

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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

FOR THE YEAR ENDED 31 AUGUST 2025

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

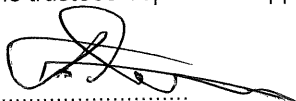
TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2025**

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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

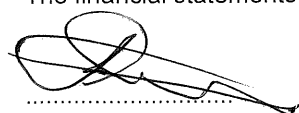
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2025.

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 24/10/25



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 £	£	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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

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).

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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
	<u>1,044,111</u>	<u>1,167,973</u>
Analysis by fund		
Unrestricted funds - general	<u>1,044,111</u>	<u>1,167,973</u>

4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	<u>55,663</u>	<u>50,439</u>

5 Other income

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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
	<u>890,104</u>	<u>831,001</u>
Analysis by fund		
Unrestricted funds - general	833,036	778,291
Unrestricted funds - designated	57,068	52,710
	<u>890,104</u>	<u>831,001</u>

7 Net movement in funds

The net movement in funds is stated after charging/(crediting):

	2025 £	2024 £
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)
	<u></u>	<u></u>

8 Auditor's remuneration

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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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
	<u>1,243,846</u>	<u>(76,762)</u>	<u>156,577</u>	<u>1,323,661</u>
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
	<u>1,282,926</u>	<u>(52,710)</u>	<u>13,630</u>	<u>1,243,846</u>

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.

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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 is 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

NORTH STAFFORDSHIRE ENGINEERING GROUP TRAINING ASSOCIATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

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)
	<u>1,631,846</u>	<u>141,282</u>	<u>1,773,128</u>