell (appointed 11 March 2024)

Chief Executive: Mr J Killen

Principal Office: Unit 33
Wellington Employment Park South
Dunes Way
Liverpool
L5 9RJ

Charity Number: 526139

Company Number: 00760011

Independent Auditors: Wbg (Audit) Limited
168 Bath Street
Glasgow
G2 4TP

Bankers: CAF Bank
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

Solicitors: Brabners LLP
Horton House
Exchange Flags
Liverpool
Merseyside
L2 3YL

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

The trustees present their annual report and consolidated financial statements for the year ended 31 July 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the council's Articles of Association, the Companies Act 2006 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 (FRS 102).

Objectives and activities

The council's objectives are set out in its articles of association. These are:

- To promote, advance and encourage the education of persons engaged in or about to be engaged in commerce and industry in the United Kingdom and in particular in the North West of England and North Wales and as all ancillary thereto;
- To promote, encourage and organise cooperation between employers, employees, teachers, technical and other schools and colleges, and public and private educational authorities and bodies, in all matters relating to the education of persons engaged in commerce and industry.
- To hold, organise, promote, support and send representatives to courses, classes, discussions, meetings and conferences relating to the education of persons engaged in industry and commerce, and to print, publish, circulate and lend papers, reports, documents, books, pamphlets and periodicals relating to the education of such persons.
- To provide information, advice and guidance to employees in commerce and industry and to people about to become such employees on matters relating to their education.
- To provide information, advice and guidance to employers in commerce and industry on matters relating to the education of their employees.
- To provide information, advice and guidance to teachers, technical and other schools and colleges, public and private educational institutions and organisations and to other interested persons, bodies and organisations on all matters relating to the education of persons engaged in or about to be engaged in commerce and industry.
- To encourage, develop and manage Group Training schemes in commerce and industry, to encourage, coordinate and maintain inter change of apprentices and other pupils or students.

To meet these objectives over the period of the report and the following two years, the Council has identified several target activities, being: -

- The Council intends to deliver in association with employers continued opportunities to young people in Merseyside and outlying areas.
- We will continue to provide a first-class learning environment for our learners, in terms of facilities, learning delivery and quality of our staff.
- We will continue to look to develop additional programmes within the engineering sectors.
- We intend to improve profitability in the short term and to provide the funds for capital investment in buildings and equipment in the longer term.
- We will continue to be an organisation that staff enjoy belonging to.

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

- We will seek to partner with a local college to improve our offer to our apprentices and to develop a programme which includes additional courses for our employers to cover their whole manufacturing and engineering needs.

Public Benefit

The Trustee Directors are of the opinion that the above clearly demonstrates that the Council has met the public benefit requirements. The Trustees confirm that they have complied with the duty in Section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission in determining the activities undertaken by the Charity.

Achievements and performance

This year has seen recruitment at NWTC continue to improve student numbers, with strong growth. We are expanding our offering within the city region to include Adult skills fund (ASF) funded engineering skills training.

NWTC continues to deliver government-funded and part-funded apprenticeship training programmes as well as commercial training to employers. Efficiency and streamlining the apprenticeship offer has continued to deliver high-quality cost-effective operations. Structural business changes are ongoing and remain under review.

Our training Centre is one of the most modern and well-equipped advanced manufacturing and engineering facilities in the region. Employers and learners continue to benefit from access to high quality facilities and the partnership with Hugh Baird College (HBC) and ongoing support Liverpool City Region (LCR).

NWTC has continues on its long-term 5-year strategy which now aims to grow the organisation from a solid foundation, focusing on engineering programmes that benefit the LCR and the North West. This year as part of this strategy we have reviewed and renewed our Mission, vision and strategic aims that now clearly convey our purpose and direction. We continue invest in our strong strategic partnership with HBC which will support growth and diversification into other areas of engineering training such as the level two study programmes and ASF.

NWTC's high-tech training base in Liverpool has the equipment required to deliver training in the very latest approaches to manufacturing and engineering in addition to the more traditional engineering practices. Engineering roles covered include:

- Electrotechnical Installation / Maintenance Engineer
- Engineering Manufacturing Technician
- Fire, Emergency & Security Systems Engineer
- Food & Drink Maintenance Engineer
- Maintenance and Operations Engineering Technician
- Maintenance Engineer (Electrical or Mechanical)
- Manufacturing Engineer
- Mechatronics
- Science Industry Technician (Maintenance or Manufacturing)
- Toolmaking

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Achievements and performance

In the year to 31 July 2024, the group produced a loss, before revaluation gains and actuarial gain on pension, of £108,599 (2023: loss £51,980).

The total pension fund surplus, although of a long term nature, amounts to £nil, a decrease compared to surplus of £734,000 in the prior year as part of curtailment of the defined pension scheme.

At 31 July 2024, the group has net assets of £2,676,599 (2023: £3,593,198). Restricted reserves amount to £2,159,048 (2023: £2,435,666). Unrestricted reserves, incorporating designated funds and pension reserve surplus amount to a surplus of £517,551 (2023: surplus £1,157,532).

The group currently have free reserves of £220,269 (2023: £65,084).

Reserves Policy

It is the Trustee Directors' continued intention to improve this position as finance becomes available with the intention of building a reserve fund to a level which would support at least three months trading. The charity estimates the required level of funding to be three months of running costs £806,948, which compares to the current free reserves of £220,269 (2023: £65,084). The Council's main funding comes via the Education Skills Funding Agency, and subcontracted ESFA services. Additional income comes in via the Council's commercial programmes. This is in three areas and consists of a Gas Training and Assessment center based in Halewood (providing training and assessment for gas engineers), an AM2 Test Center also based in Halewood (providing testing facilities for Electrical Installation apprentices). Finally, the Council's short course commercial programmes, providing a range of technical training courses. The Council's main objectives are still to provide good solid Engineering and advanced manufacturing training to the young people of Merseyside and beyond. This is carried out via the training facilities the Council has based in the Sandhills area of Liverpool in partnership with a wide range of employers throughout the region. The Council currently has 385 apprentices in training.

Risk Assessment

The Trustee Directors have produced a risk assessment document for the Council. The Risk Assessment details the identified risks and the actions taken to mitigate against them. Insurance policies are in place to cover the normal commercial risks that the Council faces such as fire, flood, theft and employee and third-party liability and professional liability.

Future

We continue to offer high class apprenticeships in the engineering and advanced manufacturing industries, and this will continue to be our primary focus along with expanding our reach with more national employers, specifically in the Food & Drink sector. We continue to build on the success of our OFSTED monitoring visit in November 2023, we continue to replenish and rejuvenate our staff resources, whilst upskilling our existing staff members working in conjunction with World Skills. We maintain ongoing investment in our facility and continue to improve our employer engagement. This is underpinned by enhanced governance and a clear strategic direction for the future.

We will continue to explore and strengthen our strategic partnerships, supporting our development and growth.

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

Going Concern Status

The financial statements have been prepared on the going concern basis, which assumes that the charity will continue in operational existence for the foreseeable future.

The directors have considered the period of 12 months from the date of approval of these accounts and have reviewed cash flow forecasts prepared for the period. Details of this consideration are presented in the accounting policies.

Having reviewed the cashflow forecasts for the group, it is the view of the Trustees and Senior Management that NWTC can continue in operational existence for the future and meet all liabilities as they fall due.

Trading in both NWTC and Commercial Services is much in line with our recent expectations with a positive cash position forecast for the end of the current financial year. We forecast that cash position will remain robust as we bring course completions back up to date and the student intake numbers continue to improve over the next few years.

The focus for 2025 is to build on our revised and consolidated offer, continuing to improve efficiencies and effective delivery for our apprentices. Curriculum plans and delivery models have been revised to map effectively to the Education Inspection framework, which will improve learner satisfaction and further improve the reputation of NWTC, continuing to attract new businesses that will benefit from the state-of-the-art facilities and expert tutors.

NWTC will develop its strategic partnership and begin to deliver training in areas outside of apprenticeships – namely ASF, study programme and National Skills fund. This will allow us to support the LCR in upskilling and reskilling the adult workforce and support employability.

Focus areas for the organisation for 2024/25

Curriculum plans have now been reviewed and NWTC has implemented a new strategy for staff development to support delivery of its training offer this year. We continue to focus on our strengths and work closely with the NSAFD in growing our presence in the Food & Drink sector. We have been heavily involved in the trailblazer development of the new FDEM standard and in the writing of the mandated qualification for that standard. This puts NWTC in a strong position as one of the leading and most experienced providers of the FDEM standard in the UK. We currently work with an increasing number of national food and drink companies, winning additional contracts this year.

NWTC has seen significant growth in toolmaking and mechatronics and is working closely with employers to maximise this.

Structure, governance and management

The Council's governing documents are: -

The Memorandum and Articles of Association of North West Training Council (formerly The Merseyside Training Council) as amended on 30th July 2003.

The Council is a company limited by guarantee and a registered charity, incorporated in England and Wales.

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

The Council has three subsidiary companies. These are:

NWTC Commercial Services Limited
Merseyside Training Council Limited (dormant)
Cosy Homes Limited (dormant)

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs. A Hough
Ms. C Mawdsley
Mr. D W Crosby
Mr. D Bramwell

(Appointed 11 March 2024)

Trustee Directors are drawn from present or retired Directors and senior executives of companies that have had an association with the Council or persons of standing within the community who have an interest in industrial training. Volunteers to act as trustee directors are actively sought by a variety of methods. On appointment all trustee directors are provided with an induction and data pack which explains their duties and responsibilities as trustee directors and provides them with all the necessary information about the Council they need to fulfil their role. They are mentored by an existing member of the Board. The Trustee Directors are advised of seminars and other sources of information that will assist them in their role.

The Board of Trustee Directors sets the strategies for the Council and approves all plans formulated to meet these strategies. The day-to-day management of the Council is the responsibility of the Chief Executive, who has the necessary delegated authority from the Board. He is assisted by the Senior Management Team.

The Chief Executive has a detailed job description that clearly states the level of his delegated authority from the Board and all the senior managers similarly have detailed job descriptions that state their level of delegated responsibility.

The Council is governed by a Board of Trustee Directors, which meets at least quarterly to consider principally the Council's overall strategy and policy. A subgroup of three of the Trustee Directors, the Executive Management Committee, meets monthly with the Chief Executive to consider financial and operational results and any other matters affecting the Council's ongoing operations.

Remuneration for key management personnel

The remuneration of all key management personnel is in line with market rates for the industry. We are a member of GTA England, a national group training association with more than 40 UK members. GTA England conducts annual salary surveys across its members and NWTC participates in these.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of NWTC for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

NORTH WEST TRAINING COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2024

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Auditor

In accordance with the company's articles, a resolution proposing that Wbg (Audit) Limited be reappointed as auditor of the company will be put at a General Meeting.

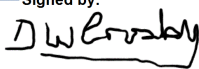
Statement of Disclosure to the Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the 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.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The Trustees' report was approved by the Board of Trustees.

Signed by:


15E84ACB199F47C
 Mr D W Crosby

Chair of the Board of Trustees

Date: 10/12/24

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH WEST TRAINING COUNCIL FOR THE YEAR ENDED 31 JULY 2024

Opinion

We have audited the financial statements of North West Training Council, (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 July 2024 which comprise the Group Statement of Financial Activities (incorporating income and expenditure accounts), the Group and Parent Charitable Company's Balance Sheet, the Parent Charitable Company's Cashflow Statement 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 and parent charitable company's affairs as at 31 July 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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 and parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH WEST TRAINING COUNCIL FOR THE YEAR ENDED 31 JULY 2024

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

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

We have nothing to report in this regard.

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, which includes the directors report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors report included within the 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the director's report included within the trustees' 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 proper accounting records have not been kept by the parent charitable company or
- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' 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' exemptions in preparing the Report of the Trustees and from the requirement to prepare a strategic report.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 6-7 the trustees (who are also the directors of the parent 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH WEST TRAINING COUNCIL LTD FOR THE YEAR ENDED 31 JULY 2024

In preparing the financial statements, the trustees are responsible for assessing the group 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 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

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

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

Explanation as to what extent the audit was considered capable of detecting irregularities including fraud

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group through discussion with trustees and other management, and from our knowledge and experience of charity sector;
- we focussed on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operation of the group, including the Companies Act 2006, Charities Act 2011, data protection, anti-bribery, employment, food hygiene and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management team and inspecting legal correspondence; and identified laws and regulations were communicated with the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH WEST TRAINING COUNCIL LTD FOR THE YEAR ENDED 31 JULY 2024

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

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

In respect of the journals, we have looked at the following areas:

- Bank
- Income and expenditure
- Prepayments and accrued income
- Accruals and deferred income
- Pension

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 documentations;
- Enquiring of management as to actual and potential litigation and claims; and
- Reviewing correspondence with HMRC and relevant regulators.

Audit response to the risks identified;

Our procedures to respond to the risks identified included the following;

- Gaining an understanding of the legal and regulatory framework applicable to the charitable company and the sector in which it operates;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Enquiring of management, trustees and legal advisors concerning actual and potential litigation and claims;
- Reading minutes of meetings of those charged with governance, reviewing internal audit reports and reviewing correspondence with HMRC;
- In addressing the risk of fraud as a result of management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and, evaluating business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.


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

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF NORTH WEST TRAINING COUNCIL LTD FOR THE YEAR ENDED 31 JULY 2024

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Signed by:

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Claire Dalrymple FCCA
Senior Statutory Auditor
For and on behalf of Wbg (Audit) Limited, Statutory Auditor

168 Bath Street
Glasgow
G2 4TP

Date: 10/12/24

Wbg (Audit) Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

NORTH WEST TRAINING COUNCIL LTD
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDING 31 JULY 2024
(Including an Income and Expenditure account)

	Note	Unrestricted Funds 2024 £	Restricted Funds 2024 £	Total Funds 2024 £	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £
Income and endowments from:							
Charitable activities	5	2,826,963	-	2,826,963	2,901,402	-	2,901,402
Other trading activities	6	224,201	-	224,201	302,824	-	302,824
Investments	7	56	-	56	430	-	430
Other incoming resources	8	67,971	-	67,971	134,385	-	134,385
Total Income		3,119,191	-	3,119,191	3,339,041	-	3,339,041
Expenditure on:							
Raising donations and legacies	9	1,640	-	1,640	146	-	146
Other trading activity	10	265,278	-	265,278	380,176	-	380,176
Charitable activities	12	2,684,254	276,618	2,960,872	3,015,377	-	3,015,377
Taxation		-	-	-	(4,669)	-	(4,669)
Total Expenditure		2,951,172	276,618	3,227,790	3,391,021	-	3,391,021
Net income/(expenditure) for the year		168,019	(276,618)	(108,599)	(51,980)	-	(51,980)
Actuarial (losses)/gains on defined benefit pension schemes	22	(808,000)	-	(808,000)	388,000	-	388,000
Transfers between funds		-	-	-	276,618	(276,618)	-
Net movement in funds		(639,981)	(276,618)	(916,599)	612,638	(276,618)	336,020
Funds reconciliation							
Total Funds brought forward	23	1,157,532	2,435,666	3,593,198	544,894	2,712,284	3,257,179
Total Funds carried forward	23	517,551	2,159,048	2,676,599	1,157,532	2,435,666	3,593,198

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

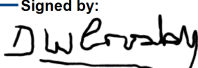
All income and expenditure derive from continuing activities.

NORTH WEST TRAINING COUNCIL LTD**CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2024**

	Note	2024 £	2023 £
<i>Fixed assets:</i>			
Tangible assets	15	2,600,312	2,952,938
Total Fixed Assets		<u>2,600,312</u>	<u>2,952,938</u>
<i>Current assets:</i>			
Debtors	18	639,441	680,191
Cash at bank and in hand	27	411,997	220,990
Total Current Assets		<u>1,051,438</u>	<u>901,181</u>
<i>Liabilities:</i>			
Creditors falling due within one year	19	(903,638)	(858,009)
Net Current assets		<u>147,800</u>	<u>43,172</u>
Creditors falling due after one year	21	(71,513)	(136,912)
Net assets excluding pension surplus		2,676,599	2,859,198
Defined benefit pension surplus	22	-	734,000
Net Assets		<u>2,676,599</u>	<u>3,593,198</u>
<i>The funds of the charity:</i>			
Designated funds	23	297,282	358,448
Unrestricted funds	23	220,269	65,084
Pension reserve	23	-	734,000
		<u>517,551</u>	<u>1,157,532</u>
Restricted funds	23	2,159,048	2,435,666
Total charity funds		<u>2,676,599</u>	<u>3,593,198</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees and signed on their behalf by:

Signed by:

 1CE34ACB199E47C...

Name: Mr D W Crosby

Date: 10/12/24

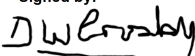
Company No: 00760011

NORTH WEST TRAINING COUNCIL LTD**CHARITY BALANCE SHEET AS AT 31 JULY 2024**

	Note	2024 £	2023 £
<i>Fixed assets:</i>			
Tangible assets	16	2,597,488	2,939,494
Total Fixed Assets		2,597,488	2,939,494
<i>Current assets:</i>			
Debtors	18	910,494	922,211
Cash at bank and in hand	27	359,051	171,737
Total Current Assets		1,269,545	1,093,948
<i>Liabilities:</i>			
Creditors falling due within one year	19	(835,948)	(776,951)
Net Current assets		433,597	316,997
Creditors falling due after one year	21	(71,513)	(136,912)
Net assets excluding pension surplus		2,959,572	3,119,579
Defined benefit pension surplus	22	-	734,000
Net Assets		2,959,572	3,853,579
<i>The funds of the charity:</i>			
Designated funds	24	297,282	358,448
Unrestricted funds	24	503,242	325,465
Pension reserve		-	734,000
		800,524	1,417,913
Restricted funds	24	2,159,048	2,435,666
Total charity funds		2,959,572	3,853,579

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to the members of the company.

Approved by the trustees and signed on their behalf by:

Signed by:

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Name: Mr D W Crosby

Date: 10/12/24

Company No: 00760011

NORTH WEST TRAINING COUNCIL LTD

CONSOLIDATED AND CHARITY STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 JULY 2024

	Note	Group 2024 £	Group 2023 £
<i>Cash flows from operating activities:</i>			
Net cash provided by operating activities	26	343,137	103,880
<i>Cash flows from investing activities:</i>			
Interest received		56	430
Purchase of plant and machinery		(17,256)	(5,323)
Net cash (used in) investing activities		(17,200)	(4,893)
<i>Cash flows from financing activities:</i>			
Payments of obligations under finance leases	1	(155,062)	(71,029)
Loans repaid		20,132	(51,836)
Net cash provided by/(used in) financing activities		(134,930)	(122,865)
Change in cash and cash equivalents in the year		191,007	(23,878)
Cash and cash equivalents brought forward	27	220,990	244,868
Cash and cash equivalents carried forward	27	411,997	220,990

Analysis of changes in net funds

	As at 1 August 2023	Cashflows	As at 31 July 2024
Cash at Bank and in hand	220,990	191,007	411,997
Loans falling due within one year	(56,698)	(8,162)	(64,860)
Loans falling due after more than one year	(59,543)	(11,970)	(71,513)
Obligations under finance leases	(155,062)	155,062	-
	(50,313)	325,937	275,624

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

1. Accounting Policies

(a) Basis of preparation and assessment of going concern

The financial statements have been prepared in accordance with the council's Articles of Association, the Companies Act 2006 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 (FRS 102 effective 1 January 2016).

The financial statements are prepared in sterling, which is the functional currency of the council. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

The charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The financial statements consolidate the results of the wholly owned subsidiary NWTC Commercial Services Ltd on a line by line basis.

(b) Funds structure

Unrestricted income funds comprise those funds which the trustees are free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include designated funds where the trustees, at their discretion, have created funds for specific purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out further in the notes to the financial statements.

Further details of each fund are disclosed in note 23 and 24.

(c) Income recognition

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

Donations, are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

Assets given for use by the council are recognised when receivable.

Income from charitable activities includes income received under contract or where entitlement to the grant funding is subject to performance conditions. Income is recognised in the Statement of Financial Activities when the related services have been provided, income in advance of those services being provided is deferred.

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

1. Accounting Policies (continued)

Income from capital grants is recognised when the charity has entitlement to the funds, any performance conditions have been met and the amounts can be reliably measured.

Income from trading activities, includes income from fundraising events and trading activities to raise funds for the charity, income is recognised when earned and the charity is entitled to the receipt.

(d) Expenditure recognition

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 settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. For more information on this attribution refer to note (f) below.

- Costs of raising funds comprises all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable activities.
- Support costs are those that assist the work of the charity but are not directly attributable to the charitable activities. Support costs include office costs, administrative payroll costs and governance costs which support the charities activities. Where the support costs cannot be attributable to a direct activity they have been allocated to the costs of raising funds and charitable activities on a pro-rata basis.
- Governance costs represent costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

(e) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised. Please refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

(f) Allocation of support and governance costs

Support costs have been allocated between governance costs and other support costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Governance costs and support costs relating to charitable activities have been apportioned based on a percentage allocation across the main activities of the charity. The allocation of support and governance costs is analysed in note 11.

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****1. Accounting Policies (continued)****(g) Tangible fixed assets and depreciation**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is charged as follows:

	Basis
Leasehold improvements	6.67% on cost
Plant & Machinery	10% on cost
Motor vehicles	20% on cost
Computers	33.33% on cost
Fixtures and Fittings	10% on cost

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 recognised in the statement of financial activities.

(h) Debtors

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

(i) Cash at bank and in hand

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

(j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(k) Pensions

The Charity operates a defined contribution pension scheme. Contributions payable for the year are charged in the Statement of Financial Activities.

(l) Operating leases

The charity classifies the lease of motor vehicles as operating leases; the title to the equipment remains with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

(m) Taxation

The company is a charitable company within the meaning of Section 467 of the Corporation Tax Act 2010. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied for charitable purposes only.

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

1. Accounting Policies (continued)

(n) Employee Benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

(o) Financial Instrument

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****1. Accounting Policies (continued)**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

(p) Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Where a reasonable and consistent basis of allocation can be identified, assets are allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

1. Accounting Policies (continued)

profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2. Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

3. Financial activities of the subsidiary

The wholly owned trading subsidiary “NWTC Commercial Services Limited” was formed as a trading company which will operate as a subsidiary of the charity. This year the subsidiary reported a loss of £22,592 (2023: £74,639). The charity owns the entire share capital of 1 ordinary share of £1.

A summary of the financial activities undertaken by the subsidiary is set out below:

	2024	2023
	£	£
Turnover	224,258	245,468
Cost of sales	<u>(147,547)</u>	<u>(324,776)</u>
Gross profit	76,711	(79,308)
Administration expenses	(99,359)	(177,796)
Other operating income	<u> </u>	<u> </u>
Loss	(22,648)	(79,308)
Interest receivable and similar income	56	105
Taxation	<u>-</u>	<u>4,669</u>
Loss	<u>(22,592)</u>	<u>(74,639)</u>

The assets and liabilities of the subsidiary were:

Fixed assets	2,823	13,443
Current assets	149,596	131,271
Current liabilities	<u>(435,393)</u>	<u>(405,096)</u>
Total net (liabilities)/ assets	<u>(282,974)</u>	<u>(260,382)</u>
Aggregate share capital and reserves	<u>(282,974)</u>	<u>(260,382)</u>

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

4. Related party transactions and trustees' expenses and remuneration

The Trustees all give freely their time and expertise without any form of remuneration or other benefit in cash or kind (2023: £nil). Expenses paid to or waived by trustees in the year totalled £nil (2023: £nil).

5. Income from charitable activities

	Group 2024	Group 2023
	£	£
ESFA Income	1,871,073	1,772,591
Other training income	955,890	1,128,811
	<u>2,826,963</u>	<u>2,901,402</u>

6. Income from other trading activities

	Group 2024	Group 2023
	£	£
Canteen Income	-	57,356
Commercial Income	224,201	245,468
	<u>224,201</u>	<u>302,824</u>

7. Income from investments

	Group 2024	Group 2023
	£	£
Interest receivable	56	430
	<u>56</u>	<u>430</u>

8. Other incoming resources

	Group 2024	Group 2023
	£	£
Other Income	67,971	134,385
	<u>67,971</u>	<u>134,385</u>

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****9. Raising funds – expenditure on raising donations and legacies (Group)**

	Direct Costs £	Support Costs £	Total 2024 £
Ceremonies & conventions	1,640	-	1,640
	<u>1,640</u>	<u>-</u>	<u>1,640</u>

	Direct Costs £	Support Costs £	Total 2023 £
Ceremonies & conventions	146	-	146
	<u>146</u>	<u>-</u>	<u>146</u>

10. Raising funds – expenditure on other trading activities (Group)

	Total 2024 £	Total 2023 £
Canteen	7,803	20,521
Subsidiary trading activity	78,831	99,940
Trading staff costs	146,360	222,349
Depreciation and impairment	10,620	11,132
Support costs	21,664	26,225
	<u>265,278</u>	<u>380,167</u>

11. Allocation of governance and support costs (Group)

The breakdown of support costs and how these were allocated between governance and other support costs is shown in the table below:

Cost type	Total Allocated 2024 £	Governance related £	Other support costs £	Basis of apportionment
Staff costs	78,453	-	78,453	Time
Finance	4,246	-	4,246	Area
Marketing	2,490	-	2,490	Area
Information Technology	55,661	-	55,661	Area
Total	<u>140,850</u>	<u>-</u>	<u>140,850</u>	

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****11. Allocation of governance and support costs (Group) (continued)**

Cost type	Total Allocated 2023 £	Governance related £	Other support costs £	Basis of apportionment
Staff costs	147,357	-	147,357	Time
Finance	27,811	-	27,811	Area
Marketing	293	-	293	Area
Information technology	61,549	-	61,549	Area
Total	237,010	-	237,010	

Governance costs:

	2024 £	2023
Auditors remuneration	35,387	36,300
Legal and Professional	39,318	54,246
	74,705	90,546

Breakdown of governance and support costs by activity;

	Support costs	Governance	2024 £
Training	140,850	53,041	193,891
	140,850	53,041	193,891

	Support costs	Governance	2023 £
Training	237,010	64,321	301,331
	237,010	64,321	301,331

12. Analysis of expenditure on charitable activities (Group)

	Training £	Total 2024 £
Staff Costs	1,229,895	1,229,895
Depreciation and Impairment	359,262	359,262
Training costs	613,489	613,489
Premises Costs	413,337	413,337
Administration costs	124,718	124,718
Other finance costs	26,280	26,280
Governance Costs (note 11)	53,041	53,041
Support Costs (note 11)	140,850	140,850
	2,960,872	2,960,872

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****12. Analysis of expenditure on charitable activities (Group) (continued)**

	Training	Total 2023
	£	£
Staff Costs	1,206,045	1,206,045
Depreciation and Impairment	378,405	378,405
Training costs	665,743	665,743
Premises Costs	337,619	337,619
Administration costs	137,234	137,234
Other finance costs	(11,000)	(11,000)
Governance Costs (note 11)	237,010	237,010
Support Costs (note 11)	64,321	64,321
	<u>3,015,377</u>	<u>3,015,377</u>

13. Analysis of staff costs and remuneration of key management personnel

	Group 2024	Group 2023
	£	£
Salaries and wages	1,472,034	1,402,530
Social security costs	104,605	108,271
Other pension costs	57,667	64,950
Total staff costs and employee benefits	<u>1,634,306</u>	<u>1,575,751</u>

One employee had employee benefits in excess of £60,000 (2023: Nil).

	2024	2023
	£	£
£80,001 - £90,000	<u>1</u>	<u>-</u>

Included within staff costs are redundancy payments made to one (2023: Nil) employees totalling £8,000 (2023: Nil). At the year end the outstanding balance in respect of these payments was £nil (2023: £nil).

	2024	2023
	£	£
Key management personnel remuneration	<u>384,731</u>	<u>392,698</u>

	2024	2023
	No.	No.
The average weekly number of persons, by headcount, employed by the charity during the year was:	<u>39</u>	<u>43</u>

14. Net income/(expenditure) for the year – Group

	2024	2023
	£	£
This is stated after charging:		
Depreciation	369,882	389,537
Auditor's remuneration	21,885	36,300
Over provision for auditors remuneration	<u>13,502</u>	<u>-</u>

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****15. Tangible Fixed Assets – Group**

	Leasehold Improvements £	Plant & Equipment £	Fixture & Fittings £	Computers £	Motor Vehicles £	Total £
Cost or valuation						
At 1 August 2023	2,682,558	2,052,007	64,652	144,695	2,200	4,946,112
Additions	-	-	17,256	-	-	17,256
At 31 July 2024	2,682,558	2,052,007	81,908	144,695	2,200	4,963,368
Depreciation						
At 1 August 2023	757,419	1,043,124	47,754	142,677	2,200	1,993,174
Charge for the year	181,909	183,346	2,609	2,018	-	369,882
At 31 July 2024	939,328	1,226,470	50,363	144,695	2,200	2,363,056
Net book value						
At 31 July 2024	1,743,230	825,537	31,545	-	-	2,600,312
At 31 July 2023	1,925,139	1,008,883	16,898	2,018	-	2,952,938

At 31 July 2024 all fixed assets were used for charitable purposes.

16. Tangible Fixed Assets – Charity

	Leasehold Improvements £	Plant & Equipment £	Fixture & Fittings £	Computer s £	Motor Vehicles £	Total £
Cost or valuation						
At 1 August 2023	2,682,558	1,942,213	64,652	143,744	2,200	4,835,367
Additions	-	-	17,256	-	-	17,256
At 31 July 2024	2,682,558	1,942,213	81,908	143,744	2,200	4,852,623
Depreciation						
At 1 August 2023	757,419	946,774	47,754	141,726	2,200	1,895,873
Charge for the year	181,909	172,726	2,609	2,018	-	359,262
At 31 July 2024	939,328	1,119,500	50,363	143,744	2,200	2,255,135
Net book value						
At 31 July 2024	1,743,230	822,713	31,545	-	-	2,597,488
At 31 July 2023	1,925,139	995,439	16,898	2,018	-	2,939,494

At 31 July 2024 all fixed assets were used for charitable purposes.

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****17. Investment**

The charity owns the whole of the issued share capital of the following subsidiary undertaking of which is registered in England and has the same registered office as the charity.

<u>Subsidiary</u>	<u>Principal activity</u>
NTWC Commercial Services	Training services

The carrying value of the investments in the financial statements is £nil (2023: £nil).

18. Debtors

	Group 2024	Charity 2024	Group 2023	Charity 2023
	£	£	£	£
Trade debtors	223,495	129,258	241,906	169,272
Other debtors	12,597	12,597	150,758	146,096
Prepayments and accrued income	403,349	400,937	287,527	284,178
Amounts due from group undertakings	-	367,702	-	322,665
	639,441	910,494	680,191	922,211

19. Creditors: amounts falling due within one year

	Group 2024	Charity 2024	Group 2023	Charity 2023
	£	£	£	£
Trade creditors	332,604	307,976	165,143	140,697
Other creditors and accruals	253,333	232,878	449,631	417,820
Taxation and social security	7,478	5,333	34,361	35,736
Loan	64,860	64,860	56,698	56,698
Deferred income (Note 20)	245,364	224,901	74,483	48,307
Obligations under finance leases	-	-	77,693	77,693
	903,639	835,948	858,009	776,951

20. Deferred Income (Group and Charity)

	2024	2023
	£	£
Balance as at 1 August 2023	74,483	146,797
Amount released to income earned from charitable activities	(74,483)	(134,623)
Amount deferred in year	245,364	62,309
Balance as at 31 July 2024	245,364	74,483

Deferred income is comprised of income received in advance of delivery of the provision of training

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****21. Creditors: amounts falling due after one year**

	Group 2024 £	Charity 2024 £	Group 2023 £	Charity 2023 £
Bank loans	71,513	71,513	59,543	59,543
Obligations under finance leases	-	-	77,369	77,369
	<u>71,513</u>	<u>71,513</u>	<u>136,912</u>	<u>136,912</u>

	2024 £	2023 £
Due 1 -2 years	71,513	136,912
	<u>71,513</u>	<u>136,912</u>

NWTC has 2 CBILS loans with Close Brothers Finance which are both secured by a fixed charge on certain plant & machinery.

The loans are repayable over 48 and 60 months with fixed monthly payments of £2,613 and £2,792 respectively.

22. Retirement benefit schemes – Group & Charity

North West Training Council operates a defined benefit arrangement called the North West Training Council Pension Scheme. The scheme provides benefits based on final salary and length of service on retirement, leaving service or death. The following disclosures exclude any allowance for defined contributions schemes operated by the Council or any monies relating to AVC investments and insured pensions.

The scheme is subject to the Statutory Funding Objective under the Pension Act 2004. A valuation of the scheme is carried out at least once every three years to determine whether the Statutory Funding objective is met. As part of the process, the Council must agree with the Trustees of the Scheme the contributions to be paid to meet the Scheme Funding Objective.

The Trustees and the Council are in the process of finalising the actuarial valuation as at 31 July 2023. In the event that the valuation reveals a larger deficit than expected, the Council may be required to increase contributions above set out in the existing Schedule of Contributions. Conversely, if the position is better than expected, it's possible that the contributions may be reduced.

Based on the preliminary discussions with the Trustees, the Council expects to pay contributions of £35,000 in the year to 31 July 2025.

The scheme is managed by a Board of Trustees appointed in part by the Council and part from elections by members of the scheme. The Trustees have responsibility for obtaining valuations of the fund, administering benefit payments and investing the Scheme's assets. The Trustees delegate some of these functions to their professional advisers where appropriate.

There was a curtailment during the period for £906,000.

NORTH WEST TRAINING COUNCIL LTD**NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024****22. Retirement benefit schemes – Group & Charity (continued)****Risk mitigation Strategies:**

The scheme exposes the Council to a number of risks:

- Investment risk – The Scheme holds investments in asset classes, such as equities, which have volatile market values and while these assets are expected to provide the real returns over the long-term and short-term volatility can cause additional funding to be required if deficits emerge.
- Interest rate risk – The Scheme's liabilities are assessed using market yields on high quality corporate bonds to discount the liabilities. As the Scheme holds assets such as equities, the value of the assets and liabilities may not move in the same way.
- Inflation risk – A proportion of the benefits under the Scheme are linked to inflation. Although the Scheme's assets are expected to provide a good hedge against inflation over the long-term, movements over the short term could lead to deficits emerging.
- Mortality risk – In the event the members live longer than assumed, deficits may emerge in the Scheme.

Profile of defined benefit obligations:

The weighted average duration of the defined obligation is 8 years.

Figures for disclosure for the period ended 31 July 2024 under FRS 102. Results are shown in pounds, rounded to the nearest £1,000.

Principal actuarial assumptions

	2024	2023
	%	%
Discount rate	4.80	5.25
Expected rate of increase of pensions in payment	3.35	3.30
Inflation assumption (RPI)	3.45	3.40
Inflation assumption (CPI)	2.80	2.90

Mortality – For 2024 & 2023, 100% S3PA tables, CMI 2022/2019 projections, 1.25% p.a., nil initial addition & default other parameters.

Commutation – For both 2024 & 2023 member are assumed to take 25% of their pension as tax free cash.

Proportion married at retirement or earlier death – For both 2024 & 2023 75% males, 70% females.

GMP equalisation allowance – For both 2024 & 2023 1.2% of Scheme liabilities.

The current asset split is as follows:

	Bid Values as at 31 July 2024
Equities	1,529,000
Bonds	4,422,000
Cash	15,000
Total Assets	5,966,000

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

22. Retirement benefit schemes – Group & Charity (continued)

Amounts recognised in the profit and loss account:

	2024	2023
Interest on liabilities	257,000	200,000
Interest on assets	(297,000)	(211,000)
	(40,000)	(11,000)

Amounts recognised in other recognised gains & losses:

	2024	2023
Losses/(gains) from changes to financial assumptions	176,000	(928,000)
Gains from changes to demographic assumptions	(12,000)	(126,000)
Gains/(Loss) on assets in excess of interest	(256,000)	395,000
Experience (gains)/losses on liabilities	(6,000)	271,000
Curtailment	906,000	-
	808,000	(388,000)

Amounts recognised in the balance sheet:

	2024	2023
Present value of funded obligations	5,966,000	(5,155,000)
Fair value of assets	(5,060,000)	5,889,000
Curtailment	(906,000)	-
Surplus in scheme	-	734,000

Movements in the present value of defined benefit obligations:

	2024	2023
Liabilities at 1 August 2023	5,155,000	6,220,000
Benefits paid	(510,000)	(482,000)
Experience (gain)/loss on liabilities	(6,000)	271,000
Changes to financial assumptions	176,000	(928,000)
Interest on liabilities	257,000	200,000
Changes to demographic assumptions	(12,000)	(126,000)
At 31 July 2024	5,060,000	5,155,000

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

22. Retirement benefit schemes – Group & Charity (continued)

Sensitivity of the value placed on the liabilities:

	Approx effect on liability 2024 £
Discount rate	
Discount rate +0.25%	(95,000)
Discount rate -0.25%	99,000
Inflation	
Inflation +0.25%	32,000
Inflation -0.25%	(32,000)
Mortality	
90% of base table	242,000
110% of base table	(216,000)

Movement in the fair value of plan assets:

	2024 £	2023 £
Fair value of assets at 1 August 2023	5,889,000	6,522,000
Interest on assets	297,000	211,000
Return on plan assets less interest	256,000	(395,000)
Benefits paid	(510,000)	(482,000)
Contributions by the employer	34,000	33,000
Curtailment	(906,000)	-
Fair value of assets at 31 July 2024	5,060,000	5,889,000
Actual return on assets	553,000	(184,000)

Projected profit & loss account for next year

	Period to 31 July 2025 £
Interest on liabilities	231,000
Interest on assets	(274,000)
Total	(43,000)

The above estimate is based on the assumptions adopted at the Review Date and assumes the following:

- Cashflows to and from the pension scheme are broadly the assume as for the current period
- There are no events (other than those already notified to us) that would give rise to a settlement, curtailment or past service cost.

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

23. Analysis of charitable funds – Group

Analysis of Fund movements	2023 Balance b/fwd £	Income £	Expenditure £	Actuarial gains/loss es £	2024 Funds c/fwd £
Unrestricted funds					
Pension reserve	734,000	74,000	-	(808,000)	-
Self-funded re SIF Grant	358,448	-	(61,166)	-	297,282
Total designated funds	1,092,448	74,000	(61,166)	(808,000)	297,282
General funds	65,084	3,045,191	(2,890,006)	-	220,269
Total unrestricted funds	1,157,532	3,119,191	(2,951,172)	(808,000)	517,551
Restricted funds					
F J White Fund	12,013	-	-	-	12,013
Learning & Skills Council Grant	39,398	-	(1,790)	-	37,608
Sefton Capital Grant	5,000	-	(5,000)	-	-
Strategic Investment fund – 2019	2,113,465	-	(213,612)	-	1,899,853
Strategic Investment Fund – Bid 2	265,790	-	(56,216)	-	209,574
Total restricted funds	2,435,666	-	(276,618)	-	2,159,048
TOTAL FUNDS	3,593,198	3,119,191	(3,227,790)	(808,000)	2,676,599

Analysis of Fund movements	2022 Balance b/fwd £	Income £	Expenditure £	Transfers & Actuarial gains/loss es £	2023 Funds c/fwd £
Unrestricted funds					
Pension reserve	302,000	-	44,000	388,000	734,000
Self-funded re SIF Grant	419,614	-	-	(61,166)	358,448
Total designated funds	721,614	-	44,000	326,834	1,092,448
General funds	(176,720)	3,339,041	(3,435,021)	337,784	65,084
Total unrestricted funds	544,894	3,339,041	(3,391,021)	276,618	1,157,532
Restricted funds					
F J White Fund	12,013	-	-	-	12,013
Learning & Skills Council Grant	41,188	-	-	(1,790)	39,398
Sefton Capital Grant	10,000	-	-	(5,000)	5,000
Strategic Investment fund – 2019	2,327,077	-	-	(213,612)	2,113,465
Strategic Investment Fund – Bid 2	322,006	-	-	(56,216)	265,790
Total restricted funds	2,712,284	-	-	(276,618)	2,435,666
TOTAL FUNDS	3,257,178	3,339,041	(3,391,021)	-	3,593,198

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

24. Analysis of charitable funds – Charity

Analysis of Fund movements	2023 Balance b/fwd £	Income £	Expenditure £	Transfers & Actuarial gains/loss £	2024 Funds c/fwd £
Unrestricted funds					
Pension reserve	734,000	74,000	-	(808,000)	-
Self-funded re SIF Grant	358,448	-	61,166	-	297,282
Total designated funds	1,092,448	74,000	61,166	(808,000)	297,282
General funds	325,465	2,820,934	2,643,157	-	503,242
Total unrestricted funds	1,417,913	2,894,934	2,704,323	(808,000)	800,524
Restricted funds					
F J White Fund	12,013	-	-	-	12,013
Learning & Skills Council Grant	39,398	-	1,790	-	37,608
Sefton Capital Grant	5,000	-	5,000	-	-
Strategic Investment fund – 2019	2,113,465	-	213,612	-	1,899,853
Strategic Investment Fund – Bid 2	265,790	-	56,216	-	209,574
Total restricted funds	2,435,666	-	276,618	-	2,159,048
TOTAL FUNDS	3,853,579	2,894,934	2,980,941	(808,000)	2,959,572

Analysis of Fund movements	2022 Balance b/fwd £	Income £	Expenditure £	Transfers & Actuarial gains/loss £	2023 Funds c/fwd £
Unrestricted funds					
Pension reserve	302,000	-	44,000	(388,000)	734,000
Self-funded re SIF Grant	419,614	-	-	(61,166)	358,448
Total designated funds	721,614	-	44,000	326,834	1,092,448
General funds	9,023	3,093,468	(3,114,810)	337,784	325,465
Total unrestricted funds	730,637	3,093,468	(3,070,810)	664,618	1,417,913
Restricted funds					
F J White Fund	12,013	-	-	-	12,013
Learning & Skills Council Grant	41,188	-	-	(1,790)	39,398
Sefton Capital Grant	10,000	-	-	(5,000)	5,000
Strategic Investment fund – 2019	2,327,077	-	-	(213,612)	2,113,465
Strategic Investment Fund – Bid 2	322,006	-	-	(56,216)	265,790
Total restricted funds	2,712,284	-	-	(276,618)	2,435,666
TOTAL FUNDS	3,442,921	3,093,468	(3,070,810)	388,000	3,853,579

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

a) The unrestricted funds are available to be spent for any of the purposes of the charity.

The Trustees have created the following designated funds:

Pension reserve – designated fund to track the pension asset

Self-funded re SIF Grant - This represents money raised by North West Training Council as part of the SIF bid process in order to self-fund an element of the cost. This was achieved through the sale of the previous site at Dunnings Bridge Road

b) Restricted funds comprise:

F J White Fund – This represents money given to North West Training Council in 1983 to help disadvantaged trainees.

Learning and Skills Council – This represents funding received for the new construction workshop facilities, which is to be written back to the income & expenditure account over the life of the asset.

Sefton Capital Fund – This represents funding provided by Sefton Borough Council for the Charity to improve its existing asset base. The funds were allocated in 2014 and is being written off over the life of the assets.

Strategic Investment Fund – Bid 2 (SIF) – This represents funding received from Liverpool City Region Combined Authority to assist with the purchase of new plant & equipment. The funds have been allocated in 2020 and are being written off over the life of the assets.

Strategic Investment Fund – 2019 – This represents funding received from Liverpool City Region Combined Authority to assist with the purchase of new plant & equipment. The funds have been allocated in 2019 and are being written off over the life of the assets.

25. Net assets over funds – Group

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2024 £
Fixed assets	155,995	297,282	2,147,035	2,600,312
Debtors	639,441	-	-	639,441
Cash at bank and in hand	399,984	-	12,013	411,997
Creditors falling due within one year	(903,639)		-	(903,639)
Creditors falling due after one year	(71,513)	-	-	(71,513)
	220,268	297,282	2,159,048	2,676,598

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024**25. Net assets over funds – Group (continued)**

	Unrestricted Funds	Designated Funds	Restricted Funds	Total 2023
	£	£	£	£
Fixed assets	170,837	358,448	2,423,653	2,952,938
Debtors	680,191	-	-	680,191
Cash at bank and in hand	208,977	-	12,013	220,990
Creditors falling due within one year	(858,009)	-	-	(858,009)
Creditors falling due after one year	(136,912)	-	-	(136,912)
Pension	-	734,000	-	734,000
	<u>65,084</u>	<u>1,092,488</u>	<u>2,435,666</u>	<u>3,593,198</u>

26. Reconciliation of net expenditure to net cash flow from operating activities

	Group 2024	Group 2023
	£	£
Net (expenditure) for the year per the statement of financial activities	(108,599)	(51,980)
Adjustments for:		
Depreciation charges	369,882	389,537
Investment income	(56)	(430)
Taxation charged	-	(4,669)
Difference between pension charge and cash contributions	(74,000)	(44,000)
Decrease/(Increase) in debtors	40,750	(256,554)
Increase in creditors	115,160	71,976
Net cash provided by operating activities	<u>343,137</u>	<u>103,880</u>

27. Analysis of cash and cash equivalents

	Group 2024	Charity 2024	Group 2023	Charity 2023
	£	£	£	£
Cash at bank and in hand	411,997	359,051	220,990	666,649
Total cash and cash equivalents	<u>411,997</u>	<u>359,051</u>	<u>220,990</u>	<u>666,649</u>

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

28. Operating lease commitments

At the year-end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows;

	2024 £	2023 £
Under 1 year	304,954	221,448
Between 2 and 5 years	1,118,228	749,792
In over 5 years	1,148,541	957,301
	<u>2,571,723</u>	<u>1,928,541</u>

29. Judgements and key sources of estimation uncertainty

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

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

Depreciation of fixed assets

Fixed assets are depreciated over the useful life of the assets. The useful life of the fixed assets are based on the knowledge of senior management, with reference to the assets expected life cycle.

Bad debt provision

Trade debtors are reviewed by appropriate experienced senior management on a case-by-case basis with the balance outstanding and the ageing of the debtor taken into consideration.

Allocation of expenditure between activities

Support costs are allocated between charitable activities and governance based on the time spend by senior management on undertaking the charity activities.

Pension liability

The determination of any pension scheme surplus or deficit is based on assumptions determined with independent actuarial advice. The assumptions used to include discount rate, inflation, pension increases, salary increases, the expected return on scheme assets and mortality assumptions. These assumptions will vary from year to year, as will the value of assets, and will be dependent on circumstances at the date of valuation. Refer to note 29 for details of pension commitments.

NORTH WEST TRAINING COUNCIL LTD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 July 2024

29. Judgements and key sources of estimation uncertainty (continued)

Fixed asset impairment

Determine whether there are indicators of impairment of the charity's tangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Leases

Determine whether leases entered into by the charity either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.