NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales · Charity number 528635

Details

Status	Registered
Legal form	Charitable company
Company number	00926888
Registered	1970-10-23
Register	View on the Charity Commission register

Contact

Address	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffordshire ST1 5HR
Phone	01782213485
Email	enquiries@nsegta.co.uk
Website	www.nsegta.co.uk

Activities

Objects: TO PROVIDE FOR, PROMOTE, ORGANISE AND ARRANGE THE PROVISION OF INUSTRIAL TRAINING, IN ACCORDANCE WITH THE PRINCIPLES OF THE INDUSTRIAL TRAINING ACT 1964 OR ANY SUBSEQUENT MODIFICATION OR RE-ENACTMENT THEREOF, FOR PERSONS EMPLOYED (WHETHER AS APPRENTICES OR OTHERWISE) OR INTENDING TO BE EMPLOYED IN THE ENGINEERING INDUSTRY AS DEFINED BY THE INDUSTRIAL TRAINING (ENGINEERING BOARD) ORDER 1967, OR ANY SUBSEQUENT MODIFICATION OR RE-ENACTMENT THEREOF, AND GENERALLY TO SUPERVISE AND FURTHER THE INDUSTRIAL EDUCATION OF SUCH PERSONS. THE AREA OF BENEFIT IS NORTH STAFFORDSHIRE AND THE BORDERING AREAS OF EAST SHROPSHIRE, SOUTH CHESHIRE, EAST CHESHIRE AND DERBYSHIRE.

Activities: Training and education.

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Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, People With Disabilities, Other Defined Groups

Geography

- **Area of benefit:** SEE OBJECTS
- Cheshire East
- Cheshire West & Chester
- Derbyshire
- Staffordshire
- Stoke-on-trent City
- Warrington

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£1,099,774	£909,798	£2,496,537	17
2024-08-31	£1,221,357	£831,001	£2,306,561	17
2023-08-31	£986,937	£791,522	£1,916,205	15
2022-08-31	£1,139,043	£711,049	£1,720,790	15
2021-08-31	£829,089	£584,156	£1,292,796	14
2020-08-31	£624,518	£583,010	£1,047,863	14

Trustees

Name	Role	Appointed
ANDREW JOHN SIMS	Chair	2019-12-12
EDWIN SIMS		
IAN WILLIAM RAESIDE		2015-11-25
Joshua Bailey		2024-06-12

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Charity Registration No. 528635

Company Registration No. 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims I Raeside A Sims Mr J Bailey
Secretary	I Raeside
Charity number	528635
Company number	00926888
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffordshire ST1 5HR
Auditor	Geens Limited Graphic house 124 City Road Stoke on Trent ST4 2PH
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their report and the financial statements and business plan for the year ended 31 August 2025. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administration Information.

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 charitable company's governing document, the Companies Act 2006 and "Accounting and reporting by Charities: Statement of Recommendation 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 2019).

Objectives and activities

In 2024/25 the group underwent senior management changes. From September 2024, Sarah Stanway commenced a joint CEO role alongside Paul Williams, taking on sole responsibility from January 2025. Paul continued to provide support as required until his retirement at the end of March 2025.

During 2024/25, the group remained focused on sustaining steady growth and organisational stability while upholding high standards of quality. This strategic direction ensured that, alongside expansion and sound financial management, the group continued to deliver excellence in learning provision and in the services offered to learners and employers.

The Group's Charitable Objectives and Activities for 2024/25:

- To promote, organise and arrange the provision of training for persons employed or looking for employment in the engineering industry.
- To provide support to employers through apprenticeship programmes.
- To offer advice and guidance to school / young persons on engineering careers.
- To offer local employers a range of engineering focused based training support services.
- To upskill and link unemployed people with local engineering employment opportunities.
- Offer health and safety support advice and guidance to local engineering companies.

The achievement of these objectives has been supported through the following key activities:

The group offers Level 2 Apprenticeship programmes across a wide range of engineering disciplines. These programmes are primarily delivered in the workplace and are supported by structured off-the-job and practical training provided at NSEG. In addition, elements of distance learning are delivered online through our bespoke virtual learning studios. Both apprentices and employers benefit from **secure access to recorded lessons** via our dedicated media site, ensuring flexibility and ongoing support throughout the programme.

At any one time, the group supports **40 – 50 apprentices**, with numbers intentionally reduced in recent years to prioritise **quality over quantity**.

The group provide a free recruitment service to all companies looking to recruit an apprentice and manage the full process – from advertising the role, screening candidates, to shortlisting and arranging interviews ensuring individuals are fully prepared and job ready.

The group conduct regular training needs / skills gap analysis with companies where we offer free advice and guidance. Identified training requirements are then formally agreed and delivered by NSEG or, where appropriate, in collaboration with alternative training organisations. Training costs are agreed in advance, and wherever possible, financial support is provided, including free training for upskilling employees (with an apprenticeships / NVQ) and discounted courses are offered to our member companies.

The group continues to offer programmes to unemployed adults aged 19 and over who are seeking to enter or re-enter the workforce. We work closely with our four local job centres, visiting on a weekly basis to engage with individuals and provide information about employment opportunities within the engineering sector. Owing to the success of our programmes in **Welding and General Engineering, Employability, Digital Skills, and Functional Skills**, we have now expanded our reach to include **Stafford and Crewe Jobcentres**.

The Group continues to deliver impartial advice and guidance through engagement with schools and community job fairs. Utilising the Educational Engineering Careers Van and the Virtual Welder, participants are provided with interactive taster sessions designed to introduce and demonstrate key engineering principles. These activities serve to raise awareness of engineering as a potential career path and inspire individuals to explore opportunities within the sector.

Health and Safety support for member companies has continued to ensure compliance with legislative requirements, with NSEG acting as the **competent person** for many organisations. The group provides advice, guidance, and general support through onsite inspection visits, as well as via telephone and email. Planned investment in this area for 2025 was not pursued due to substantial funding requirements exceeding £500,000 for premises and equipment, combined with limited employer commitment to support the expansion of services.

Membership costs have remained static and the Health & Safety service has continued to be subsidized by the group's surplus.

The group has invested in rebranding NSEG, refreshing its visual identity, modernising communications, and strengthening its presence across digital platforms and our new website. This initiative has enhanced the organisation's profile, reinforced its commitment to excellence, and ensures NSEG is recognised as a leading provider of engineering training and support.

In 2024-25, NSEG continued to invest in its workforce, enhancing salaries and benefits to remain competitive with local FE providers to attract top talent.

The Group has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing its aims and objectives and in planning investments that influence future activities, and believes these have been achieved. Surplus funds accumulated over a number of years have been reinvested to enhance opportunities for local people and to support the needs of local engineering companies, in line with the Group's public benefit objectives.

Achievements and performance

This year, the Group has continued to make a meaningful difference in both the local community and the engineering sector, by upskilling employees, managing apprenticeship programmes, and providing targeted programmes for unemployed individuals.

A comprehensive breakdown of the group's performance can be seen below:

Adult Skills Funding Stats Targets v Actual Stats	Target	Actual Stats
L1 / L2 NVQ's	216	272
Employability Skills	135	161
Functional Skills (Maths/English/Digital)	70	80

Qualification Achievement Rates

- **Apprenticeships:** 79%, significantly above the national average of 60.5%
- **Adult Skills Funding:** 97%, well above the national average of 84.2%
- **Progression for unemployed learners:** 70% moved into employment, further education, or apprenticeships upon course completion
- **Workplace Level 2 NVQs:** 100%
- **Functional Skills (Maths / Digital Skills):** 99%

Overall End Point Assessment results for apprenticeships showed that 40% of learners achieved a Distinction, while 60% achieved a pass.

The consistently high success rates demonstrate the Group's ability to deliver impactful programmes, enabling both learners and employers to attain qualifications and training that make a meaningful contribution to the engineering sector.

Twenty apprentices successfully completed their apprenticeship programmes, while 175 unemployed adults completed their courses and attained qualifications at the Ace Academy. The learner cohort was diverse, encompassing male and female learners, individuals requiring additional support, previous offenders, and those with lower academic attainment.

Progression rates for unemployed adults have shown a slight decrease compared to the previous year, primarily due to the impact of increased National Minimum Wage rates and higher National Insurance contributions, which have constrained companies' capacity to recruit new employees.

Satisfaction survey results for 2024/25 show that 100% of our employers would recommend NSEG to other employers and 100% of our learners would recommend NSEG to their friends and family.

The group maintained its Matrix accreditation following a successful monitoring visit, continuing to provide high-quality advice and guidance to employers and learners.

The group have continued to maintain its Ofsted "Good" rating following the full inspection that took place in December 2023.

The group continues to hold accreditation from EAL, NOCN, Qualitrain, and Information Commissioner's Office (ICO), the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational Safety and Health, and Cyber Security, demonstrating ongoing compliance with professional and regulatory standards.

Financial review

To ensure surplus funds are used to enhance the group's not-for-profit services, the group has designated three areas for the allocation of surplus and current assets.

- £692,661 Fixed Assets
- £131,000 Staff Contingencies
- £500,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members in 2025/26 and cover the cost of repairs on the group's capital investment, The cash reserves of £1,180,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

In considering the investment of funds surplus to immediate needs, the trustees have adopted a policy designed to achieve maximum returns while maintaining minimal risk of loss. In line with this approach, funds will be held in bank deposit and building society accounts, with higher-risk investments prohibited.

Financial performance

This year a surplus was achieved, part of which was invested in no-risk bonds, while the remainder was reinvested in the group's assets. The allocation of surplus has been tailored to ensure that maximum investment is directed back into the Group, supporting the achievement of its charitable objectives and the continued improvement of its services.

The trustees have assessed the major risks facing the charitable company and are satisfied that appropriate systems are in place to mitigate exposure to these risks.

Plans for future periods

The Group's objectives continue to focus on sustaining steady growth and organisational stability, while upholding high standards of quality to ensure excellence in learning provision and services for learners and member companies.

In 2025/26 the group remains committed to fulfilling its charitable objectives, through the following:

Apprenticeships

Apprenticeship starts are projected to increase by 50% compared to 2024/25, supported by the introduction of new Level 3 apprenticeship programmes designed to expand provision and respond to employer demand.

A significant investment is being made in a new, state-of-the-art workshop to strengthen apprenticeship provision. This will include the introduction of Level 3 apprenticeships, ensuring learners have clear progression opportunities and develop the advanced, practical skills demanded by the engineering sector.

Adult Skill Funding

The Adult Skills Funding outturn is projected to rise by 5%, while qualifications delivered to unemployed learners, encompassing NVQs, Employability, Functional Skills (Maths and English), and Digital Functional Skills, are anticipated to increase by 10%.

Significant investment is being made in the expansion of the welding workshop, creating additional capacity to support larger cohorts of unemployed adults and equip them with the practical skills needed to enter or re-enter the workplace.

From 31 July 2026, Adult Skills Funding will be devolved, requiring NSEG to engage in procurement processes to secure future funding. This will be a critical step in maintaining the group's presence within the local area, enabling continued support for individuals seeking employment and for employers wishing to upskill their workforce.

School Careers / Job fairs

The group will continue to offer impartial advice and guidance through engagement with schools and community job fairs, utilising the Educational Engineering Careers Van and Virtual Welder to raise awareness of engineering as a career path and inspire individuals to explore opportunities within this sector.

Health & Safety

The group will continue to provide Health and Safety support to member companies, ensuring compliance with legislative requirements, with NSEG acting as their designated competent person.

Structure, governance and management

Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity by its memorandum and articles of association which were last amended in November 2001.

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:

E Sims
I Raeside
A Sims
Mr J Bailey

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purpose of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

Auditor

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

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

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I Raeside

Trustee

Date: 24/10/25

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees, who are also the directors of North Staffordshire Engineering Group Training Association Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial 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 year.

In preparing these accounts, 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of North Staffordshire Engineering Group Training Association Limited (the 'charitable company') for the year ended 31 August 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP. FRS 102, Charities Act 2011. Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Geens Limited

Geens Limited
Statutory Auditor
Chartered Accountants
Graphic House
124 City Road
Stoke on Trent
ST4 2PH
Date: 24/10/25

Geens Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	Unrestricted funds general 2025 £	Unrestricted funds designated 2025 £	Total 2025 £	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £
Income and endowments from:							
Charitable activities	3	1,044,111	-	1,044,111	1,167,973	-	1,167,973
Investments	4	55,663	-	55,663	50,439	-	50,439
Other income	5	-	-	-	2,945	-	2,945
Total income		1,099,774	-	1,099,774	1,221,357	-	1,221,357
Expenditure on:							
Charitable activities	6	833,036	57,068	890,104	778,291	52,710	831,001
Other expenditure	11	-	19,694	19,694	-	-	-
Total expenditure		833,036	76,762	909,798	778,291	52,710	831,001
Net income/(expenditure)		266,738	(76,762)	189,976	443,066	(52,710)	390,356
Transfers between funds		(156,577)	156,577	-	(13,630)	13,630	-
Net movement in funds	7	110,161	79,815	189,976	429,436	(39,080)	390,356
Reconciliation of funds:							
Fund balances at 1 September 2024		1,062,715	1,243,846	2,306,561	633,279	1,282,926	1,916,205
Fund balances at 31 August 2025		1,172,876	1,323,661	2,496,537	1,062,715	1,243,846	2,306,561

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	13		692,661		612,846
Current assets					
Debtors	14	112,472		84,376	
Cash at bank and in hand		1,810,591		1,650,396	
		1,923,063		1,734,772	
Creditors: amounts falling due within one year	15	(86,272)		(24,081)	
Net current assets			1,836,791		1,710,691
Total assets less current liabilities			2,529,452		2,323,537
Creditors: amounts falling due after more than one year	16		(32,915)		(16,976)
Net assets			2,496,537		2,306,561
The funds of the charitable company					
Unrestricted funds - general			1,172,876		1,062,715
Unrestricted funds - designated	19		1,323,661		1,243,846
			2,496,537		2,306,561

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the trustees on 24/11/25

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I Raeside
Trustee

Company registration number 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from operations	**24**		242,196		418,745
Investing activities					
Purchase of tangible fixed assets		(158,577)		(17,427)	
Proceeds from disposal of tangible fixed assets		2,000		6,744	
Investment income received		55,663		50,439	
Net cash (used in)/generated from investing activities			(100,914)		39,756
Financing activities					
Payment of finance leases obligations		18,913		(1,412)	
Net cash generated from/(used in) financing activities			18,913		(1,412)
Net increase in cash and cash equivalents			160,195		457,089
Cash and cash equivalents at beginning of year			1,650,396		1,193,307
Cash and cash equivalents at end of year			1,810,591		1,650,396

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffordshire, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies (Continued)

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies (Continued)

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 13 for the carrying amount of fixed assets, and note 1.6 for the useful economic lives for each class of assets.

3 Income from charitable activities

	Training and education 2025 £	Training and education 2024 £
Membership fees	35,796	35,751
Services to managing agents	28,598	31,203
Courses	55,914	89,209
Safety services	13,926	14,493
ESFA Funding	898,110	973,611
Enhanced apprenticeships	11,767	23,706
	1,044,111	1,167,973
Analysis by fund		
Unrestricted funds - general	1,044,111	1,167,973

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	55,663	50,439

5 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	-	2,945

6 Expenditure on charitable activities

	Training and education 2025 £	Training and education 2024 £
Direct costs		
Staff costs	576,216	534,970
Depreciation and impairment	57,068	52,710
Course expenses (inc NSEG costs)	45,840	59,781
Rent, rates and insurance	14,891	16,085
Heat, light and water	5,461	12,903
Minor equipment, maintenance and premises expenses	30,876	25,617
Printing, stationery and telephone	12,389	11,956
Publicity (including website)	11,663	11,525
Motor and travelling expenses	12,621	13,356
Auditors' remuneration/ Independent examiner's fees	5,000	4,500
Sundry expenses	22,898	11,968
EAL charges	34,271	25,367
Subscriptions and donations	5,141	5,344
Irrecoverable VAT	22,621	13,236
Other charitable expenditure	33,148	31,683
	890,104	831,001
Analysis by fund		
Unrestricted funds - general	833,036	778,291
Unrestricted funds - designated	57,068	52,710
	890,104	831,001

7 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,000	4,500
Depreciation of owned tangible fixed assets	57,068	52,710
Loss/(profit) on disposal of tangible fixed assets	19,694	(2,945)

8 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2025 £	2024 £
For audit services		
Audit of the financial statements of the charity	5,000	4,500

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2024- none).

10 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
	17	17

Employment costs	2025 £	2024 £
Wages and salaries	483,393	465,351
Social security costs	41,712	39,073
Other pension costs	51,111	30,546
	576,216	534,970

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £159,054 (2024: £76,276)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	-	1
£90,001 to £100,000	1	-

11 Other expenditure

	Unrestricted funds designated 2025 £	Unrestricted funds designated 2024 £
Net loss on disposal of tangible fixed assets	19,694	-

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2024	523,394	220,570	75,114	819,078
Additions	45,469	60,613	52,495	158,577
Disposals	-	-	(37,214)	(37,214)
At 31 August 2025	568,863	281,183	90,395	940,441
Depreciation and impairment				
At 1 September 2024	62,156	118,963	25,113	206,232
Depreciation charged in the year	7,924	29,559	19,585	57,068
Eliminated in respect of disposals	-	-	(15,520)	(15,520)
At 31 August 2025	70,080	148,522	29,178	247,780
Carrying amount				
At 31 August 2025	498,783	132,661	61,217	692,661
At 31 August 2024	461,238	101,607	50,001	612,846

14 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	9,016	8,686
Other debtors	-	518
Prepayments and accrued income	103,456	75,172
	112,472	84,376

15 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Obligations under finance leases	17	4,548	1,574
Other taxation and social security		12,316	9,534
Trade creditors		62,726	8,473
Accruals and deferred income		6,682	4,500
		86,272	24,081

Details of the obligation under finance lease are provided in note 16.

16 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Obligations under finance leases	17	32,915	16,976

17 Finance lease obligations

Future minimum lease payments due under finance leases:

	2025 £	2024 £
Within one year	4,548	1,574
Within two and five years	32,915	16,976
	37,463	18,550

The obligation under finance lease is secured over the relevant asset included within motor vehicles.

18 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	51,111	30,546

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

19 Unrestricted funds - designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 September 2024	Resources expended	Transfers	At 31 August 2025
	£	£	£	£
Fixed Assets	612,846	(76,762)	156,577	692,661
Staff Contingencies	131,000	-	-	131,000
Strategic Development Fund	500,000	-	-	500,000
	1,243,846	(76,762)	156,577	1,323,661

Previous year:	At 1 September 2023	Resources expended	Transfers	At 31 August 2024
	£	£	£	£
Fixed Assets	651,926	(52,710)	13,630	612,846
Staff Contingencies	131,000	-	-	131,000
Strategic Development Fund	500,000	-	-	500,000
	1,282,926	(52,710)	13,630	1,243,846

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charities sustainability giving it the ability to implement any possible rapid capital investment due to any proposed changes in delivery or apprenticeship developments / requirements, or loss of ESFA short term contract. This would have significant impact on the charity. The charity will rely on its ability to react quickly to those changes required to deliver training, fund new equipment and any other resources required. This will be a significant cost to the charity and must be accounted for and designated as required and reviewed yearly.

22 Capital commitments

	2025	2024
	£	£
Amounts contracted for but not provided in the financial statements:		

	2025	2024
	£	£
Acquisition of property, plant and equipment	251,182	-

This the estimated cost for the setup of the Machining Workshop, including necessary machinery, equipment, and infrastructure adjustments, to deliver advanced machining as part of the Level 3 Machining Technician apprenticeship standard.

All costs include installation, staff training, and the installation of additional structural girders in the cellar to comply with Health & Safety regulations.

23 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

24 Cash generated from operations

	2025	2024
	£	£
Surplus for the year	189,976	390,356
Adjustments for:		
Investment income recognised in statement of financial activities	(55,663)	(50,439)
Loss/(gain) on disposal of tangible fixed assets	19,694	(2,945)
Depreciation and impairment of tangible fixed assets	57,068	52,710
Movements in working capital:		
(Increase)/decrease in debtors	(28,096)	15,417
Increase in creditors	59,217	13,646
Cash generated from operations	242,196	418,745

25 Analysis of changes in net funds

	At 1 September 2024	Cash flows	At 31 August 2025
	£	£	£
Cash at bank and in hand	1,650,396	160,195	1,810,591
Obligations under finance leases	(18,550)	(18,913)	(37,463)
	1,631,846	141,282	1,773,128

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Charity registration number 528635

Company registration number 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims I Raeside A Sims Mr J Bailey	 (Appointed 24 April 2024)
Secretary	P Smith	
Charity number	528635	
Company number	00926888	
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffordshire ST1 5HR	
Auditor	Geens Limited Graphic house 124 City Road Stoke on Trent ST4 2PH	
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS	
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA	

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their report and the financial statements and business plan for the year ended 31 August 2024. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administrative Information.

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 charitable company's governing document, 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 2019).

Objectives and activities

- To promote, organize and arrange the provision of training for persons employed or looking for employment in the engineering industry.
- To provide support to employers through apprenticeship programs.
- To offer advice and guidance to schools / young persons on engineering careers.
- To offer local employers a range of engineering focused based training support services.
- To upskill and link unemployed people with local engineering employment opportunities.
- Offer health and safety support advice and guidance to local engineering companies.

This has been achieved from the following activities

Apprenticeship programs. The group has facilitated and delivered apprenticeship programs in all types of engineering activities. These delivered from its base in Hanley and also within the work place of members and clients. The group has 50 - 60 apprentices on program at any one time. The group has invested heavily in its delivery with two studios developed a few years ago to offer continual training on line and access to the recorded training programs are offered freely 24/7 and 365 days a year to both the student and employer.

The group carry out regular skill gap analysis for the group's members and clients these have taken place and training arranged. The group offers an advisory service to discuss training and training programs free to engineering sector companies. It offers a free recruitment and testing service to enable smaller companies to receive direct support. It has applied on behalf of the members and has given advice enabling them to receive assisted financial support.

The group has continued to work closely with the local job centre plus in sites placed around the city, visiting regularly one or two times a week to promote and educate those looking for employment and discussing those opportunities available to them from the local engineering sector following the groups engineering upskilling training. Our upskilling training is developed and completed in areas requested through continued consultation with local engineering employers. The group run two separate steering groups throughout the year with both employers and apprentices. This upskilling of the unemployed and the group's apprenticeship offer means the demographic for the group continues to be very diverse supporting both older and the younger people in the area. We are also supportive to those with learning disabilities, low educational level attainment and registered disabled, all who benefit from the groups academy and its hands on approach.

The group attends and supports local career events and Job shops. The group participate in school career activities to offer advice on career paths and apprenticeships at all levels. We give taster sessions to school pupils on engineering activities using special equipment and our new for this year educational mobile activity van purchased to help them understand engineering and the different roles better; NSEG now reach out to the people of Stoke-on-Trent with tasters of engineering activities and employment skills. The van fully modernized has disability access and designed to promote social integration and community engagement; it continues to reach out to those that would not normally be able to get access to this information or activity. This engages individuals and creates training opportunities, particularly for those that face barriers to employment and/or live in deprived areas. The knock on affect will benefit employers in industries with known skills shortages such as engineering. The van and its activities are designed to give an appreciation of Engineering skills and allow people to try out their ability using enjoyable but safe equipment whilst receiving high quality impartial IAG. NSEGTA staff continue to engage with and attend at least 20 local social groups, careers/job fairs, schools (5 per quarter) of which 20% will be from underrepresented groups. These investments, in the services and support we offer to the local community gives the group the ability to give free advice guidance to all, the sector we support and the local people of Stoke on Trent, and surrounding areas.

Our Education and Skills Funding expertise continues to ensure that there is fair and equal access to funding for training employees to the group's members and associates. Government incentive information as and when it becomes available is sent out via e-mails telephone calls and marketing material. Our team of training officers briefed regularly on incentive payments also pass on relevant information to employers.

We continue to offer education, apprenticeship and training information in all forms to ensure we reach all areas of our demographic in the form of media releases information given with leaflets, e-mail bulletins and special arranged zoom meetings, giving group presentations and face to face support via our new studios.

The group links with the local employers, local colleges, and Staffordshire training network.

Our past and future investments have been, and will continue to be so that the group can offer training, upskilling, and support to enhance, develop and reach out to increasing numbers of people.

The equipment purchased was chosen to ensure that any training taking place is carried out on industrial standard equipment used by employers results in work ready skills and smooth transition into employment by NSEGTA learners.

Health and safety support to members and other companies to meet obligations in legislative requirements in health and safety continues. Subsidized by surplus the group make, this service continues to improve, with equipment purchased to support local companies in testing coolant and assessing atmospheric pollutants.

Membership costs have remained static again but we have offered even more levels of support, and our membership numbers stay consistent.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our investments, which influence future activities and believe we have accomplished this. We have made surplus monies over a number of years, which have supported our continual investments designed to improve the chances for local people and support the needs of local engineering companies in line with our public benefit objectives.

Achievements and performance

This year has again seen the group making significant differences in the engineering sector, from up skilling employees to arranging and overseeing apprenticeship programmes and our training to the unemployed, a recent customer satisfaction survey has concluded that 100% of employers would recommend NSEGTA to other employers.

A comprehensive breakdown of the group's performance is seen below.

Achievements and performance figures for the year ending Aug 24.
2023-24 - Final Recorded success Rates and 2023-24 contractual targets record

2023/24 Contractual Targets

AEB Contract: Contract allocation of £655k was exceeded by £2.5k.

- 187 Ace Academy PMO Starts (129 L1 / 58 L2) Target = 160
- 137 Employability Starts Target = 90
- 79 Functional Skills Starts Target = 60
- 92 EDS Starts Target = 100 (-8)
- 19 Workplace NVQ Starts Target = 30 (-11)

Qualification Achievement Rates – 2023/24

- Overall AEB (including Ace / FS / NVQS) = 95%

- Ace Academy = 96% Nat Av 84.2% Progression rates into FE / employment = 79%

- Workplace L2 NVQs = 79%

- Functional Skills = 92%

- 2024/25 ASF contract has commenced, the contract value and targets remain the same as 2023/24.
- Relationships with JCPs are extremely good and we currently have a waiting list of 33 unemployed individuals to start in the academy which takes us up to the November course.
- ESFA funding rules have also been relaxed which will allow all individuals to progress from the level 1 course to the level 2 course (prior to this if they were aged 19-23 they had to already hold a L2 qualification).

Apprenticeship Update 2023/24:

- 24 x L2 Apprenticeship starts (plus including 3 x 6 week leavers and 2 early leavers)
- 8 x L3 Apprenticeship starts Stoke on Trent College
- Total = 32 Apprenticeship starts against a target on 45 Starts (underperformance of 13 Starts)

Qualification Achievement Rates – 2023/24 Contract Update

- Overall Apprenticeships = 80% Nat Av 54.6%

Lean Manufacturing Qualification Achievement Rate = 93%

12 Lean Manufacturing Achievements - 10 Pass (83%) / 2 Distinction (17%).

We will be reviewing the feedback from the EPA's to better understand why learners are only achieving a pass. Review and update the curriculum / training if necessary.

Engineering Operative Qualification Achievement Rate = 73%

15 Engineering Operative Achievements - 4 Pass (27%) / 11 Distinction (73%).

Overall End point assessment results = 14 Pass – 52% / 13 Distinction – 48%

- Apprenticeships - 80% (National Average 53.4%) Retention Rates – 80%
- Ace Academy - 99% (National Average 86.2%) Retention Rates – 99%
- 74% Progressed in Employment / Further Education
- Functional Skills – 100% (National Average 86.2%) Retention Rates – 100%
- Workplace NVQs – 95% (National Average 86.2%) Retention Rates - 95%

The results of our annual employers and Learners survey seen below.

Employer / Learner Surveys 2023/24 – Feedback

A good response rate from both employers and learners.

Employers

44 employer surveys were emailed out with 30 Employer responses received
68% response rate.

- **100% of employers would recommend NSEG to other employers.**
- 67% of employers agree that their apprentices are acquiring the knowledge, skills and behaviours they need to support them in their job and chosen next steps. 27% strongly agree and 6% neither agree nor disagree.
- 53% of employers strongly agree that NSEG communicates well with their organisation to plan the apprenticeship training and 47% agree.
- 60% of companies would like PPE to be donated.
- 37% of companies do not have a clear understanding of NSEG's charitable aims and objectives and a further 10% would like to know more.
- 17% of companies would like to know more about the benefits of becoming a member
- F.Ball, Don-Bur, Merlin, SPE & Coorstek.
- 3% of companies would like more information on becoming a Trustee (F.Ball) and 17% would consider it in the future
- Pets at Home, Alpha Engineering, Grenville, Parkhouse & Coorstek.
- 93% of companies do not require further support with their Health & Safety, 3.5% do (SPE) and 3% maybe (Alpha Engineering).

What NSEG does well:

- Good / Excellent communication, communication from NSEG is far better than any other apprenticeship services we have worked with
- Good / Excellent Feedback sessions on monthly visits and apprentice fully understands
- Apprenticeships are well structures and apprentices are kept on track
- Understands the employers needs and structures the training for the employer
- Good, quality candidates provided to be apprentices

What NSEG could do better:

- Deliver level 3 apprenticeships and level 3 qualifications (7%)
- More skills based training / practical training (20%)
- More CNC training around G Code (3%)
- Tailor the training to the workplace (3%)
- No improvements required, very good (67%)

Learners

46 learner surveys were emailed out with only 38 learner responses received
83% response rate.

- **100% of learners would recommend NSEG to their friends.**

- 61% of learners agree their apprenticeship programme meets their training needs and are acquiring the knowledge, skills and behaviours to do their job. 37% strongly agree and 2% neither agree nor disagree.
- 68% of learners strongly agree they receive the support from their Training Officer / Tutor. 29% agree and 3% disagree (1 learner).
- 84% of learners strongly agree their Training Officer / Tutor treats them fairly and with respect and 16% agree.
- 71% of learners strongly agree their Training Officer / Tutor gives them regular feedback on their progress and sets them challenging targets, 26% agree and 3% neither agree nor disagree.

What NSEG does well from the survey:

- Monthly progress meeting to make sure I am on target.
- Good communication.
- Good and frequent feedback on work and setting targets.
- Targets are set clearly.
- Provides help / support and well planned lessons.
- Staff are friendly and communicate information clearly in an easy to understand way.
- Enable me to learn in a safe environment by checking in regularly and listening to any concerns.

What NSEG could do better from the survey:

- Communication (12%)
- More regular visits checking progress and near to the end of apprenticeship to prepare you (5%)
- Send out off the job records before the review (3%)
- More practical training with NSEG (8%)
- Online lessons could be improved, a little more entertaining / interactive (19%)
- Access to resources (3%)
- Scheduling (3%)
- Nothing to change / happy with how things are (47%)

The group remain the leading provider for local engineering companies for their apprenticeships. In February 2021, the group became a prime training provider. It received its first independent ofsted monitoring visit inspection in 2022, followed up by a full inspection December 2024 where the group received a good grade across all areas, the full report can be seen at. https://reports.ofsted.gov.uk/provider/33/2654230

The group have successfully retained the matrix standard this year for advice and guidance. It applied for and successfully met the education & skills funding agency standards and remained on the register of UK training providers submitted at the beginning of the year. It successfully gained 2 years in 2023 for adult education funding for its provision in engineering training and up skilling, having now completed the first year the group achieved its targets and will be applying for an additional 2 years funding for at the end of 2025.

The adult education delivery (for those over the age of 19) at nsegta completed with excellent results as seen in the performance review. The numbers passing through the training academy program topped over 180 locally unemployed people, beating last years results ; these were made up of men, women, low academic achievement and special needs, including previous offenders. The group continue to offer a no barriers approach to those we support.

27 work experience / trial programs and support have been accomplished with a special program offering companies the opportunity to give taster sessions in partnership with the local colleges; these have resulted in those on the program gaining an apprenticeship with those companies involved.

Accreditation with the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational Safety and Health, the Matrix standard for advice and guidance, the awarding bodies for EAL, and the AoFA regulated health and safety national standard, cyber secure, the information commissioner's office and Direct claims status with EAL awarding body all maintained.

The health and safety service continues to improve. The group now recognised as a leading health and safety consultant for local engineering companies by the health and safety executive and following a number of inspections. They continue to approach us to support and offer advice on dwell times for machining, atmospheric contaminates and coolant safe handling. We will continue to invest in this area to meet the demands of the industry and offer support; there is planned significant investment in this area for 2025.

Financial review

To ensure that monies surplus are channelled to enhance the groups not for profit services NSEGTA has decided to have 3 areas which are now designated from surplus and its current assets.,

- £612,846 Fixed Assets (capital investment building and equipment)
- £131,000 Staff Contingencies (redundancy payments etc.)
- £500,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members and cover the cost of potential repairs on the group's capital investment. The cash reserves of approximately £1,019,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

The trustees have considered the most appropriate policy for investing funds surplus to immediate needs. They have decided that this should be to maximize the return whilst minimizing the risk of loss of funds. Accordingly, funds invested in bank deposit accounts and building society accounts. Higher risk investments not permitted.

Financial performance

A surplus made this year, some invested in non-risk bonds and some reinvested in the group's assets throughout the year. The designation has been tailored in-line with any surplus made, to ensure maximum investment goes back into the group to help it meet and improve its services and charitable objectives.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Plans for future periods

Senior management changes for 2024 /2025 will result in the group's CEO changing. From September 2024 Sarah Stanway will be taking on the position as joint CEO with Paul Williams and from January 2025 when she will take on the role with sole responsibility.

The trustees have considered the impact on the group and asked that the current CEO to support the transition, as joint CEO from September to December 2024 then taking the position of company president for an undetermined period from Jan 2025.

A business plan presented to the board in June 2024 was unanimously approved.

The plans objective is to continue the groups desire to maintain steady growth and stability. The areas, we have focused on have been traditional group activities, growth in these areas will result in a slight re-positioning back to a more traditional offering for members. This should reduce our susceptibility made possible by an almost certain changing political landscape and any possible impact to government funding.

NSEGTA is facing new and sustained challenges, prime contracts for AEB and apprenticeship funding means that meeting auditing and quality requirements is now a full time and costly requirement.

Loss of skills through a number of employee departures has also impacted on the group's ability to attack bottle necks. The investments made in multi skilling employees over time has resulted in them becoming more attractive to other organisations, which is slightly concerning but unavoidable. We know no other way to get the skills required and will need to continue to invest in employee development. We will also need to employ additional staff.

We have taken into account the planned management changes taking place, which means that there are areas for the group to consolidate for a smooth transition. Current delivery for the Ace academy must be maintained at the current levels, the income is strong in this area and a cautious approach is required to ensure that both contract values and audit requirements are met, which will support another bid.

We have identified however, other areas we feel are ready for investment for growth and improved services.

Throughout our discussions, consideration has been given to the group's heritage, its membership and charitable objectives as well as traditional services.

It remains vitally important that the group retain its strong financial position; investments planned from the approved business plan will allow the group to work with its members to identify and implement important health and safety training and the general up skilling of employees and apprentices in the new health and safety hub planned for 2025.

Our contract with the AEB budget runs out by July 2025, the next 12 months is crucial that we meet and if possible exceed the target of spend that the group has been allocated. We will need to apply for funding again sometime around springtime in 2025. Following two successful tenders, it is clear that the delivery providers have been viciously culled over the last few years and the ESFA wanted to decrease the number of allotted training providers.

Support from members will make it a stronger bid with an employment drive for those completing training at the Ace academy would prove very useful. This will increase our progression rates into employment, which is a contractual requirement.

NSEGTA procured and was awarded £446k for its first AEB contract in 2021/22, but only 88 providers were successful (a reduction from 208 providers the previous year).

In 2022/23, NSEGTA procured again for an AEB contract, with an increased allocation of £655k. Only 55 providers were successful (a further reduction from 88 providers the previous year), with only 15 providers, being awarded the full allocation, NSEGTA being one of them.

A further adult education procurement is a very important to the group's plans and will form part of a concentrated effort to secure this during 2025 when we believe fresh procurement bids will be released.

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

Structure, governance and management
Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity governed by its Memorandum and Articles of Association which were last amended in November 2001.

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:

E Sims	
P Smith	(Resigned 19 July 2024)
I Raeside	
A Sims	
Mr J Bailey	(Appointed 24 April 2024)

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purposes of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

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

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

.....
I Raeside
Trustee

Date: 17.10.24

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of North Staffordshire Engineering Group Training Association Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial 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 year.

In preparing these accounts, 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of North Staffordshire Engineering Group Training Association Limited (the 'charitable company') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP. FRS 102, Charities Act 2011. Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

An audit of the financial statements was performed for the year ended 31 August 2022. The comparative figures are unaudited.

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Geens Limited

Geens Limited

17.10.24

Chartered Accountants
Statutory Auditor

Graphic House
124 City Road
Stoke on Trent
ST4 2PH

Geens Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Total 2024 £	Unaudited Unrestricted funds general 2023 £	Unaudited Unrestricted funds designated 2023 £	Unaudited Total 2023 £
Income and endowments from:							
Charitable activities	3	1,167,973	-	1,167,973	960,152	-	960,152
Investments	4	50,439	-	50,439	20,332	-	20,332
Other income	5	2,945	-	2,945	6,453	-	6,453
Total income		1,221,357	-	1,221,357	986,937	-	986,937
Expenditure on:							
Charitable activities	6	778,291	52,710	831,001	742,875	48,647	791,522
Total expenditure		778,291	52,710	831,001	742,875	48,647	791,522
Net income/(expenditure)		443,066	(52,710)	390,356	244,062	(48,647)	195,415
Transfers between funds		(13,630)	13,630	-	(82,292)	82,292	-
Net movement in funds	7	429,436	(39,080)	390,356	161,770	33,645	195,415
Reconciliation of funds:							
Fund balances at 1 September 2023		633,279	1,282,926	1,916,205	471,509	1,249,281	1,720,790
Fund balances at 31 August 2024		1,062,715	1,243,846	2,306,561	633,279	1,282,926	1,916,205

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024		Unaudited 2023	
		£	£	£	£
Fixed assets					
Tangible assets	**12**		612,846		651,926
Current assets					
Debtors	**13**	84,376		99,793	
Cash at bank and in hand		1,650,396		1,193,307	
		1,734,772		1,293,100	
Creditors: amounts falling due within one year	**14**	(24,081)		(10,433)	
Net current assets			1,710,691		1,282,667
Total assets less current liabilities			2,323,537		1,934,593
Creditors: amounts falling due after more than one year	**15**		(16,976)		(18,388)
Net assets			2,306,561		1,916,205
The funds of the charitable company					
Unrestricted funds - general			1,062,715		633,279
Unrestricted funds - designated	**18**		1,243,846		1,282,926
			2,306,561		1,916,205

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2024

The financial statements were approved by the trustees on 17/10/24.



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I Raeside

Trustee

Company registration number 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024		Unaudited 2023	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	**22**		418,745		189,758
Investing activities					
Purchase of tangible fixed assets		(17,427)		(93,840)	
Proceeds from disposal of tangible fixed assets		6,744		18,000	
Investment income received		50,439		20,332	
Net cash generated from/(used in) investing activities			39,756		(55,508)
Financing activities					
Payment of finance leases obligations		(1,412)		19,962	
Net cash (used in)/generated from financing activities			(1,412)		19,962
Net increase in cash and cash equivalents			457,089		154,212
Cash and cash equivalents at beginning of year			1,193,307		1,039,095
Cash and cash equivalents at end of year			1,650,396		1,193,307

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffordshire, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies **(Continued)**

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 8 for the carrying amount of fixed assets, and note 1.6 for the useful economic lives for each class of assets.

3 Income from charitable activities

	Training and education 2024 £	Training and education 2023 £
Membership fees	35,751	31,219
Services to managing agents	31,203	41,155
Courses	89,209	115,819
Safety services	14,493	12,622
ESFA Funding	973,611	753,979
Enhanced apprenticeships	23,706	800
Ace Academy	-	4,558
	1,167,973	960,152
Analysis by fund		
Unrestricted funds - general	1,167,973	960,152

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	50,439	20,332

5 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	2,945	6,453

6 Expenditure on charitable activities

	Training and education 2024 £	Training and education 2023 £
Direct costs		
Staff costs	534,970	507,390
Depreciation and impairment	52,710	48,647
Course expenses (inc NSEG costs)	59,781	74,786
Rent, rates and insurance	16,085	10,961
Heat, light and water	12,903	8,400
Minor equipment, maintenance and premises expenses	25,617	23,228
Printing, stationery and telephone	11,956	9,281
Publicity (including website)	11,525	13,479
Motor and travelling expenses	13,356	13,643
Auditors' remuneration/ Independent examiner's fees	4,500	2,030
Sundry expenses	11,968	12,736
EAL charges	25,367	21,570
Subscriptions and donations	5,344	4,498
Irrecoverable VAT	13,236	11,017
Other charitable expenditure	31,683	29,856
	831,001	791,522
Analysis by fund		
Unrestricted funds - general	778,291	742,875
Unrestricted funds - designated	52,710	48,647
	831,001	791,522

7 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	4,500	-
- for other financial services	-	2,000
Depreciation of owned tangible fixed assets	52,710	48,647
Profit on disposal of tangible fixed assets	(2,945)	(6,453)

8 Auditor's remuneration

Fees payable to the charity's auditor and associates:	2024 £	2023 £
For audit services		
Audit of the financial statements of the charity	4,500	-
For other services		
All other non-audit services	-	2,000

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2023- none).

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
	17	15

Employment costs	2024 £	2023 £
Wages and salaries	465,351	442,000
Social security costs	39,073	39,607
Other pension costs	30,546	25,783
	534,970	507,390

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £76,276 (2023: £69,621)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 to £70,000	1	-

12 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2023	523,394	203,143	94,506	821,043
Additions	-	17,427	-	17,427
Disposals	-	-	(19,392)	(19,392)
At 31 August 2024	523,394	220,570	75,114	819,078
Depreciation and impairment				
At 1 September 2023	54,616	90,647	23,852	169,115
Depreciation charged in the year	7,540	28,316	16,854	52,710
Eliminated in respect of disposals	-	-	(15,593)	(15,593)
At 31 August 2024	62,156	118,963	25,113	206,232
Carrying amount				
At 31 August 2024	461,238	101,607	50,001	612,846
At 31 August 2023	468,778	112,495	70,653	651,926

13 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	8,686	9,854
Other debtors	518	1,065
Prepayments and accrued income	75,172	88,874
	84,376	99,793

14 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Obligations under finance leases	16	1,574	1,574
Other taxation and social security		9,534	-
Trade creditors		8,473	6,859
Accruals and deferred income		4,500	2,000
		24,081	10,433

Details of the obligation under finance lease are provided in note 16.

15 Creditors: amounts falling due after more than one year

	Notes	2024 £	2023 £
Obligations under finance leases	16	16,976	18,388

16 Finance lease obligations

Future minimum lease payments due under finance leases:

	2024 £	2023 £
Within one year	1,574	1,574
Within two and five years	16,976	18,388
	18,550	19,962

The obligation under finance lease is secured over the relevant asset included within motor vehicles.

17 Retirement benefit schemes

Defined contribution schemes	2024 £	2023 £
Charge to profit or loss in respect of defined contribution schemes	30,546	25,783

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

18 Unrestricted funds - designated

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	At 1 September 2023	Resources expended	Transfers	At 31 August 2024
	£	£	£	£
Fixed Assets	651,926	(52,710)	13,630	612,846
Staff Contingencies	131,000	-	-	131,000
Strategic Development Fund	500,000	-	-	500,000
	1,282,926	(52,710)	13,630	1,243,846

Previous year:	At 1 September 2022	Resources expended	Transfers	At 31 August 2023
	£	£	£	£
Fixed Assets	618,281	(48,647)	82,292	651,926
Staff Contingencies	131,000	-	-	131,000
Strategic Development Fund	500,000	-	-	500,000
	1,249,281	(48,647)	82,292	1,282,926

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charities sustainability giving it the ability to implement any possible rapid capital investment due to any proposed changes in delivery or apprenticeship developments / requirements, or loss of ESFA short term contract. This would have significant impact on the charity. The charity will rely on its ability to react quickly to those changes required to deliver training, fund new equipment and any other resources required. This will be a significant cost to the charity and must be accounted for and designated as required and reviewed yearly.

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Designated funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Designated funds 2023 £	Total 2023 £
Fund balances at 31 August 2024 are represented by:						
Tangible assets	-	612,846	612,846	-	651,926	651,926
Current assets/(liabilities)	1,079,691	631,000	1,710,691	651,667	631,000	1,282,667
Long term liabilities	(16,976)	-	(16,976)	(18,388)	-	(18,388)
	1,062,715	1,243,846	2,306,561	633,279	1,282,926	1,916,205

20 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	1,088	1,088
Between two and five years	848	1,936
	1,936	3,024

21 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

22	**Cash generated from operations**	**2024**	**2023**
		£	**£**
	Surplus for the year	390,356	195,415
	Adjustments for:		
	Investment income recognised in statement of financial activities	(50,439)	(20,332)
	Gain on disposal of tangible fixed assets	(2,945)	(6,453)
	Depreciation and impairment of tangible fixed assets	52,710	48,647
	Movements in working capital:		
	Decrease/(increase) in debtors	15,417	(26,584)
	Increase/(decrease) in creditors	13,646	(935)
	Cash generated from operations	418,745	189,758

23 Analysis of changes in net funds

	At 1 September 2023	Cash flows	At 31 August 2024
	£	£	£
Cash at bank and in hand	1,193,307	457,089	1,650,396
Obligations under finance leases	(19,962)	1,412	(18,550)
	1,173,345	458,501	1,631,846

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Charity Registration No. 528635

Company Registration No. 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims P Smith I Raeside A Sims
Secretary	P Smith
Charity number	528635
Company number	00926888
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffordshire ST1 5HR
Independent examiner	K.V. Staley FCA BSc (Hons) Graphic house 124 City Road Stoke on Trent ST4 2PH
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 AUGUST 2023

The trustees present their report and the financial statements and business plan for the year ended 31 August 2023. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administrative Information.

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 charitable company's governing document, 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 2019).

Objectives and activities

- To promote, organize and arrange the provision of training for persons employed or looking for employment in the engineering industry.
- To provide support to employers through apprenticeship programs.
- To offer advice and guidance to schools / young persons on engineering careers.
- To offer local employers a range of engineering focused based training support services.
- To upskill and link unemployed people with local engineering employment opportunities.
- Offer health and safety support advice and guidance to local engineering companies.

This has been achieved from the following activities

Apprenticeship programs. The group has facilitated and delivered apprenticeship programs in all types of engineering activities. These delivered from its base in Hanley and also within the work place of members and clients. The group has 60 - 80 apprentices on program at any one time. The group has invested heavily in its delivery with two studios developed a few years ago to offer continual training on line and access to the recorded training programs are offered freely 24/7 and 365 days a year to both the student and employer.

The group carry out regular skill gap analysis for the group's members and clients these have taken place and training arranged. The group offers an advisory service to discuss training and training programs free to engineering sector companies. It offers a free recruitment and testing service to enable smaller companies to receive direct support. It has applied on behalf of the members and has given advice enabling them to receive assisted financial support.

The group has continued to work closely with the local job centre plus in sites placed around the city, visiting regularly one or two times a week to promote and educate those looking for employment and discussing those opportunities available to them from the local engineering sector following the groups engineering upskilling training. Our upskilling training is developed and completed in areas requested through continued consultation with local engineering employers. The group run two separate steering groups throughout the year with both employers and apprentices. This upskilling of the unemployed and the group's apprenticeship offer means the demographic for the group continues to be very diverse supporting both older and the younger people in the area. We are also supportive to those with learning disabilities, low educational level attainment and registered disabled, all who benefit from the groups academy and its hands on approach.

The group attends and supports local career events and Job shops. The group participate in school career activities to offer advice on career paths and apprenticeships at all levels. We give taster sessions to school pupils on engineering activities using special equipment and our new for this year educational mobile activity van purchased to help them understand engineering and the different roles better; NSEG now reach out to the people of Stoke-on-Trent with tasters of engineering activities and employment skills. The van fully modernized has disability access and designed to promote social integration and community engagement; it now reaches out to those that would not normally be able to get access to this information or activity. This engages individuals and creates training opportunities, particularly for those that face barriers to employment and/or live in deprived areas. The knock on affect will benefit employers in industries with known skills shortages such as engineering. The van and its activities are designed to give an appreciation of Engineering skills and allow people to try out their ability using enjoyable but safe equipment whilst receiving high quality impartial IAG. An Engineering Careers Advisor has now been employed and trained to identify, engage with and attend at least 20 local social groups, careers/job fairs, schools (5 per quarter) of which 20% will be from underrepresented groups, this has gained special recognition from the Matrix standard for advice and guidance. These continued investments, in the services and support we offer to the local community gives the group the ability to give free advice good guidance to all, the sector we support and the local people of Stoke on Trent, and surrounding areas.

Our Education and Skills Funding expertise continues to ensure that there is fair and equal access to funding for training employees to the group's members and associates. Government incentive information sent out via e-mails telephone calls and our newsletter, our team of training officers briefed regularly on incentive payments and then pass on relevant information to employers.

We continue to offer education, apprenticeship and training information in all forms to ensure we reach all areas of our demographic in the form of media releases information given with leaflets, e-mail bulletins and special arranged zoom meetings, giving group presentations and face to face support via our new studios.

The group links with the local LEP, University, local colleges, SPES (Staffordshire education providers) the prince's trust and the local MP who has visited on a few occasions.

Our past and future investments have been, and will continue to be so that the group can offer training, upskilling, and support to enhance, develop and reach out to increasing numbers of people.

The equipment purchased was chosen to ensure that any training taking place is carried out on industrial standard equipment used by employers results in work ready skills and smooth transition into employment by NSEGTA learners.

Health and safety support to members and other companies to meet obligations in legislative equirements in health and safety continues. Subsidized by surplus the group make, this service continues to improve, with equipment purchased to support local companies in testing coolant and assessing atmospheric pollutants. During the pandemic over the last few years the group launched its support pack for coronavirus to all its members from the outset and this continued throughout those months.

Membership costs have remained static again but we have offered even more levels of support, and our membership numbers stay consistent.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our investments, which influence future activities and believe we have accomplished this. We have made surplus monies over a number of years, which have supported our continual investments designed to improve the chances for local people and support the needs of local engineering companies in line with our public benefit objectives.

Achievements and performance
2022-23 - Final Success Rates

- Apprenticeships - 80% (National Average 53.4%) Retention Rates – 80%
- Ace Academy - 99% (National Average 86.2%) Retention Rates – 99%
- 74% Progressed in Employment / Further Education
- Functional Skills – 100% (National Average 86.2%) Retention Rates – 100%
- Workplace NVQs – 95% (National Average 86.2%) Retention Rates - 95%

This year has again seen the group making significant differences in the engineering sector, from up skilling employees to arranging and overseeing apprenticeship programmes and our training to the unemployed, a recent customer satisfaction survey has concluded that 97% of employers would recommend NSEGTA to other employers.

This year 38 apprentices completed successfully their training programs and the group's performance figures were again well above the national average of 52% with an achievement of 80% successful and timely completions. All our completed apprentices went on to get full time employment, with local engineering companies. The Ace academy trained over 150 unemployed people with an achievement rate of 99% and 74% going on to full time employment or further training.

The group remain the leading provider for over 100 local engineering companies for their apprenticeships. In February 2021, the group became a prime training provider. It received its first independent ofsted monitoring visit inspection in 2022 which was successful. The group have successfully gained the matrix standard for the sixth time running this year for advice and guidance. It applied for and successfully met the education skills and funding agency standards and remained on the register of UK training providers submitted at the beginning of the year. It has successfully gained a further 2 years of adult education funding for its provision in engineering training and up skilling.

The adult education delivery (for those over the age of 19) at nsegta completed with excellent results as seen. The numbers passing through the training academy program topped over 150 locally unemployed people; these were made up of men, women, low academic achievement and special needs, including previous offenders. The group offer a no barriers approach to those we support.

35 work experience / trial programs and support have been accomplished with a special program offering companies the opportunity to give taster sessions in partnership with the local colleges; these have resulted in those on the program gaining an apprenticeship with those companies involved.

Accreditation with the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational Safety and Health, the Matrix standard for advice and guidance, the awarding bodies for EAL, and the AoFA regulated health and safety national standard, cyber secure, the information commissioner's office and Direct claims status with EAL awarding body all maintained.

The health and safety service continues to improve. The group now recognised as a leading health and safety consultant for local engineering companies by the health and safety executive and following a number of inspections. They have approached us to support and offer advice on dwell times for machining, atmospheric contaminates and coolant safe handling. We will continue to invest in this area to meet the demands of the industry and offer support.

Financial review

To ensure that monies surplus are channelled to enhance the groups not for profit services NSEGTA has decided to have 3 areas which are now designated from surplus and its current assets.,

- £651,926 Fixed Assets (capital investment building and equipment)
- £131,000 Staff Contingencies (redundancy payments etc.)
- £500,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members and cover the cost of potential repairs on the group's capital investment. The cash reserves of approximately £560,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

The trustees have considered the most appropriate policy for investing funds surplus to immediate needs. They have decided that this should be to maximize the return whilst minimizing the risk of loss of funds. Accordingly, funds invested in bank deposit accounts and building society accounts. Higher risk investments not permitted.

Financial performance

A surplus made this year, some invested in non-risk bonds and some reinvested in the group's assets throughout the year. The designation has been tailored in-line with any surplus made, to ensure maximum investment goes back into the group to help it meet and improve its services and charitable objectives.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Plans for future periods

The group needs to be able to respond to a changing landscape, many of the established training providers locally have gone into liquidation with large sums of money clawed back by the education and skills funding agency as the requirements for both apprenticeship delivery and adult education become increasing difficult to deliver. Reserves for possible audit penalties, a serious consideration, which would only be removed or mitigated by stringent quality procedures and increasing internal audit checks, costing time and money, the group is taking these things into consideration and has now increased its staffing numbers and expertise. The group will need to ensure that it concentrates on the things it does well and not over stretch into areas that may make it vulnerable. We will continue to offer low cost training for both on and off the job training in sector skill requirement via NVQ's and our short courses in our traditional areas. The health and safety services will continue to offer local companies subsidized support in that crucial area.

Our online training will be beneficial to anyone looking to get cost effective training and be available to all, we intend to expand those courses over the next year, these will be offered 24/7.

The group continues to see great success with its approach to upskilling the unemployed and we believe this will be an increasing need as skill shortages in the engineering sector are increasingly apparent. We are looking to invest in this area and to expand technical skills, and are purchasing more equipment, which increases the skills base and made available to the unemployed for upskilling and improving employment prospects and our apprentices for further training.

Our completed level two apprentices this year are been given the opportunity to progress to level 3, which since the changes from frameworks to standards had not been possible due to the changes in delivery and resource requirements. Linking with the local college, the group now in partnership with them are offering a level three program. This is the first year and it is being closely monitored to assess its success. Early signs are very promising.

The group's reserves remain in a good position to react in a positive way and quickly to market needs. We will be looking to invest into more equipment, larger equipment, and technologically up to date equipment so that we can support and give greater understanding of engineering in today's manufacturing arena, linking with industrial experts within the members companies and engineering product suppliers is becoming more of a focus.

Therefore, the trustees continue to believe that it would be prudent that money for a possible relocation continue to be available and allocated to this possibility. Forming part of the group's future strategy.

Structure, governance and management

Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity governed by its Memorandum and Articles of Association which were last amended in November 2001.

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:

E Sims
P Smith
I Raeside
A Sims

Organisational structure

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purposes of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

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

I Raeside
Trustee

23 October 2023

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

I report to the trustees on my examination of the financial statements of North Staffordshire Engineering Group Training Association Limited (the charitable company) for the year ended 31 August 2023.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



K.V. Staley FCA BSc (Hons)

Graphic House
124 City Road
Stoke on Trent
ST4 2PH

Dated: 23 October 2023

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Total 2023 £	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £
Income and endowments from:							
Charitable activities	3	960,152	-	960,152	1,134,594	-	1,134,594
Investments	4	20,332	-	20,332	4,449	-	4,449
Other income	5	6,453	-	6,453	-	-	-
Total income		986,937	-	986,937	1,139,043	-	1,139,043
Expenditure on:							
Charitable activities	6	742,875	48,647	791,522	666,474	44,575	711,049
Net incoming resources before transfers		244,062	(48,647)	195,415	472,569	(44,575)	427,994
Gross transfers between funds		(82,292)	82,292	-	(218,944)	218,944	-
Net income for the year/ Net movement in funds		161,770	33,645	195,415	253,625	174,369	427,994
Fund balances at 1 September 2022		471,509	1,249,281	1,720,790	217,884	1,074,912	1,292,796
Fund balances at 31 August 2023		633,279	1,282,926	1,916,205	471,509	1,249,281	1,720,790

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	**10**		651,926		618,281
Current assets					
Debtors	**11**	99,793		73,209	
Cash at bank and in hand		1,193,307		1,039,095	
		1,293,100		1,112,304	
Creditors: amounts falling due within one year	**13**	(10,433)		(9,795)	
Net current assets			1,282,667		1,102,509
Total assets less current liabilities			1,934,593		1,720,790
Creditors: amounts falling due after more than one year	**14**		(18,388)		-
Net assets			1,916,205		1,720,790
Income funds					
Unrestricted funds					
Designated funds	**15**	1,282,926		1,249,281	
General unrestricted funds		633,279		471,509	
			1,916,205		1,720,790
			1,916,205		1,720,790

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2023.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23 October 2023

I Raeside
Trustee

Company registration number 00926888

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	**19**		189,758		438,103
Investing activities					
Purchase of tangible fixed assets		(93,840)		(33,943)	
Proceeds from disposal of tangible fixed assets		18,000		-	
Repayment of investment loans and receivables		-		600	
Investment income received		20,332		4,449	
Net cash used in investing activities			(55,508)		(28,894)
Financing activities					
Payment of obligations under finance leases		19,962		(25,839)	
Net cash generated from/(used in) financing activities			19,962		(25,839)
Net increase in cash and cash equivalents			154,212		383,370
Cash and cash equivalents at beginning of year			1,039,095		655,725
Cash and cash equivalents at end of year			1,193,307		1,039,095

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffordshire, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies **(Continued)**

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 8 for the carrying amount of fixed assets, and note 1.6 for the useful economic lives for each class of assets.

3 Charitable activities

	Training and education 2023 £	Training and education 2022 £
Membership fees	31,219	31,609
Services to managing agents	41,155	164,363
Courses	115,819	94,090
Safety services	12,622	9,237
ESFA Funding	753,979	695,802
Enhanced apprenticeships	800	7,616
Ace Academy	4,558	131,877
	960,152	1,134,594

4 Investments

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Interest receivable	20,332	4,449

5 Other income

	Unrestricted funds general 2023 £	Total 2022 £
Net gain on disposal of tangible fixed assets	6,453	-

6 Charitable activities

	Training and education 2023 £	Training and education 2022 £
Staff costs	507,390	484,343
Depreciation and impairment	48,647	44,575
Course expenses (inc NSEG costs)	74,786	27,578
Rent, rates and insurance	10,961	10,093
Heat, light and water	8,400	5,935
Minor equipment, maintenance and premises expenses	23,228	16,141
Printing, stationery and telephone	9,281	10,890
Publicity (including website)	13,479	3,607
Motor and travelling expenses	13,643	9,964
Auditors' remuneration/ Independent examiner's fees	2,030	3,950
Sundry expenses	12,736	13,261
EAL charges	21,570	30,433
Subscriptions and donations	4,498	4,190
Irrecoverable VAT	11,017	8,012
Other charitable expenditure	29,856	38,077
	791,522	711,049
	791,522	711,049
Analysis by fund		
Unrestricted funds - general	742,875	666,474
Unrestricted funds - designated	48,647	44,575
	791,522	711,049

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2022- none).

8 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
	15	15

8 Employees (Continued)

Employment costs	2023	2022
	£	£
Wages and salaries	442,000	415,186
Social security costs	39,607	37,343
Other pension costs	25,783	31,814
	507,390	484,343

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £69,621 (2022: £74,624).

There were no employees whose annual remuneration was more than £60,000.

9 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxationof Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

10 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2022	523,394	208,920	55,511	787,825
Additions	-	24,721	69,119	93,840
Disposals	-	(30,498)	(30,124)	(60,622)
At 31 August 2023	523,394	203,143	94,506	821,043
Depreciation and impairment				
At 1 September 2022	47,076	91,336	31,133	169,545
Depreciation charged in the year	7,540	29,810	11,297	48,647
Eliminated in respect of disposals	-	(30,498)	(18,577)	(49,075)
At 31 August 2023	54,616	90,648	23,853	169,117
Carrying amount				
At 31 August 2023	468,778	112,495	70,653	651,926
At 31 August 2022	476,318	117,585	24,378	618,281

11 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	9,854	6,455
Other debtors	1,065	570
Prepayments and accrued income	88,874	66,184
	99,793	73,209

12 Finance lease commitments

Future minimum lease payments due under finance leases:

	2023 £	2022 £
Within one year	1,574	-
Within two and five years	18,388	-
	19,962	-

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Obligations under finance leases	12	1,574	-
Trade creditors		6,859	5,845
Accruals and deferred income		2,000	3,950
		10,433	9,795

The obligation under finance lease is secured over the relevant asset included within motor vehicles.

14 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Obligations under finance leases	12	18,388	-

15 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2021	Resources expended	Transfers	Balance at 1 September 2022	Resources expended	Transfers	Balance at 31 August 2023
	£	£	£	£	£	£	£
Fixed Assets	628,912	(44,575)	33,944	618,281	(48,647)	82,292	651,926
Staff Contingencies	116,000	-	15,000	131,000	-	-	131,000
Strategic Development Fund	330,000	-	170,000	500,000	-	-	500,000
	1,074,912	(44,575)	218,944	1,249,281	(48,647)	82,292	1,282,926

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charities sustainability giving it the ability to implement any possible rapid capital investment due to any proposed changes in delivery or apprenticeship developments / requirements, or loss of ESFA short term contract. This would have significant impact on the charity. The charity will rely on its ability to react quickly to those changes required to deliver training, fund new equipment and any other resources required. This will be a significant cost to the charity and must be accounted for and designated as required and reviewed yearly.

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Designated funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £
Fund balances at 31 August 2023 are represented by:						
Tangible assets	-	651,926	651,926	-	618,281	618,281
Current assets/(liabilities)	651,667	631,000	1,282,667	471,509	631,000	1,102,509
Long term liabilities	(18,388)	-	(18,388)	-	-	-
	633,279	1,282,926	1,916,205	471,509	1,249,281	1,720,790

17 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	1,088	1,088
Between two and five years	1,936	3,024
	3,024	4,112

18 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

19	**Cash generated from operations**	**2023**	**2022**
		£	**£**
	Surplus for the year	195,415	427,994
	Adjustments for:		
	Investment income recognised in statement of financial activities	(20,332)	(4,449)
	Gain on disposal of tangible fixed assets	(6,453)	-
	Depreciation and impairment of tangible fixed assets	48,647	44,575
	Movements in working capital:		
	(Increase) in debtors	(26,584)	(32,108)
	(Decrease)/increase in creditors	(935)	2,091
	Cash generated from operations	189,758	438,103

20 Analysis of changes in net funds

	At 1 September 2022	**Cash flows**	**At 31 August 2023**
	£	**£**	**£**
Cash at bank and in hand	1,039,095	154,212	1,193,307
Obligations under finance leases	-	(19,962)	(19,962)
	1,039,095	134,250	1,173,345

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Charity Registration No. 528635

Company Registration No. 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims P Smith I Raeside A Sims
Secretary	P Smith
Charity number	528635
Company number	00926888
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffordshire ST1 5HR
Auditor	Geens Limited 68 Liverpool Road Stoke on Trent Staffordshire ST4 1BG
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees present their report and the financial statements and business plan for the year ended 31 August 2022. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administrative Information.

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 charitable company's governing document, 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 2019)."

Objectives and activities

- To promote, organize and arrange the provision of training for persons employed or looking for employment in the engineering industry.
- To provide support to employers through apprenticeship programs.
- To offer advice and guidance to schools / young persons on engineering careers.
- To offer local employers a range of engineering focused based training support services.
- To upskill and link unemployed people with local engineering employment opportunities.
- Offer health and safety support advice and guidance to local engineering companies.

This has been achieved from the following activities

Apprenticeship programs. The group has facilitated and delivered apprenticeship programs in all types of engineering activities. These delivered from its base in Hanley and also within the work place of members and clients. The group has over one hundred apprentices on program at any one time. Over the pandemic, the group invested in its delivery options and now has two studios developed to offer continual training on line and access the recorded training programs offered freely 24/7 and 365 days a year to both the student and employer.

The group carry out regular skill gap analysis for the group's members and clients these have taken place and training arranged. The group offers an advisory service to discuss training and training programs free to engineering sector companies. It offers a free recruitment and testing service to enable smaller companies to receive direct support. It has applied on behalf of the members and has given advice enabling them to receive assisted financial support.

The group has continued to work closely with the local job centre plus centres situated around the city visiting regularly one or two times a week to promote and educate those looking for employment discussing those opportunities available to them from the local engineering sector following upskilling training. Our upskilling training is developed and completed in areas requested through consultation where there has been an identified need with those same local employers. This upskilling of the unemployed means the demographic for the group continues to be very diverse supporting both older and the younger people in the area. We are also supportive to those with learning disabilities, low educational level attainment and registered disabled, all who benefit from the groups academy and its hands on approach.

The group attends and supports local career events and Job shops. The group participate in school career activities to offer advice on career paths and apprenticeships at all levels. We give taster sessions to school pupils on engineering activities using special equipment purchased to help them understand engineering and the different roles better, this has gained special recognition from the Matrix standard for advice and guidance, with the group represented on their website as examples of good practice. Our continued investments, in the services and support we offer to the local community gives the group the ability to give free advice and guidance to all sectors as we bring in industry and employment expertise to assist if required.

Our Education and Skills Funding expertise continues to ensure that there is fair and equal access to funding for training employees to the group's members and associates. Government incentive information sent out via e-mails telephone calls and our newsletter, our team of training officers briefed regularly on incentive payments and then pass on relevant information to employers.

We continue to offer education, apprenticeship and training information in all forms to ensure we reach all areas of our demographic in the form of media releases information given with leaflets, e-mail bulletins and special arranged zoom meetings, giving group presentations and face to face support via our new studio's.

The group links with the local LEP, University, local colleges, SPES (Staffordshire education providers) the prince's trust and the local MP who has visited on a few occasions.

Our past and future investments have been, and will continue to be so that the group can offer training, upskilling, and support to enhance, develop and reach out to increasing numbers of people.

The equipment purchased chosen to ensure that any training taking place is carried out on industrial standard equipment used by employers results in work ready skills and smooth transition into employment by NSEGTA learners.

Health and safety support to members and other companies to meet obligations in legislative requirements in health and safety continues. Subsidized by surplus the group make, this service continues to improve, with equipment purchased to support local companies in testing coolant and assessing atmospheric pollutants. During the pandemic over the last few years the group launched its support pack for coronavirus to all its members from the outset and this continued throughout those months.

Membership costs have remained static again but we have offered even more levels of support, and our membership numbers stay consistent.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our investments, which influence future activities and believe we have accomplished this. We have made surplus monies over a number of years, which have supported our continual investments designed to improve the chances for local people and support the needs of local engineering companies in line with our public benefit objectives.

Achievements and performance

This year has again seen the group making significant differences in the engineering sector, from up skilling employees to arranging and overseeing apprenticeship programmes and our training to the unemployed.

This year 60 apprentices completed successfully their training programs and the group's performance figures were again well above the national average of 52% with an achievement of 82% successful and timely completions. All our completed apprentices went on to get full time employment, with local engineering companies.

The group remain the leading provider for over 100 local engineering companies for their apprenticeships. In February 2021, the group became a prime training provider. It received its first independent ofsted monitoring visit inspection this year successfully completed in July 22. In August 2022 it successfully met the audit requirements of the matrix standard for advice and guidance. It applied for and successfully met the education skills and funding agency standards to be entered on the register of UK training providers submitted at the beginning of the year.

Adult education delivery (for those over the age of 19) at NSEGTA completed with excellent results in both attainment of qualifications with a 100% success rate, and from these 82% went into full time employment or further education. The numbers passing through the training academy program topped over 150 locally unemployed people; these were made of men, women, low academic achievement and special needs, including previous offenders. The group offer a no barriers approach to those we support.

20 work experience programs and support have been accomplished with a special program offering companies the opportunity to give taster sessions in partnership with the local colleges; these have resulted into those on the program gaining an apprenticeship with those companies involved.

Accreditation with the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational *Safety* and Health, the Matrix standard for advice and guidance, the awarding bodies for EAL, and the AoFA regulated health and safety national standard, cyber secure, the information commissioner's office and Direct claims status with EAL awarding body all maintained.

The health and safety service continues to improve. The group now recognised as a leading health and safety consultant for local engineering companies by the health and safety executive and following a number of inspections. They have approached us to support and offer advice on dwell times for machining following our inspection of local engineering equipment and atomised coolant problems. We continue to invest in this area to meet the demands of the industry and offer support.

Financial review

To ensure that monies surplus are channelled to enhance the groups not for profit services NSEGTA has decided to have 3 areas which are now designated from surplus and its current assets.,

- £618,281 Fixed Assets (capital investment building and equipment)
- £131,000 Staff Contingencies (redundancy payments etc.)
- £500,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members and cover the cost of potential repairs on the group's capital investment. The cash reserves of approximately £400,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

The trustees have considered the most appropriate policy for investing funds surplus to immediate needs. They have decided that this should be to maximize the return whilst minimizing the risk of loss of funds. Accordingly, funds invested in bank deposit accounts and building society accounts. Higher risk investments not permitted.

Financial performance

A surplus made this year, some invested in non-risk bonds and some reinvested in the group's assets throughout the year. The designation has been tailored in-line with any surplus made, to ensure maximum investment goes back into the group to help it meet and improve its services and charitable objectives.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Plans for future periods

The group needs to be able to respond to a changing landscape, many of the established training providers locally have gone into liquidation with large sums of money clawed back by the education and skills funding agency as the requirements for both apprenticeship delivery and adult education become increasing difficult to deliver. Reserves for possible audit penalties, a serious consideration, which would only be removed or mitigated by stringent quality procedures and increasing internal audit checks, costing time and money, the group is taking these things into consideration with staffing numbers and expertise. The group will need to ensure that it concentrates on the things it does well and not over stretch into areas that may make it vulnerable. However locally now there will be a gap in the market and we must ensure that we try to bridge that gap so that the local area does not suffer too much, carefully considering which areas to target as priority and within our capability and sector objectives.

We will continue to offer low cost training for both on and off the job; training in sector skill requirement via NVQ's and our short courses in our traditional areas. The health and safety services will continue to offer local companies subsidized support in that crucial area.

Our online training will be beneficial to anyone looking to get cost effective training and be available to all, we will expand those courses over the next year, these will be offered 24/7.

The group has seen great success with its approach to upskilling the unemployed and we believe this will be an increasing need as skill shortages in the engineering sector become increasingly apparent. We are looking to invest in this area and to expand technical skills, further consultation will be required but with the groups reserves it is in a good position to react in a positive way. We will be looking to invest into more equipment, larger equipment, and technologically up to date equipment so that we can support and give greater understanding of engineering in today's manufacturing arena, linking with industrial experts within the members companies and engineering product suppliers.

Therefore, the trustees continue to believe that it would be prudent that money for a possible relocation allocated and continue to form part of the group's future strategy.

Structure, governance and management
Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity governed by its Memorandum and Articles of Association which were last amended in November 2001.

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:

E Sims
P Smith
I Raeside
A Sims
L Stephenson (Resigned 27 October 2021)

Organisational structure

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purposes of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

Auditor

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

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

I Raeside
Trustee

28 November 2022

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2022

The trustees, who are also the directors of North Staffordshire Engineering Group Training Association Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare accounts for each financial 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 year.

In preparing these accounts, 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 accounts; and

- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of North Staffordshire Engineering Group Training Association Limited (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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, the trustees, who are also the directors of the charitable company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

As part of our planning process:

- we enquired of management the systems and controls the charity has in place, the areas of the financial statements that are most susceptible to the risk of irregularities and fraud, whether there was any known, suspected or alleged fraud. the charity did not inform us of any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the charity. We determined that the following were most relevant: the Charity SORP. FRS 102, Charities Act 2011. Companies Act 2006.
- We considered the incentives and opportunities that exist in the charity, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the charity, together with the discussions held with the charity at the planning stage, we formed a conclusion the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates.
- Assessing the extent of compliance, or lack of, with relevant laws and regulations.
- Assessing the validity of the classification of income, expenditure, assets and liabilities between unrestricted and restricted funds.
- Obtaining third party confirmation of material bank balances.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing documentation such as charity board minutes for discussions of irregularities including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters

An audit of the financial statements was performed for the year ended 31 August 2022. The comparative figures are unaudited.

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Geens Limited

Geens Limited

28 November 2022

Chartered Accountants
Statutory Auditor

68 Liverpool Road
Stoke on Trent
Staffordshire
ST4 1BG

Geens Limited is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
Income from:							
Charitable activities	3	1,134,594	-	1,134,594	827,571	-	827,571
Investments	4	4,449	-	4,449	1,518	-	1,518
Total income		1,139,043	-	1,139,043	829,089	-	829,089
Expenditure on:							
Charitable activities	5	666,474	44,575	711,049	536,040	48,116	584,156
Net incoming resources before transfers		472,569	(44,575)	427,994	293,049	(48,116)	244,933
Gross transfers between funds		(218,944)	218,944	-	(220,750)	220,750	-
Net income for the year/ Net movement in funds		253,625	174,369	427,994	72,299	172,634	244,933
Fund balances at 1 September 2021		217,884	1,074,912	1,292,796	145,585	902,278	1,047,863
Fund balances at 31 August 2022		471,509	1,249,281	1,720,790	217,884	1,074,912	1,292,796

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	8		618,281		628,912
Current assets					
Debtors	9	73,209		41,701	
Cash at bank and in hand		1,039,095		655,725	
		1,112,304		697,426	
Creditors: amounts falling due within one year	10	(9,795)		(14,753)	
Net current assets			1,102,509		682,673
Total assets less current liabilities			1,720,790		1,311,585
Creditors: amounts falling due after more than one year	11		-		(18,789)
Net assets			1,720,790		1,292,796
Income funds					
Unrestricted funds					
Designated funds	12	1,249,281		1,074,912	
General unrestricted funds		471,509		217,884	
			1,720,790		1,292,796
			1,720,790		1,292,796

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2022

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

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

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 28 November 2022

I Raeside
Trustee

Company registration number 00926888

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from operations	**15**		438,103		295,100
Investing activities					
Purchase of tangible fixed assets		(33,943)		(57,751)	
Repayment of investment loans and receivables		600		1,200	
Investment income received		4,449		1,518	
Net cash used in investing activities			(28,894)		(55,033)
Financing activities					
Payment of obligations under finance leases		(25,839)		(7,051)	
Net cash used in financing activities			(25,839)		(7,051)
Net increase in cash and cash equivalents			383,370		233,016
Cash and cash equivalents at beginning of year			655,725		422,709
Cash and cash equivalents at end of year			1,039,095		655,725

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffordshire, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies **(Continued)**

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 8 for the carrying amount of fixed assets, and note 1.6 for the useful economic lives for each class of assets.

3 Charitable activities

	Training and education 2022 £	Training and education 2021 £
Membership fees	31,609	30,703
Services to managing agents	164,363	358,383
Courses	94,090	56,220
Safety services	9,237	7,762
ESFA Funding	695,802	50,049
Enhanced apprenticeships	7,616	3,320
Ace Academy	131,877	321,134
	1,134,594	827,571

4 Investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Interest receivable	4,449	1,518

5 Charitable activities

	Training and education 2022 £	Training and education 2021 £
Staff costs	484,343	421,031
Depreciation and impairment	44,575	48,116
Course expenses (inc NSEG costs)	27,578	21,480
Rent, rates and insurance	10,093	11,090
Heat, light and water	5,935	5,202
Minor equipment, maintenance and premises expenses	16,141	14,227
Printing, stationery and telephone	10,890	8,530
Publicity (including website)	3,607	1,188
Motor and travelling expenses	9,964	4,710
Auditors' remuneration/ Independent examiner's fees	3,950	1,835
Sundry expenses	13,261	11,019
EAL charges	30,433	11,844
Subscriptions and donations	4,190	5,954
Irrecoverable VAT	8,012	6,984
Other charitable expenditure	38,077	10,946
	711,049	584,156
	711,049	584,156
Analysis by fund		
Unrestricted funds - general	666,474	536,040
Unrestricted funds - designated	44,575	48,116
	711,049	584,156

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2021- none).

7 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	15	14

7 Employees (Continued)

Employment costs	2022	2021
	£	£
Wages and salaries	415,186	374,749
Social security costs	37,343	32,945
Other pension costs	31,814	13,337
	484,343	421,031

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £74,624 (2021: £58,570).

There were no employees whose annual remuneration was more than £60,000.

8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2021	513,784	184,587	55,511	753,882
Additions	9,610	24,333	-	33,943
At 31 August 2022	523,394	208,920	55,511	787,825
Depreciation and impairment				
At 1 September 2021	39,664	62,298	23,007	124,969
Depreciation charged in the year	7,412	29,037	8,126	44,575
At 31 August 2022	47,076	91,335	31,133	169,544
Carrying amount				
At 31 August 2022	476,318	117,585	24,378	618,281
At 31 August 2021	474,120	122,288	32,504	628,912

9 Debtors

Amounts falling due within one year:	2022	2021
	£	£
Trade debtors	6,455	30,885
Other debtors	570	448
Prepayments and accrued income	66,184	10,368
	73,209	41,701

10 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Obligations under finance leases		-	7,050
Trade creditors		5,845	5,773
Accruals and deferred income		3,950	1,930
		9,795	14,753

The obligation under finance lease is secured over the relevant asset included within motor vehicles.

11 Creditors: amounts falling due after more than one year

	Notes	2022 £	2021 £
Obligations under finance leases		-	18,789

12 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2020	Resources expended	Transfers	Balance at 1 September 2021	Resources expended	Transfers	Balance at 31 August 2022
	£	£	£	£	£	£	£
Fixed Assets	619,278	(48,116)	57,750	628,912	(44,575)	33,944	618,281
Staff Contingencies	103,000	-	13,000	116,000	-	15,000	131,000
Strategic Development Fund	180,000	-	150,000	330,000	-	170,000	500,000
	902,278	(48,116)	220,750	1,074,912	(44,575)	218,944	1,249,281

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charities sustainability giving it the ability to implement any possible rapid capital investment due to any proposed changes in delivery or apprenticeship developments / requirements, or loss of ESFA short term contract. This would have significant impact on the charity. The charity will rely on its ability to react quickly to those changes required to deliver training, fund new equipment and any other resources required. This will be a significant cost to the charity and must be accounted for and designated as required and reviewed yearly.

13 Analysis of net assets between funds

	Unrestricted funds 2022	Designated funds 2022	Total 2022	Unrestricted funds 2021	Designated funds 2021	Total 2021
	£	£	£	£	£	£
Fund balances at 31 August 2022 are represented by:						
Tangible assets	-	618,281	618,281	-	628,912	628,912
Current assets/ (liabilities)	471,509	631,000	1,102,509	236,673	446,000	682,673
Long term liabilities	-	-	-	(18,789)	-	(18,789)
	471,509	1,249,281	1,720,790	217,884	1,074,912	1,292,796

14 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

15 Cash generated from operations

	2022	2021
	£	£
Surplus for the year	427,994	244,934
Adjustments for:		
Investment income recognised in statement of financial activities	(4,449)	(1,518)
Depreciation and impairment of tangible fixed assets	44,575	48,116
Movements in working capital:		
(Increase)/decrease in debtors	(32,108)	4,558
Increase/(decrease) in creditors	2,091	(990)
Cash generated from operations	438,103	295,100

16 Analysis of changes in net funds

	At 1 September 2021	Cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	655,725	383,370	1,039,095
Obligations under finance leases	(25,839)	25,839	-
	629,886	409,209	1,039,095

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Companies House copy

Charity Registration No. 528635

Company Registration No. 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims D Edwards P Smith D Bentley I Raeside A Sims L Stephenson
Secretary	P Smith
Chief Executive Officer	P Williams
Charity number	528635
Company number	00926888
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffs ST1 5HR
Independent examiner	K V Staley FCA BSc Geens Limited 68 Liverpool Road Stoke-on-Trent ST4 1BG
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report and the financial statements and business plan for the year ended 31 August 2021. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administrative Information.

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 charitable company's governing document, 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 2019)".

Objectives and activities

The charitable company's objects and activities, which provide for a public benefit, are as follows:

To promote, organize and arrange the provision of training for persons employed or intended to be employed in the engineering industry and to provide support to employers.

This has been achieved in a number of ways over the last year in our apprenticeships and our enhanced apprenticeships, and in our advanced program of apprenticeships, there has also been a small number of traineeships, something the group will be looking at expanding over the coming months.

Our sector based work academy (The ACE-Academy) that offers upskilling to the unemployed and those seeking engineering careers, the results continue to be excellent and show an overall progression to full time employment or training of approx. 83.3% of those who attend the academy and a 100% success rate of those who complete the training programme, continues to be a great success and even better than the previous year.

This upskilling of the unemployed means the demographic for the group has shifted over the last few years as we now support more and more older people with our numbers increasing substantially which has increased our income considerably. We are also supportive to those with learning disabilities or a low educational level attainment, registered as disability confident we take pride in our achievements and it has been shown this particular demographic greatly benefit from the academy hands on approach.

One other area for the Ace Academy also worth noting is that a good proportion of those attending continues to be female which as a result means that more are going into engineering and full time employment which is pleasing.

The areas for training continue to be in welding and CNC operating, and nothing has changed from the decision to offer the training in these areas when the academy was first opened due to the continued demand from our members for these skills. Consultation continues, and we are able to act quickly should the demand change and new skill sets are required due to our reserves policy.

The group has experienced difficulty in maintaining its involvement with local enterprise, improvement and steering groups over the last 12mths, due to the confines of the pandemic, but we have a strong commitment to return to these groups as soon as they start up again. Visiting schools has also been affected due to the pandemic but we are slowly getting back to doing this once more as schools begin to open their doors.

Our continued investments, in the services and support we offer to the local community gives the group the ability to give free advice and guidance to all sectors as we bring in industry and employment expertise to assist if required. Our Education and Skills Funding expertise continues to ensure that there is fair and equal access to funding for training employees to the group's members and associates. Government incentive information is regularly sent out via e-mails telephone calls and our newsletter, our team of training officers are briefed regularly on incentive payments and then pass on relevant information to employers.

We continue to offer education, apprenticeship and training information in all forms to ensure we reach all areas of our demographic in the form of media releases information given with leaflets, e-mail bulletins and special arranged zoom meetings, giving group presentations and face to face support via our new studio's during the difficult times.

The group offers an advisory service to discuss training and training programs free to engineering sector companies. It offers a free recruitment and testing service to enable smaller companies to receive direct support. It has applied on behalf of the members and has given advice enabling them to receive assisted financial support with areas such as age grant and incentive payments, which are available to certain companies to boost and promote engineering apprenticeships.

The group has carried out training needs analysis for members on request and sends information, advice and guidance on health and safety issues via its website, information days and newsletters. Feedback from the members has been good again this year with 100% saying they would recommend our services to either an employer or friend.

We continue to offer advice on career paths and apprenticeships at different levels and give taster sessions to school pupils on engineering activities when we can (somewhat difficult at this moment) using the equipment purchased to help them understand engineering and the different roles better, this has gained special recognition from the Matrix standard for advice and guidance, with the group being represented on their website as examples of good practice.

The group has participated in career events at local schools and also been involved with a mentoring scheme designed to offer support to local schools, this service to local schools has been severely hampered by the school's closure due to corona virus and the group will be working closely to try to reduce the impact on the social wellbeing and career opportunities for the young people of stoke on Trent and the surrounding area now that the social distancing rules have reduced, although keeping a cautionary approach.

The group's apprenticeship numbers have taken a hit due to the pandemic currently the numbers are only slightly up from the previous year and currently stand at 110 apprenticeships, but we have tempered our ambition to increase numbers significantly owing to a change in approach, as a prime apprenticeship provider the group signed up its first fully supported NSEGTA apprentices in February 2021, we have focused resources to ensure that the quality of delivery is to a high level and meets the standards expected.

Our support to members and other companies in meeting their obligations and legislative requirements in health and safety, has again being completed successfully and is subsidized by any surplus the group make, this has been very important due to the pandemic and the group launched its support pack for corona virus to all its members from the outset and this has continued throughout, the group continue to offer this service and will do until things change.

Membership costs have remained static again but we have offered even more levels of support, and our membership numbers stay consistent.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our investments which influence future activities and believe we have accomplished this. We have made surplus monies over a number of years which have supported our continual investments designed to improve the chances for local people and support the needs of local engineering companies in line with our public benefit objectives.

This year on year continual investment made in technology and equipment, has given the group the ability to continue to improve what it does and reach out too many more people when representing the sector and we have exciting proposals for the future with a new apprenticeship program, in partnership with Stoke on Trent college, giving access to level 3 apprenticeship for our students.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake and this enables that to continue and expand.

Achievements and performance

NSEGTA report that our retention and achievement performance in apprenticeships again this year remains well above national averages.

We have taken on more staff once again who have been employed in brand new areas of delivery for the group in functional and employability skills.

The continued development of the sector based work academy (ACE Academy) which has seen continued significant investment with additional equipment continues to be very successful this year in helping to up skill local people, giving them a chance to achieve a career in engineering.

Apprentice numbers for successful completion was 65 for this year at all levels, with succession rates at 74.36, which is above the national average.

The group helped over 128 unemployed people to gain skills in welding and CNC programing with 83.3% going on to gain full time employment or further training.

All our completed apprentices went on to get full time employment, with local engineering companies. Contracts remain in place with PM Training. A new contract is being agreed with Warrington & Vale Royal College and Stoke on Trent college.

The health and safety service shows that we are delivering health and safety support to more members and our training courses are still doing well, the group have been able to continue to offer a larger range of courses, all accredited by QCA and we continue to support companies with their health and safety obligations.

Accreditation with the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational Safety and Health, the Matrix standard for advice and guidance, the awarding bodies for EAL, and the AoFA regulated health and safety national standard, have all been accredited to the group again this year.

The group are looking forward to playing an active role on the Industrial advisory board, the advanced manufacturing group, the Staffordshire providers group and Project schools and STEM development once they are once again up and running following a gap due to the pandemic.

Financial review

Designated funds

To ensure that monies surplus are channelled to enhance the groups not for profit services NSEGTA has decided to have 3 areas which are now designated from surplus and its current assets.

- £628,912 Fixed Assets (capital investment building and equipment)
- £116,000 Staff Contingencies (redundancy payments etc.)
- £330,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members and cover the cost of potential repairs on the group's capital investment. The cash reserves of approximately £210,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

The trustees have considered the most appropriate policy for investing funds surplus to immediate needs. They have decided that this should be to maximize the return whilst minimizing the risk of loss of funds. Accordingly, funds are invested in bank deposit accounts and building society accounts. Higher risk investments are not permitted.

Financial performance

A surplus has been made this year, some of which has been invested in non-risk bonds and some reinvested in the group's assets throughout the year. The designation has been tailored in-line with any surplus made, to ensure maximum investment goes back into the group to help it meet and improve its services and charitable objectives.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Plans for the future

We will continue to offer low cost training for both on and off the job in our traditional areas. The health and safety services will continue to offer local companies subsidised support in that crucial area.

A strategic plan for the next few years has been developed which will require designated funds in preparation for the changes. to apprenticeships and the transfer to apprenticeship standards and our partnership with Stoke on Trent College and the enhanced apprenticeship work experience program.

The group will continue developing its Ace academy to offer more places in more areas of engineering skills, therefore employing a specialist in training and the purchase of more equipment. Improved publications and stationery to complement the group's direction to include the new ACE-Academy arm of the organisation will be looked at.

We will be looking to invest into more equipment, larger equipment, and technologically up to date equipment so that we can support and give greater understanding of engineering in today's manufacturing arena.

The benefit of this will not be instantly felt by the group and it may be a few years to set up completely, but the development is designed to give increased support, more choice and more opportunities to those looking for an engineering career. It is also designed to appeal to more of a cross section of society and those who find themselves unemployed. It gives the group a more sustainable structure for its clients and employees and forms part of its longer term strategy to work closely with Job Centre Plus.

Trustees also feel that it would be prudent due to the continuing success and popularity of the group's latest activates such as the Ace academy, that money for relocation to larger premises with the inclusion of a work shop, should be considered and form part of our strategic objectives, the trustees believe that this will need a substantial reserves policy and expansion should form a major part in the group's overall strategic objectives.

Therefore, an additional designation of £150,000 from the group's cash reserves have been allocated to this.

Structure, governance and management
Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity governed by its Memorandum and Articles of Association which were last amended in November 2001.

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:
E Sims
D Edwards
P Smith
D Bentley
I Raeside
M Jobson (Resigned 25 March 2021)
A Sims
L Stephenson

Organisational structure

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purposes of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

Difficulties this year with corona virus, has hindered meetings, but constant communication via reports / e-mails. have been used during this time.

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

D Bentley
Trustee
Dated: 13 October 2021

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

I report to the trustees on my examination of the financial statements of North Staffordshire Engineering Group Training Association Limited (the charitable company) for the year ended 31 August 2021.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

K V Staley FCA BSc

Geens Limited
68 Liverpool Road
Stoke-on-Trent
ST4 1BG

Dated: 13 October 2021

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £
Income from:							
Charitable activities	3	827,571	-	827,571	621,951	-	621,951
Investments	4	1,518	-	1,518	2,567	-	2,567
Total income		829,089	-	829,089	624,518	-	624,518
Expenditure on:							
Charitable activities	5	536,040	48,116	584,156	534,635	48,375	583,010
Net incoming resources before transfers		293,049	(48,116)	244,933	89,883	(48,375)	41,508
Gross transfers between funds		(220,750)	220,750	-	(118,818)	118,818	-
Net income for the year/ Net movement in funds		72,299	172,634	244,933	(28,935)	70,443	41,508
Fund balances at 1 September 2020		145,585	902,278	1,047,863	174,520	831,835	1,006,355
Fund balances at 31 August 2021		217,884	1,074,912	1,292,796	145,585	902,278	1,047,863

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	8		628,912		619,278
Current assets					
Debtors	9	41,701		47,459	
Cash at bank and in hand		655,725		422,709	
		697,426		470,168	
Creditors: amounts falling due within one year	11	(14,753)		(15,743)	
Net current assets			682,673		454,425
Total assets less current liabilities			1,311,585		1,073,703
Creditors: amounts falling due after more than one year	12		(18,789)		(25,840)
Net assets			1,292,796		1,047,863
Income funds					
Unrestricted funds					
Designated funds	13	1,074,912		902,278	
General unrestricted funds		217,884		145,585	
			1,292,796		1,047,863
			1,292,796		1,047,863

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2021.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 13 October 2021

D Bentley
Trustee

Company Registration No. 00926888

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	17		295,100		143,519
Investing activities					
Purchase of tangible fixed assets		(57,751)		(80,947)	
Repayment of investment loans and receivables		1,200		(1,800)	
Investment income received		1,518		2,567	
Net cash used in investing activities			(55,033)		(80,180)
Financing activities					
Payment of obligations under finance leases		(7,051)		19,729	
Net cash (used in)/generated from financing activities			(7,051)		19,729
Net increase in cash and cash equivalents			233,016		83,068
Cash and cash equivalents at beginning of year			422,709		339,641
Cash and cash equivalents at end of year			655,725		422,709

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffs, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Despite the coronavirus pandemic and, as explained more in note 16, at the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies **(Continued)**

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 **Accounting policies** **(Continued)**

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 **Critical accounting estimates and judgements**

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 8 for the carrying amount of fixed assets, and note 1.6 for the useful economic lives for each class of assets.

3 Charitable activities

	Training and education 2021 £	Training and education 2020 £
Membership fees	30,703	28,634
Services to managing agents	358,383	324,091
Courses	56,220	47,007
Safety services	7,762	7,224
ESFA Funding	50,049	-
Enhanced apprenticeships	3,320	2,634
Ace Academy	321,134	212,361
	827,571	621,951

4 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	1,518	2,567

5 Charitable activities

	Training and education 2021 £	Training and education 2020 £
Staff costs	421,031	428,655
Depreciation and impairment	48,116	40,504
Course expenses (inc NSEG costs)	21,480	16,062
Rent, rates and insurance	11,090	10,508
Heat, light and water	5,202	4,235
Minor equipment, maintenance and premises expenses	14,227	9,552
Printing, stationery and telephone	8,530	9,375
Publicity (including website)	1,188	11,008
Motor and travelling expenses	4,710	7,568
Independent examiner's fees	1,835	1,750
Sundry expenses	11,019	7,998
EAL charges	11,844	15,378
Subscriptions and donations	5,954	3,604
Vehicle leasing	-	1,287
Irrecoverable VAT	6,984	8,074
Health and safety service expenses	565	704
Ace Academy expenses	8,432	5,444
Hire purchase interest	1,949	1,304
	584,156	583,010
Analysis by fund		
Unrestricted funds	536,040	534,635
Unrestricted funds - designated	48,116	48,375
	584,156	583,010

6 **Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2020- none).

7 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	14	14

Employment costs	2021 £	2020 £
Wages and salaries	374,749	379,695
Social security costs	32,945	33,230
Other pension costs	13,337	15,730
	421,031	428,655

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £58,570 (2020 £59,627).

There were no employees whose annual remuneration was £60,000 or more.

8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2020	483,284	210,946	49,516	743,746
Additions	30,500	21,256	5,995	57,751
Disposals	-	(47,616)	-	(47,616)
At 31 August 2021	513,784	184,586	55,511	753,881
Depreciation and impairment				
At 1 September 2020	32,484	78,003	13,981	124,468
Depreciation charged in the year	7,180	31,911	9,026	48,117
Eliminated in respect of disposals	-	(47,616)	-	(47,616)
At 31 August 2021	39,664	62,298	23,007	124,969
Carrying amount				
At 31 August 2021	474,120	122,288	32,504	628,912
At 31 August 2020	450,800	132,943	35,535	619,278

9 Debtors

	2021	2020
Amounts falling due within one year:	£	£
Trade debtors	30,885	38,056
Other debtors	448	1,274
Prepayments and accrued income	10,368	8,129
	41,701	47,459

10 Finance lease commitments

Future minimum lease payments due under finance leases:

	2021	2020
	£	£
Within one year	7,050	7,050
Within two and five years	18,789	25,840
	25,839	32,890

11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Obligations under finance leases	10	7,050	7,050
Trade creditors		5,773	5,188
Accruals and deferred income		1,930	3,505
		14,753	15,743

The hire purchase obligation is secured over the relevant asset included within motor vehicles.

12 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Obligations under finance leases	10	18,789	25,840

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2019	Resources expended	Transfers	Balance at 1 September 2020	Resources expended	Transfers	Balance at 31 August 2021
	£	£	£	£	£	£	£
Fixed Assets	578,835	(40,504)	80,947	619,278	(48,116)	57,750	628,912
Staff Contingencies	93,000	-	10,000	103,000	-	13,000	116,000
Strategic Development Fund	160,000	(7,871)	27,871	180,000	-	150,000	330,000
	831,835	(48,375)	118,818	902,278	(48,116)	220,750	1,074,912

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charity's sustainability and ability to implement any possible rapid capital investment due to proposed changes in apprenticeship delivery. Changes coming in July 2020 as apprenticeship change from traditional frameworks to standards will influence delivery models for apprenticeships, these delivery models could have a significant impact on the charity. The charity will rely on its ability to react quickly to those changes if its current approach and its desire to work with local colleges does not bear fruit. A workshop and equipment required to deliver foundation units of engineering will be required, this will be at significant cost to the charity and must be accounted for and monies designated in preparation.

14 Analysis of net assets between funds

	Unrestricted funds 2021	Designated funds 2021	Total 2021	Unrestricted funds 2020	Designated funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 31 August 2021 are represented by:						
Tangible assets	-	628,912	628,912	-	619,278	619,278
Current assets/ (liabilities)	236,673	446,000	682,673	171,425	283,000	454,425
Long term liabilities	(18,789)	-	(18,789)	(25,840)	-	(25,840)
	217,884	1,074,912	1,292,796	145,585	902,278	1,047,863

15 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	-	588

16 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

17 Cash generated from operations

	2021	2020
	£	£
Surplus for the year	244,934	41,508
Adjustments for:		
Investment income recognised in statement of financial activities	(1,518)	(2,567)
Depreciation and impairment of tangible fixed assets	48,116	40,504
Movements in working capital:		
Decrease in debtors	4,558	65,191
(Decrease) in creditors	(990)	(1,117)
Cash generated from operations	295,100	143,519

18 Analysis of changes in net funds

	At 1 September 2020	Cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	422,709	233,016	655,725
Obligations under finance leases	(32,890)	7,051	(25,839)
	389,819	240,067	629,886

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

England & Wales - Charity number 528635

Accounts

Charity Registration No. 528635

Company Registration No. 00926888 (England and Wales)

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	E Sims	
	D Edwards	
	P Smith	
	D Bentley	
	I Raeside	
	M Jobson	
	A Sims	(Appointed 12 December 2019)
	L Stephenson	(Appointed 8 January 2020)
Secretary	P Smith	
Chief Executive Officer	P Williams	
Charity number	528635	
Company number	00926888	
Registered office	Hanley Technical Institute 151-153 Marsh Street North Hanley Stoke-on-Trent Staffs ST1 5HR	
Independent examiner	S J Archer FCA Geens Limited Chartered Accountants 68 Liverpool Road Stoke on Trent ST4 1BG	
Bankers	National Westminster Bank plc 1 Upper Market Square Hanley Stoke-on-Trent ST1 1NS	
Solicitors	Freeth Cartwright LLP Federation House Station Road Stoke on Trent ST4 2SA	

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report and the financial statements and business plan for the year ended 31 August 2020. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out in the Reference and Administrative Information.

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 charitable company's governing document, 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 2019)".

Objectives and activities

The charitable company's objects and activities, which provide for a public benefit, are as follows:

To promote, organize and arrange the provision of training for persons employed or intended to be employed in the engineering industry and to provide support to employers.

This has been achieved in a number of ways over the last year in our apprenticeships and our enhanced apprenticeships, and in our advanced program of apprenticeships all of these showing a growth in numbers.

It has been achieved with increasing popularity in our sector based work academy (The ACE-Academy) that offers upskilling to the unemployed and those seeking engineering careers, the results of which show an overall progression to full time employment or training of approx. 72% of those who attend the academy and a 98% success rate of those who complete the training programme.

This upskilling of the unemployed means the demographic for the group has shifted over the last few years from only young people to a better mix of both Young and Older more mature members of the public looking to develop their skill set. We are also supportive to those with learning disability or a low educational level attainment where It has been shown they greatly benefit from the academy approach and we are proud of its achievements.

One other area for the Ace Academy also worth noting is that a good proportion of those attending being female which as a result means that more are going into engineering and full time employment which is pleasing.

Working closely with the job centre plus following investigation via questionnaires and consultation with members and local employment agencies we established those skill requirements that local engineering companies were finding it difficult to find. Those areas were identified as being welding and Computer numerical control operation. The ACE-Academy offers training in those two main areas of skill. which was decided along with the job Centre, these skill shortages have remained the same during 2019/20 and we believe will not change for the coming year.

The group has a growing network of establishments it works with and continues to be active in many of the steering groups and promotional activities for the sector with representation on many of the 'for public benefit action groups' those groups remain the advanced manufacturing group, the Staffordshire training provider's forum, Project schools and STEM development and the industrial advisory board.

Our continued investments, using any surplus gained year on year in the things we offer to the local community gives the group the ability to give advice and guidance to all sectors as we bring in industry and employment expertise to assist. We also have brought into the company experienced Education and Skills Funding expertise to ensure that there is fair and equal access to funding for training employees to members and associates so far as they are entitled and to play a pivotal role in the next stage of development for the group.

Again we have offered information in all forms to ensure we reach all areas of our demographic in the form of media releases information given with leaflets, e-mail bulletins and special arranged days at the group's centre, giving group presentations and face to face support during the changes.

The group continues to offer an advisory service to discuss training and training programs free to engineering sector companies. It offers a free recruitment and testing service to enable smaller companies to receive direct support. It has applied on behalf of the members and has given advice enabling them to receive an age grant and incentive payments, which are available to certain companies to boost and promote engineering apprenticeships to ensure that the skills required by our members for their employees are reviewed regularly in line with changing market needs, legislation and safety.

The group has carried out training needs analysis for members on request and sends information, advice and guidance on health and safety issues via its website, information days and newsletters. Feedback from the members has been good again this year. We are representing both employer and employees by raising awareness to the needs of them to our members within the engineering sector to local colleges, schools and institutions.

We continue to offer advice on career paths and apprenticeships at different levels and give taster sessions to school pupils on engineering activities, using the equipment purchased to help them understand engineering and the different roles better, this has gained special recognition from the Matrix standard for advice and guidance, with the group being represented on their website as examples of good practice.

The group has participated in career events at local schools and also been involved with a mentoring scheme designed to offer support to local schools, this service to local schools has been severely hampered by the school's closure due to corona virus and the group will be working closely to try to reduce the impact on the social wellbeing and career opportunities for the young people of stoke on Trent and the surrounding area once the reductions in social distancing have reduced.

It has offered and supported employer engagement through student apprenticeship programs and work experience. We also have supported the Job centre plus and their new initiative mentoring scheme, giving practical engineering sessions, improved interview techniques and enhanced CV writing support.

The group's apprenticeship numbers have taken a significant hit due to the pandemic currently the numbers have reduced to 90 apprenticeships which is well below a sustainable number based on the group employee numbers and overall expenditure. Targets for next year will need to be significant growth in apprentice number if employee numbers are to remain the same.

Our support to members and other companies in meeting their obligations and legislative requirements in health and safety, has again being completed successfully and is subsidized by any surplus the group make, this has been very important due to the again the pandemic and the group launched its support pack for corona virus to all its members in early April and this has continued throughout.

Membership costs have remained static even though we have offered even more levels of support, and our membership numbers stay consistent.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our investments which influence future activities and believe we have accomplished this. We have made surplus monies over a number of years which have supported our continual investments designed to improve the chances for local people and support the needs of local engineering companies in line with our public benefit objectives.

This year on year continual investment made in technology and equipment, has given the group the ability to continue to improve what it does and reach out too many more people when representing the sector and we have exciting proposals for the future with a new interactive mobile engineering taster activities bus which has been delayed but still form part of our overall strategy to reach out and support local school with training.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charitable company should undertake.

Achievements and performance

NSEGTA report that our retention and achievement performance in apprenticeships again this year remains well above national averages.

We have taken on more staff once again who have been employed in brand new areas of delivery for the group in functional and employability skills.

The continued development of the sector based work academy (ACE Academy) which has seen continued significant investment with additional equipment continues to be very successful this year in helping to up skill local people, giving them a chance to achieve a career in engineering.

Apprentice numbers for successful completion topped over 50 this year at all levels, and the group helped over 78 young people to gain employment in the form of apprenticeships with local engineering companies. Contracts remain in place with PM Training we have also secured renewed contracts with Axia Solutions. A new contract is being agreed with Warrington & Vale Royal College.

The health and safety service shows that we are delivering health and safety support to more members and our training courses are still doing well, the group have been able to continue to offer a larger range of courses, all accredited by QCA and we continue to support companies with their health and safety obligations.

Accreditation with the Institute of Mechanical Engineers, the British Safety Council, the Institute of Occupational Safety and Health, the Matrix standard for advice and guidance, the awarding bodies for EAL, and the AoFA regulated health and safety national standard, have all been accredited to the group again this year. The group are playing an active role on the Industrial advisory board, the advanced manufacturing group, the Staffordshire providers group and Project schools and STEM development. Increased activity at career days and events has seen the group take a leading role, giving engineering and Apprenticeship training a boost locally. Again the group has also seen a small increase in its associate membership.

Financial review

Designated funds

To ensure that monies surplus are channelled to enhance the groups not for profit services NSEGTA has decided to have 3 areas which are now designated from surplus and its current assets.

- £619,278 Fixed Assets (capital investment building and equipment)
- £103,000 Staff Contingencies (redundancy payments etc.)
- £180,000 Strategic Development Fund

These areas will be shown on the balance sheet and constitute a commitment to develop its charitable activities.

The trustees have reviewed the reserves of the charity. Cash reserves are required to fund new service opportunities for members and cover the cost of potential repairs on the group's capital investment. The cash reserves of approximately £140,000 (after deducting certain fund designations) meet these requirements.

Investment powers, policy and performance

The trustees have considered the most appropriate policy for investing funds surplus to immediate needs. They have decided that this should be to maximize the return whilst minimizing the risk of loss of funds. Accordingly, funds are invested in bank deposit accounts and building society accounts. Higher risk investments are not permitted.

Financial performance

A surplus has been made this year, some of which has been invested in non-risk bonds and some reinvested in the group's assets throughout the year. The designation has been tailored in-line with any surplus made, to ensure maximum investment goes back into the group to help it meet and improve its services and charitable objectives.

The trustees have assessed the major risks to which the charitable company is exposed and are satisfied that systems are in place to mitigate exposure to those major risks.

Plans for the future

We will continue to offer low cost training for both on and off the job in our traditional areas. The health and safety services will continue to offer local companies subsidised support in that crucial area.

A strategic plan for the next few years has been developed which will require designated funds in preparation for the changes. to apprenticeships and the transfer to apprenticeship standards.

The group are looking at developing its Ace academy to offer more places in more areas of engineering skills, therefore employing a specialist in training and the purchase of more equipment. Improved publications and stationery to complement the group's direction to include the new ACE-Academy arm of the organisation will be looked at.

We will be looking to invest into more equipment, larger equipment, and technologically up to date equipment so that we can support and give greater understanding of engineering in today's manufacturing arena.

The benefit of this will not be instantly felt by the group and it may be a few years to set up completely, but the development is designed to give increased support, more choice and more opportunities to those looking for an engineering career. It is also designed to appeal to more of a cross section of society and those who find themselves unemployed. It gives the group a more sustainable structure for its clients and employees and forms part of its longer term strategy to work closely with Job Centre Plus.

Therefore, a £180,000 designation of the group's cash reserves have been allocated to this.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

Structure, governance and management
Governing document

North Staffordshire Engineering Group Training Association Limited (NSEGTA) is a company limited by guarantee, and is a registered charity governed by its Memorandum and Articles of Association which were last amended in November 2001.

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:

E Sims	
D Edwards	
P Smith	
D Bentley	
I Raeside	
M Jobson	
A Sims	(Appointed 12 December 2019)
L Stephenson	(Appointed 8 January 2020)

Organisational structure

A board of trustees administers the charity. It endeavours to meet bi-monthly and at other times when required. It has power to appoint sub-committees consisting of not less than two trustees for the purposes of making inquiry into or supervising or performing any function or duty which in the opinion of the trustees would be more conveniently undertaken or carried out by a sub-committee provided that all acts and proceedings of any such sub-committees shall be fully and promptly reported to the trustees. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The pay scales of senior staff are set by the trustees and are benchmarked against similar sized organisations operating in the area. Pay of individual members are reviewed annually and this review takes into account performance and any other additional responsibilities undertaken.

Difficulties this year with corona virus, has hindered meetings, but constant communication via reports / e-mails. have been used during this time.

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

D Edwards
Trustee
Dated: 19/10/2020

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

I report to the trustees on my examination of the financial statements of North Staffordshire Engineering Group Training Association Limited (the charitable company) for the year ended 31 August 2020.

Responsibilities and basis of report

As the trustees of the charitable company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the charitable company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England & Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1 accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or

2 the financial statements do not accord with those records; or

3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or

4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

S J Archer FCA

Geens Limited
Chartered Accountants
68 Liverpool Road
Stoke on Trent
ST4 1BG

Dated: 14 Oct 2020

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Designated funds 2020 £	Total 2020 £	Total 2019 £
Income from:					
Charitable activities	3	621,951	-	621,951	727,029
Investments	4	2,567	-	2,567	1,624
Total income		624,518	-	624,518	728,653
Expenditure on:					
Charitable activities	5	534,635	48,375	583,010	522,614
Net incoming resources before transfers		89,883	(48,375)	41,508	206,039
Gross transfers between funds		(118,818)	118,818	-	-
Net (expenditure)/income for the year/ Net movement in funds		(28,935)	70,443	41,508	206,039
Fund balances at 1 September 2019		174,520	831,835	1,006,355	800,316
Fund balances at 31 August 2020		145,585	902,278	1,047,863	1,006,355

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	8		619,278		578,835
Current assets					
Debtors	9	47,459		110,850	
Cash at bank and in hand		422,709		339,641	
		470,168		450,491	
Creditors: amounts falling due within one year	11	(15,743)		(13,570)	
Net current assets			454,425		436,921
Total assets less current liabilities			1,073,703		1,015,756
Creditors: amounts falling due after more than one year	12		(25,840)		(9,401)
Net assets			1,047,863		1,006,355
Income funds					
Unrestricted funds					
Designated funds	13	902,278		831,835	
General unrestricted funds		145,585		174,520	
			1,047,863		1,006,355
			1,047,863		1,006,355

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 AUGUST 2020

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 14/10/2020

D Edwards
Trustee

Company Registration No. 00926888

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Cash flows from operating activities					
Cash generated from operations	18		143,519		231,142
Investing activities					
Purchase of tangible fixed assets		(80,947)		(55,120)	
Repayment of investment loans and receivables		(1,800)		-	
Interest received		2,567		1,624	
Net cash used in investing activities			(80,180)		(53,496)
Financing activities					
Payment of obligations under finance leases		19,729		(3,761)	
Net cash generated from/(used in) financing activities			19,729		(3,761)
Net increase in cash and cash equivalents			83,068		173,885
Cash and cash equivalents at beginning of year			339,641		165,756
Cash and cash equivalents at end of year			422,709		339,641

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

Charity information

North Staffordshire Engineering Group Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Hanley Technical Institute, 151-153 Marsh Street North, Hanley, Stoke-on-Trent, Staffs, ST1 5HR.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charitable company's governing document, 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 2019)". The charitable company is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared on the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Despite the coronavirus pandemic and, as explained more in note 16, at the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

1.4 Income

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

1.5 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

1.6 Tangible fixed assets

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

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	2% p.a.
Fixtures, fittings & equipment	10% p.a. to 25% p.a. straight line
Motor vehicles	25% reducing balance

1.7 Impairment of fixed assets

At each reporting end date, the charitable 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).

1 Accounting policies **(Continued)**

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.10 Employee benefits

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.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1 Accounting policies **(Continued)**

1.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.13 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets, See note 8 for the carrying amount of fixed assets, and note 1.5 for the useful economic lives for each class of assets.

3 Charitable activities

	Training and education 2020	Training and education 2019
	£	£
Membership fees	28,634	30,581
Services to managing agents	324,091	358,441
Courses	47,007	71,909
Safety services	7,224	7,291
Enhanced apprenticeships	2,634	49,893
Ace Academy	212,361	208,414
Other Income	-	500
	621,951	727,029

4 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	2,567	1,624

5 Charitable activities

	Training and education 2020 £	Training and education 2019 £
Staff costs	428,655	354,420
Depreciation and impairment	40,504	30,688
Course expenses (inc NSEG costs)	16,062	23,368
Rent, rates and insurance	10,508	9,212
Heat, light and water	4,235	3,476
Minor equipment, maintenance and premises expenses	9,552	8,377
Printing, stationery and telephone	9,375	9,931
Publicity (including website)	11,008	4,453
Motor and travelling expenses	7,568	10,414
Independent examiner's fees	1,750	1,750
Sundry expenses	7,998	9,138
EAL charges	15,378	14,542
Subscriptions and donations	3,604	4,773
Consultancy fees	-	7,060
Vehicle leasing	1,287	2,512
Irrecoverable VAT	8,074	9,862
Health and safety service expenses	704	1,716
Ace Academy expenses	5,444	6,285
Enhanced apprenticeships expenses	-	9,979
Hire purchase interest	1,304	658
	583,010	522,614
Analysis by fund		
Unrestricted funds	534,635	490,051
Unrestricted funds - designated	48,375	32,563
	583,010	522,614

6 **Trustees**

None of the trustees (or any persons connected with them) received any remuneration during the year, and none of them were reimbursed any expenses (2019- none).

7 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	14	12

Employment costs	2020 £	2019 £
Wages and salaries	379,695	318,707
Social security costs	33,230	26,149
Other pension costs	15,730	9,564
	428,655	354,420

The total amount of employee benefits paid to its key management personnel, including the trustees, amounted to £59,627 (2019 £58,726).

There were no employees whose annual remuneration was £60,000 or more.

8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 September 2019	479,210	164,198	19,392	662,800
Additions	4,074	46,749	30,124	80,947
At 31 August 2020	483,284	210,947	49,516	743,747
Depreciation and impairment				
At 1 September 2019	25,793	51,375	6,797	83,965
Depreciation charged in the year	6,691	26,629	7,184	40,504
At 31 August 2020	32,484	78,004	13,981	124,469
Carrying amount				
At 31 August 2020	450,800	132,943	35,535	619,278
At 31 August 2019	453,417	112,823	12,595	578,835

9 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	38,056	103,799
Other debtors	1,274	465
Prepayments and accrued income	8,129	6,586
	47,459	110,850

10 Finance lease commitments

Future minimum lease payments due under finance leases:

	2020 £	2019 £
Within one year	7,050	3,760
Within two and five years	25,840	9,401
	32,890	13,161

11 Creditors: amounts falling due within one year

	Notes	2020 £	2019 £
Obligations under finance leases	10	7,050	3,760
Trade creditors		5,188	7,980
Accruals and deferred income		3,505	1,830
		15,743	13,570

The hire purchase obligation is secured over the relevant asset included within motor vehicles.

12 Creditors: amounts falling due after more than one year

	Notes	2020 £	2019 £
Obligations under finance leases	10	25,840	9,401

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 September 2018	Resources expended	Transfers	Balance at 1 September 2019	Resources expended	Transfers	Balance at 31 August 2020
	£	£	£	£	£	£	£
Fixed Assets	554,403	(30,688)	55,120	578,835	(40,504)	80,947	619,278
Staff Contingencies	82,000	-	11,000	93,000	-	10,000	103,000
Strategic Development Fund	80,000	(1,875)	81,875	160,000	(7,871)	27,871	180,000
	716,403	(32,563)	147,995	831,835	(48,375)	118,818	902,278

Fixed Assets. This fund represents the net book value of the fixed assets held by the charity.

Staff Contingencies. This fund is to provide resources should the services of the charity be affected by sickness or other absence of staff or should the charity have to make staff redundant.

Strategic Development Fund. This is a fund set aside to ensure the charity's sustainability and ability to implement any possible rapid capital investment due to proposed changes in apprenticeship delivery. Changes coming in July 2020 as apprenticeship change from traditional frameworks to standards will influence delivery models for apprenticeships, these delivery models could have a significant impact on the charity. The charity will rely on its ability to react quickly to those changes if its current approach and its desire to work with local colleges does not bear fruit. A workshop and equipment required to deliver foundation units of engineering will be required, this will be at significant cost to the charity and must be accounted for and monies designated in preparation.

14 Analysis of net assets between funds

	Unrestricted funds 2020	Designated funds 2020	Total 2020	Unrestricted funds 2019	Designated funds 2019	Total 2019
	£	£	£	£	£	£
Fund balances at 31 August 2020 are represented by:						
Tangible assets	-	619,278	619,278	-	578,835	578,835
Current assets/ (liabilities)	171,425	283,000	454,425	183,921	253,000	436,921
Long term liabilities	(25,840)	-	(25,840)	(9,401)	-	(9,401)
	145,585	902,278	1,047,863	174,520	831,835	1,006,355

15 Operating lease commitments

15 Operating lease commitments (Continued)

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2020	2019
	£	£
Within one year	588	2,103
Between two and five years	-	588
	588	2,691

16 Events after the reporting date

In March 2020, the World Health Organization declared the outbreak of a novel coronavirus (COVID-19) as a pandemic which continued to spread throughout the United Kingdom and throughout many parts of the World. In response to this outbreak the UK government had mandated nationwide social distancing measures restricting movement and assembly. The full extent of COVID19's effect on the charity's operational and financial performance will depend on future developments, including the duration, spread and intensity of the pandemic, and the social distancing measures implemented to manage the pandemic. While the charity expects this matter to negatively impact on its operations, revenues, cash flows and financial position, at the time of signing these accounts the UK had eased some of its lockdown measures and the charity had returned to an operational position.

17 Related party transactions

There were no disclosable related party transactions during the year (2019 - none).

18 Cash generated from operations

	2020	2019
	£	£
Surplus for the year	41,508	206,039
Adjustments for:		
Investment income recognised in statement of financial activities	(2,567)	(1,624)
Depreciation and impairment of tangible fixed assets	40,504	30,688
Movements in working capital:		
Decrease/(increase) in debtors	65,191	(5,021)
(Decrease)/increase in creditors	(1,117)	1,060
Cash generated from operations	143,519	231,142

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

19 **Analysis of changes in net funds**

	At 1 September 2019	Cash flows	At 31 August 2020
	£	£	£
Cash at bank and in hand	339,641	83,068	422,709
Obligations under finance leases	(13,161)	(19,729)	(32,890)
	326,480	63,339	389,819