

Trustees' Report and Accounts 2023



NORTHERN CONSORTIUM



Our Year in Figures

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Who we are

Northern Consortium was founded by an alliance of UK Universities from across the North of England who share a common belief in the long-term benefits of international education, and a commitment to widening participation.

Welcome

March 2023 marked our 30th year of registration with the Charity Commission. The year was also pivotal in terms of implementing our new grants strategy and embedding new ways of reaching students by supporting other educationally focused charities.

The pandemic had resulted in our grant making coming to a standstill, as global travel ceased and students around the world switched to remote learning wherever they could. Trustees used this time to consider a fresh approach to grant giving, one which would increase our reach to target beneficiaries, widen the range of students benefitting and expand the activities funded. The subsequent grant strategy has assisted the charity to have a far more flexible approach for the future, and we are delighted by the results seen in the first year.

No opportunity would be complete without challenge, and for us it was the demand shown by those seeking our assistance. A challenge that we may face for some time and on which we are focusing our attention, to better understand how we can create an appropriate funding strategy which enables us to meet our aspirations, collaborate with others and have even more impact.

In the spirit of good governance and to ensure that we meet our obligations, Trustees regularly spend time considering issues which impact jointly on both the Charity and our subsidiary Company, NCUK Ltd. We will work closely with the NCUK Board of Directors to explore the Groups Pensions and Tax arrangements in the coming year, to support a strong financial position for all, which underpins our charitable activity.

Thank you for your interest in the charity and we hope you enjoy this report.



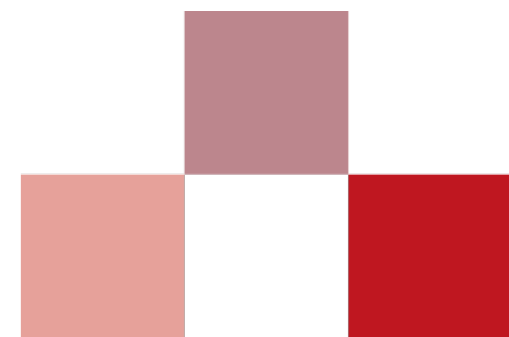

Dr Malcolm Butler
Chair



Northern Consortium's core mission is the advancement of education. We fund a wide range of educational projects and research delivered by other charities aligned with our purpose and values. Activities usually support students from disadvantaged backgrounds, promote international education or facilitate access to educational opportunities.

In 1987 we began life as a steering committee of universities from across the North of England focused on exploring opportunities for international education. The group tested the overseas education market before registering as a charity in 1993. Ten years later, the Charity established its subsidiary company to provide a vehicle to deliver operations overseas, which you can read more about on page 4.

In recent years Trustees have revised the charity's objectives and updated its articles to help it to operate effectively. Last year saw the implementation of our new grants strategy which was expanded to allow funding for a wider pool of educational charities. During 2023 we have committed funding to some exciting projects being delivered in communities across the North of England, and you can read more on pages 7 and 8.



What we do

Our charitable objects and strategic aims are detailed below; all that we do or fund others to do aligns with these objectives.

The Charity's objects are specifically restricted to the advancement of education in particular but not limited to:

- Administering or procuring, directly or indirectly, education projects and training programmes;
- Running, funding or supporting collaborative teaching projects with both UK and overseas educational institutions or other organisations attended by students from the UK or overseas, making further or higher education more accessible for students from different backgrounds and geographical locations;
- Providing bursaries, scholarships, counselling, placements, training opportunities or other support to UK or overseas students who are either disadvantaged (financially or otherwise) or from under-represented groups.

Trustees agreed the following strategic aims, and we use these to inform our grant making

- Facilitating access to international education
- Promoting the benefits of international education
- Enabling educational engagement particularly for students from disadvantaged groups

In 2003 the Charity set up a subsidiary company, NCUK Ltd to help achieve its objectives, and facilitate safe and effective operation within the global market. The Charity is funded by annual income from NCUK Ltd.

About our Company

NCUK is a provider of high-quality qualifications that offer a pathway to leading universities worldwide. Its mission is to expand access to world leading education for aspirational students and support them to succeed at university and beyond.

Study Centres

NCUK licenses its pathway qualifications and services to educational institutions, known as Study Centres, which provide teaching and university progression services. NCUK's reach spans across 40+ countries and territories, with its qualifications being offered at 120+ Study Centres worldwide.

University Partners

Renowned for their excellence, including members of the Russell Group, Group of 8, and those consistently ranked among the QS World Top 100 universities, NCUK has 50+ University Partners in the UK, Australia, Canada, New Zealand, the USA and more.

Impact

Since its inception, NCUK has helped more than 50,000 students progress to leading universities worldwide, outlining its commitment to shaping successful futures for students at university and beyond.

Summary of Charity Achievements in 2023

£146,095 grant funding awarded.

£110,000
increase in funding provided in 2022.

9 Charities funded.

22% increase in the number of grants awarded on the previous year.



2,550
number of students benefitted

Summary of Company Achievements in 2023

2,800 students progressed from preparatory programmes to degree programmes in the UK or overseas (increase on 2,476 in 2022).

£45m
estimated income to NCUK University Partners

£130m
total estimated tuition fee income over the duration of the student's degree course

External Recognition



Finalist in the 'Pathway of the Year'



Shortlisted for the "Championing Diversity, Equity and Inclusion Award"

Charities supported in 2023



The Linacre Institute is a small social mobility charity based in Leeds, Yorkshire set up to help more state school students from the North of England reach our top universities, where they are currently drastically underrepresented. The Reach Higher Programme has now helped nearly 400 bright, but isolated, sixth form students at state schools in some of the most disadvantaged postcodes in Yorkshire fulfil their academic potential by winning places at the most selective universities in the country. This is achieved through a fully integrated summer school and tutoring programme which creates a supportive, personalised environment to stretch students intellectually, build their social confidence and inspire them to succeed and fulfil their academic potential.

Northern Consortium's funding enabled twenty students from widening participation backgrounds to take part in the Linacre Institutes Reach Higher programme, and an additional three schools to join the existing twelve within the programmes network.



Northern Consortium provided funding to the safeguarding charity Prevent 2 Protect to support their Gang for Life? Project being delivered to school children aged 10-16 in Greater Manchester. The project is a combination of Sports Activities to promote good physical and mental wellbeing and Anti-Gang Educational sessions covering topics such as Grooming & Peer Pressure, County Lines Gangs, missed opportunities and much more. During September to November the project was delivered to five schools and reached 267 primary school children, a further seven schools were due to receive a visit before the end of December 2023. As the project reporting date runs to July 2024, more in-depth reporting will follow.



Northern Consortium provided funding for two years to support an innovative new pilot being trialled by Greater Manchester Law Centre (GMLC) and The University of Manchester (UoM). The Legal Advocacy and Research Support Project (LARSP) aims to develop and test a comprehensive and replicable model of vocational training and development of students which is aligned to the new Solicitors Qualifying Experience (SQE) for students seeking a career in law. In year one 12 students were recruited from the University of Manchester (UoM) and provided with training at Greater Manchester Law Centre (GMLC) involving them in the provision of community-centred advice.



Teesside University submitted a grant application to part-fund 16 Teesside University students from a widening participation background to take part in mobility programmes in the USA.

Six students learnt about environmental globalisation, economic globalisation, and public speaking during a four-week programme at a Washington state college. A further ten students participated in a one-week programme focussed on Education and Psychology, at the University of North Florida. This trip was provided an opportunity for students to attend classes on Education and Psychology, and also visit local schools and practitioners too.



Apps for Good are an education technology charity who provide free tech innovation courses to schools, giving teachers ready-made education content, so young people from all backgrounds can develop computing and essential skills to create a brighter future through technology. In 2022/23 Apps for Good benefitted nearly 29,000 students in 665 schools.

Northern Consortium awarded a grant to support the launch and scale of a new App for Social Action. This solution-focussed technology course teaches young people from all backgrounds to solve urgent social issues using digital technology, whilst also providing them with essential skills including communication, teamwork, problem solving and leadership.

Northern Consortium funding will enable Apps for Good to specifically target fifty schools across the North, with the aim of reaching students from widening participation groups.



The Council for At-Risk Academics

Cara provides urgently needed help to academics in immediate danger, those forced into exile, and many who choose to work on in their home countries despite serious risks. Cara also supports higher education institutions whose work is at risk or compromised.

Northern Consortium provide funding to support cara fellows placed within our Member Institutions. A three-year grant cycle began in 2017 and in 2023 was renewed for the third time. During 2023 three academics and their families benefitted from the grant.



Wellspring are a charity based in Harrogate who support vulnerable people in North Yorkshire with counselling, offering hope to adults, children and young people in emotional distress. They work with schools to support students in need, support many individuals to access therapy as well as collaborate with three local Universities to support training placements for students aspiring to enter the profession.

We provided a grant to Wellspring Therapy & training to enable them to develop an accredited Children & Young People's Therapeutic Counselling Course and funding for six bursaries to individuals from widening participation groups to reduce the cost of the course.

Many areas across the UK have a high demand for specialist counsellors to meet the needs of Children and Young People, resulting in schools and local authorities having long waiting lists. Research undertaken showed that counsellors reported limited access to accredited training due to both costs and location being prohibitive factors.



Northern Consortium awarded funding to support the University of Bradford's Going Global programme, which provides short term overseas placements. The grant funds twenty places for students from widening participation backgrounds to participate in programmes occurring in 2024 and a further twenty in 2025. The first programme is due to commence in 2024 [and will be reported on in the next report].

Celebrating Success

The UK President's Scholarship Award was a unique collaborative programme involving Northern Consortium, its Member Institutions* NCUK and the Brookhouse International School in Nairobi (the main partner in Kenya).

Each year one fully funded scholarship was made to a Kenyan national student who would otherwise not be able to study in the UK. Northern Consortium provided grants for living expenses, the Universities provided free tuition to the students for the duration of the course and the NCUK team provided support and administration to the scheme. The programme also benefitted from free air travel from British Airways during its first five years of operation.

The scheme ran for eleven years with the initial student being admitted to a UK university in 2007, and the final one in the academic year 2018/19. Trustees took the difficult decision to close the scheme as they wanted to focus on finding new ways of applying our charities funds that would enable higher numbers of people to be supported.

2023 saw the final graduation take place and you can read more from the final two students on the opposite page. *Member Institutions are detailed on pages 20 & 41.

£380K
funding contributed by NC

11 
People supported

 **6**
Universities participated

£550K
tuition fees gifted

Testimonials



I am immensely grateful for the incredible support provided on my journey to pursue an undergraduate degree at a UK university as an international student from a disadvantaged financial background. The unwavering commitment allowed me to successfully complete my degree despite the various obstacles I encountered on my journey.

The sponsorship not only made my educational dreams a reality but also served as a crucial lifeline during uncertain periods e.g. through hardship grants when the Covid-19 pandemic hit and I was unable to travel back home in the summer. Thank you for being a beacon of support and making a significant impact on my academic and personal growth. I will forever be indebted to the generosity and kindness that so profoundly altered the trajectory of my life.

Growing up in Kenya, it was always my dream to study at a global university. Without the full scholarship from Northern Consortium I could never have achieved this. The scholarship meant I did not have to worry about funding and could simply focus on my studies, which made it easier to enhance my performance and I was so proud to graduate with a first-class degree in Economics and Finance. Thank you for the support provided to assist my transition to living in the UK, when I came to the UK everything felt unfamiliar and scary. Transport was arranged to collect me from the airport, take me to my student accommodation and then welcome me at the office the next morning. The regular check in's made me feel secure and confident that I had support despite being thousands of miles away from home and I am forever grateful for their support. Since I completed my studies I now work as a finance analyst.



Student Feedback

'I would like to thank Northern Consortium for allowing me to attend the trip to the USA and for providing funding. This was a great experience for me where I learnt so many new skills and it allowed me to develop my confidence with travelling and being around new people. I made so many great memories, for example celebrating my birthday in a completely new environment, making new friends, and seeing part of the world that I had never seen before. I was able to learn a lot about the American curriculum on psychology and social work as well as getting first-hand experience of the differences in American university life. Without the funding, it would not have been possible for me to visit America, so I am very thankful for this opportunity.'



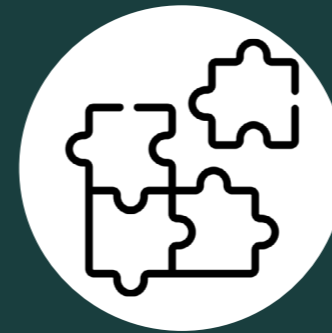
'I had a serious case of imposter syndrome because I was so convinced it wasn't going to happen for me, but lo and behold I got to go and it was life-changing in more ways than one. As someone with autism this trip challenged my ability to connect with people but it also got me to think outside of the box by asking questions of subjects I'm not privy to. Visiting UNF's preschool was by far the most memorable part of my trip because it solidified once and for all what I want to do for my career. I would like to thank Northern Consortium for providing such opportunities. As someone with a learning disability, low socio-economic status, a first-generation student, and from the BAME community, this means a lot. Please continue to do what you do''.



Our Values

We believe in the transformative value of education. We are committed to supporting widening participation and enabling access to education for disadvantaged groups and share a common belief in the long-term benefits of international education.

Below are the Charity's values, the Company has its own values which it uses internally to shape its culture and underpin its strategic plan.



Collaboration

As a consortium we understand the value of unity and are committed to working collaboratively. We embrace the diversity of collective knowledge and resources to create meaningful impact. We join forces to co-fund, we connect our network to add value and we believe that supporting other charities enables us to achieve more together.

Impact

Impact is important to us and like any funder we want to see the maximum impact possible for every pound granted. To us impact means outcomes, we want to know what positive difference was made by the funding provided. We are committed to supporting grantees to identify workable ways to measure their impact.



Integrity

We build trust through responsible actions and honest relationships. We have open and authentic communication with both stakeholders and one another, and we aspire to be consistent and forward thinking in how we operate.



we listen, and learn together

To demonstrate our values we have joined with over 100 other funders and pledged to become an open and trusting grant maker via the Institute of Voluntary Action Research. You can read more about what's involved here: <https://www.ivar.org.uk/flexible-funders/>

What's Next for the Charity

Northern Consortium's plans in the next twelve months:

Assessing our activities



To ensure the continued success of our grants programme we will review our grants process to identify where improvements can be made, in addition to continuing to develop our multi-year funding strategy.

We are exploring potential options for new joint initiatives with NCUK, which further the Charity's objectives and enable us to utilise the Companies expertise and extensive network.

2024 will see the conclusion and assessment of a virtual internship pilot aimed at UK students from widening participation groups.

Focusing on Group Governance

To ensure that we are in the best financial position as a Group, we will continue working with the NCUK Board of Directors on the Group Financial strategy, specifically considering tax and pension arrangements.

In consultation with the NCUK Board of Directors, we will review and update the Company's Articles, to align them with the current regulatory frameworks and provide a more efficient and well-defined operating environment within the Group.



Building beneficial networks

We plan to increase awareness of our Research funding across UK networks to ensure that our funds can be used to meeting our objectives.

We will improve communications with our Member Institutions to build stronger links and understanding of the charity's aims and objectives. We are seeking their support to help us reach the educational charities operating in their communities to raise awareness of our grant giving.

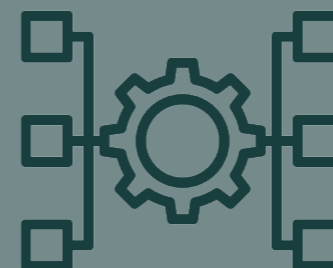
We continue with the progressive approach of marketing our grants to other UK charities who are aligned with our aims and objectives.



What's Next for the Company

NCUK's plans in the next twelve months:

Investing in Our Infrastructure



We are actively strengthening our foundations for future success which includes the creation of new regional roles within our overseas hubs, fostering closer collaboration with our international network. We are also bolstering our UK head office with additional core operational staff to ensure the continued high-quality service we deliver for our stakeholders.

Embracing Digital Transformation

We are actively implementing advanced digital systems to undergo a comprehensive digital transformation. This will streamline our internal processes, enhance communication across the board, and empower our network to operate at its full potential. With these advancements, we can seamlessly support a growing network of Study Centres and students while maintaining our unwavering commitment to quality service.



Expanding Our Network

NCUK is dedicated to providing students with the widest range of opportunities. We will be expanding our global footprint by welcoming new Study Centres and entering new emerging markets for international education. This will offer a more diverse student pool to our university partners, enriching their academic communities, while also creating access for a wider range of globally mobile students. In parallel, we are forging partnerships with additional leading and diverse international universities, creating an even more comprehensive selection of university choices for our students.



Unveiling Our New Brand Identity

NCUK is embarking on a brand refresh project that places students at the very core of our mission. We will empower students by showcasing the transformative power of our pathway programs, equipping them with the necessary skills and knowledge to excel in their chosen fields. This initiative will also position NCUK as a thought leader within our key destination markets, unlocking new commercial opportunities in the business-to-business environment.



Our Year in Figures

Financial Report

The Charity's Year in Figures

Public Benefit

Charities have a duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. As Trustees, we aim and work to fulfil our Objects in line with the requirements for demonstrating public benefit. The beneficiaries we aim to assist are clearly identifiable and related to these Objects.

We support the advancement of education in a variety of ways such as through the provision of grant funding to charities delivering educational projects, to benefit disadvantaged or under-represented groups. Via our subsidiary, NCUK Ltd we also provide high-quality educational programmes and associated support, making further or higher education more accessible for students from different backgrounds and geographical locations.

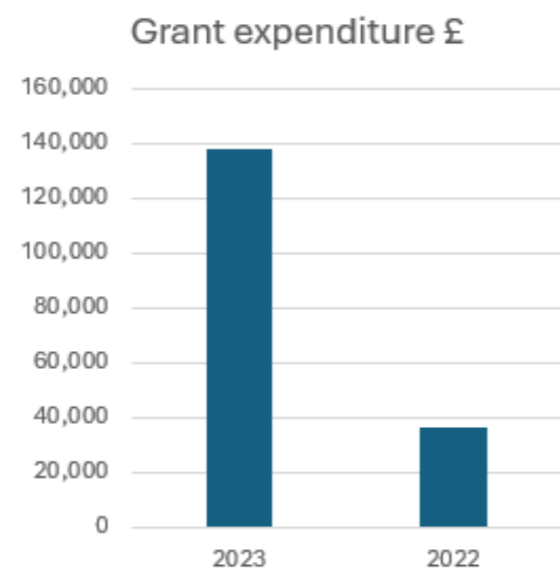
The Charity also supports research into – and the promotion of – the access agenda in higher education. We have a clear grants policy that is used to form decisions on grant eligibility.

Charity Performance

The Charity's financial statements for the year ended 31 August 2023 are set out on page 40. We are pleased to report that Gift Aid income from NCUK Ltd increased to £152,360 from £125,821 in the previous year. Like many charities across the world, we have had to find new ways to deliver our support to ensure that we reach the people who should benefit from our help. In 2022/23 total charitable expenditure increased from £122,067 in 2021/22 to £229,855 – an increase of 88% - this was due to the implementation of the new grants strategy which saw us grant awards of £146,095* - while operational expenditure was virtually unchanged.

**the figure is lower than that shown in the accounts (£137,887) owing to refunds and reversals*

Charitable expenditure across our activities was as follows:



Key Policies

Risk Management

The Trustees are ultimately responsible for risk at Northern Consortium, though they delegate day-to-day management to the Executive Director. All significant activities undertaken are subject to a risk review as part of the initial activity assessment and implementation. Major risks are identified and ranked in terms of their potential impact and likelihood using the Charity Commission's guidelines. Major risks, for this purpose, are those that may have a significant effect on:

- achievement of our aims and objectives; and/or
- operational performance, including risks to our personnel; and/or
- the ability to deliver our plans.

The Executive Director reviews the risks on a regular basis and presents updates to the Trustees at the Management and Finance Sub-committee (MFC) meetings. The risk register is also a standing item on every board meeting agenda to ensure that the predominant risks are monitored, managed and mitigated. Where appropriate, risks are covered by insurance policies, but this is only one aspect of mitigation and management and not a standalone approach.

Other key controls used by the Charity in the management of risk include:

- Formal agendas and minutes for all Board of Trustees meetings and activity;
- Strategic planning, budgeting and management accounting
- A Management and Finance Sub-Committee to provide additional scrutiny and oversight
- Established organisational structure and lines of reporting;
- Regular communication between the Charity and Company;
- Clear authorisation and approval levels

A similar formal risk assessment strategy is also in place for the Charity's wholly owned subsidiary company NCUK Ltd which is regularly reviewed by the NCUK Executive and Board of Directors, with red rated items shared with the Trustees.

Investment performance & policy

Cash surplus is held on deposit with the Charity's bankers. The Board of Trustees ensured, so far as possible, that a competitive rate of interest was earned. The Charity owns 100% of the shares in its subsidiary, NCUK Limited, from which all of its income was derived.

Trustees have a policy of applying Gift Aid to fund the Charity's grant making activity. The ongoing operational costs of the charity are met using the Charity's reserves.

Reserves

The Charity holds reserves to ensure that it can meet the needs of committed activity as well as to fund operational expenditure. The Trustees' reserves policy aims to preserve some free reserves, which is monies not tied up in operating activities and fixed assets, in addition to designating a portion of funds to provide for committed grant awards and contingency funds, equivalent to twelve months' expenditure. This approach means that Northern Consortium can benefit from the use of short-term investments to help attain interest to bolster its capital. As at 31 August 2023 the Charity had total reserves of £1,977,170 (2022 - £2,072,103). Details are on page 28 within the Consolidated Balance Sheet.

The Board of Trustees is satisfied that the Charity's reserves are available and adequate to fulfil its obligations. Our Reserves policy is revised and updated annually and last reviewed in April 2024.

The Trustees of NC and the Directors of NCUK are reviewing the Group's financial strategy to ensure that the Group delivers financial performance such that NCUK generates sufficient surpluses to provide an income for NC, with which NC can fulfil its charitable objectives, and for NCUK to pursue its trading and development activities in accordance with its approved business plans. The overall objective is to delivery financial sustainability.

Pensions

Northern Consortium is a member of the University Superannuation Scheme and the Charity's pension liability was revaluated in 2023 and was estimated to be £61,347. Trustees have identified the S75 pension liability as a risk and mitigated for it. Accordingly, the S75 liability will not be triggered whilst there is an active member in the scheme.

Financial Review & Results for the Year

Northern Consortium's wholly owned subsidiary, NCUK Limited was established in October 2003. The formation of NCUK enables the Charity to effectively mitigate and manage the risks stemming from global operations whilst also creating an income stream for the Charity to support its objectives. The consolidated financial performance for 2022/23 was strong reflecting a good trading year for NCUK Ltd.

NCUK turnover was up 12% year on year driven mainly through increased student numbers registering with the NCUK network of international partners. Continued investment in staff has seen an increase in staffing costs compared to prior year as NCUK establishes a solid platform to deliver its strategic plan. NCUK Overheads have also increased in the main reflecting a rebound in activity post Covid. All of which have combined to deliver an NCUK profit for the financial year of £63k.

Summary of the results and financial position of the Group	2023	2022
	£	£
Income	6,601,234	5,881,027
Net movements in funds	(26,573)	(57,166)
Total funds	3,103,343	3,129,916

The charity paid £1,723 (2022 - £1,694) in respect of professional indemnity for the trustees.

Structure, Management & Governance

Governing Document

Northern Consortium ("NC"/"the Charity") was incorporated as a company limited by guarantee (company registration number 02788226) on 9 February 1993. The company was established under a Memorandum of Association that established the Objects and powers of the charitable company and is governed under its Articles of Association. The Company was registered with the Charity Commission (registration number 1018979) on 23 March 1993. The members of the Board of Trustees, executive officers and principal address of the Charity are as listed on page 41, alongside the particulars of the Charity's professional advisers.

Trustees

Our Trustees are responsible for setting the Charity's strategy and are responsible in law for the governance of Northern Consortium. All Trustees give their time voluntarily and receive no benefits from the Charity. The names of the Trustees who served during the year and beyond are set out on page 41.

Governing Body

The Charity is governed by the members of the Board of Trustees who are appointed in accordance with the Articles of Association. Each of the member universities of Northern Consortium are entitled to nominate one member to the Board of Trustees, and there is provision for the Trustees to appoint up to four external Trustees. The number of members of the Board of Trustees is not subject to a maximum of but shall not be less than three. There are currently nine Consortium Trustees and four External Trustees - see page 41 for details.

Recruitment and training of Board of Trustees' Members

Consortium Trustees are nominated by member universities and are selected from the member universities' senior management. External Trustees are recruited through open recruitment procedures. Key selection criterion is an understanding of the role and responsibilities of a Charity Trustee as well as experience or knowledge within a desired area [which fulfils an area identified by a skills audit]. On appointment new Trustees are given a formal induction to the work of the Charity, introduced to the Officers and staff, and provided with the information they need to fulfil their roles. This includes information about the role of the Trustees within Northern Consortium, the Charity's policies, and their role within the context of charity law generally. Trustees are provided with a copy of the Charity Trustee's Handbook, given information relating to the legal framework within which the Charity operates and provided with governance training underlining their responsibilities within the company law context. Regular training opportunities are offered to Trustees and group training sessions on relevant topics to support the Trustees' role are provided within board meetings during the year.

At the end of a Trustee's three-year term, they will be asked by the Company Secretary to confirm whether they wish to be considered for reappointment, provided they have not reached the maximum of three terms.

Organisational Management

The Trustees of the Charity are legally responsible for the overall management and control of the Charity and meet as a Board of Trustees at least twice annually, with an additional strategy day. Trustees set the strategic direction and monitor the operational activity of the Charity, an its subsidiary. Trustees are also involved with developing and or monitoring the Charity's activities in specific areas, by engaging in sub-committee and working group activities.

Group structure and relationships

The Charity has a wholly owned subsidiary, Northern Consortium UK Limited (NCUK Ltd), whose activities and performance are also discussed in this report. Trustees send a proxy to attend the Board of Directors meeting to represent the Charity and support the passing of information within the Group.

Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Northern Consortium for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

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

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

Auditors

Under section 487(2) of the Companies Act 2006 Xeinadin Audit Limited, will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

On behalf of the Trustees :

Dr Malcolm Butler
Chair

25 April 2024

Independent Auditor's Report to the Members of Northern Consortium

Opinion

We have audited the financial statements of Northern Consortium (the 'Charitable Company') and its subsidiary for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charitable Company Balance Sheet, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and the Charitable Company's affairs as at 31 August 2023 and of the Group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and 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 Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the information given in the Trustee's Annual Report is inconsistent in any material respect with the financial statements; or

- the Charitable Company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the Trustees' were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 13, the trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 company or to cease operations or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations we have considered the following: The nature of the industry and sector; control environment and business performance including the Charitable Company's remuneration policies, key drivers for remuneration and performance targets;

- The nature of the industry and sector; control environment and business performance including the Charitable Company's remuneration policies, key drivers for remuneration and performance targets;
- Results of the enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we have identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations;
 - the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas: revenue recognition and the impact of COVID-19. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. We also obtained an understanding of the legal and regulatory frameworks that the Charitable Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements.

The key laws and regulations we considered in this context included UK Companies Act, Charities Act, Health and Safety Laws and Environmental Regulations. In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

Audit response to risks identified

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal

specialists, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit. No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK). A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our Report

This report is made solely to the Members of the Charitable Company, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charity and the Charitable Company's Members as a body, for our audit work, for this report, or for the opinions we have formed.



Michael Garrett (Senior Statutory Auditor)
For and on behalf of
Xeinadin Audit Limited
Statutory Auditor
100 Barbirolli Square, Manchester, M2 3BD

25 April 2024

Consolidated Statement of Financial Activities

For the year ended 31 August 2023

	Notes	2023 £	2022 £
INCOME			
<i>Income and endowments from :</i>			
Investment income	2	23,285	1,800
Income - trading subsidiary		6,542,942	5,828,373
Other income		35,007	50,854
Total income		6,601,234	5,881,027
EXPENDITURE			
Direct expenses - trading subsidiary	6	(767,295)	(749,714)
Charitable activities	7	(5,980,968)	(4,697,554)
Tax charge - trading subsidiary	8	(733)	(73,681)
Total expenditure		(6,748,996)	(5,520,949)
<i>Net income and net movement in funds before actuarial gains and losses on pension scheme</i>		(147,762)	360,078
Actuarial gain (loss) on defined benefit pension scheme	13	137,746	(409,018)
Net interest on pension scheme liability		(16,557)	(8,226)
Net movement in funds		(26,573)	(57,166)
Total funds brought forward		3,129,916	3,187,082
Total funds carried forward	14	3,103,343	3,129,916

Consolidated and Charity Balance Sheets

For the year ended 31 August 2023

	Notes	Group		Charity	
		2023 £	2022 £	2023 £	2022 £
Fixed assets					
Tangible assets	9	42,194	39,454	-	-
Investments	10	-	-	1,256,001	1,256,001
		42,194	39,454	1,256,001	1,256,001
Current assets					
Debtors	11	527,204	500,086	1,789	-
Cash at bank and in hand		4,662,525	4,926,922	831,496	883,563
		5,189,729	5,427,008	833,285	883,563
Creditors: amounts falling due within one year	12	(1,411,568)	(1,499,078)	(50,769)	(26,694)
Net current assets		3,778,161	3,927,930	782,516	856,869
Total assets less current liabilities		3,820,355	3,967,384	2,038,517	2,112,870
Provisions for liabilities		(10,330)	(9,597)	-	-
Pension liability	13	(706,682)	(827,871)	(61,347)	(40,767)
Net assets including pension liability		3,103,343	3,129,916	1,977,170	2,072,103
Represented by:					
Total funds	14	3,103,343	3,129,916	1,977,170	2,072,103

The financial statements on pages 27 to 39 were approved by the Board of Trustees and signed on its behalf by:



Mr Stuart McKinnon-Evans
Treasurer

25 April 2024

Consolidated Statement of Cash Flows

For the year ended 31 August 2023

	2023 £	2022 £
Cash generated from operations		
Net income and net movement in funds before actuarial gains and losses on pension scheme	(147,762)	360,078
Depreciation	25,864	17,567
Tax charge	733	73,681
Investment income	(23,285)	(1,800)
	(144,450)	449,526
Increase in debtors	(27,118)	(394,393)
(Decrease) increase in creditors	(18,381)	160,130
	(189,949)	215,263
Cash generated from operations	(189,949)	215,263
Tax paid	(69,129)	(44,520)
	(259,078)	170,743
Net cash from operating activities	(259,078)	170,743
Cash flow from investing activities		
Purchase of tangible fixed assets	(28,604)	(29,167)
Interest receivable	23,285	1,800
	(5,319)	(27,367)
Net cash flow from investing activities	(5,319)	(27,367)
Change in cash and cash equivalents in the year	(264,397)	143,376
Cash and cash equivalents brought forward	4,926,922	4,783,546
Cash and cash equivalents carried forward	4,662,525	4,926,922

Notes to the Financial Statements

General Information

Northern Consortium is a private company limited by guarantee, incorporated in England and Wales, registration number 02788226. Each of the Trustees is liable to contribute an amount not exceeding £1 towards the assets of the Charity in the event of liquidation. The address of the registered office and principal place of business is 667-669 Stockport Road, Manchester, M12 4QE.

Accounting Policies

Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have determined that there is no material uncertainty that casts doubt on the Group's ability to continue as a going concern.

Basis of Consolidation

The consolidated financial statements include the financial statements of the company and its subsidiary undertakings made up to 31st August 2023. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the profit or loss and other comprehensive income from the date that control commences until the date that control ceases. Control is established when the company has the power to govern the operating and financial policies of an entity as to obtain benefits from its activities. In assessing control, the group takes into consideration potential voting rights that are currently exercisable.

Income

Income from Charitable Activities represent amounts derived from the provision of educational and consultancy services are included in the statement of financial activities when the Charity is entitled to such income and when the amount can be quantified with reasonable accuracy. In accordance with the SORP, where income received is subject to externally imposed restrictions as to its use (either for capital or revenue expenditure), this has been credited in full to income and has been accounted for as a restricted fund. Other trading activities represents turnover from the trading subsidiary, NCUK in respect of amounts due for educational courses and training programmes provided by this subsidiary, stated after trade discounts, other sales taxes and net of VAT. Investment income which comprises bank interest and interest on loans to related parties is recognised as received.

Notes to the Financial Statements (continued)

Charitable trading income, where applicable, represents amounts receivable by the Charity for the provision of higher education and includes tuition fees. Furlough scheme payments are recognised on the accrual model and are measured at fair value of the asset receivable. Grants are classified as relating either to other income or to assets. Grants related to other income are recognised in profit or loss over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Trading activities expenditure comprises all expenditure within NCUK and represents amounts paid on employment and establishment costs. Charitable activities expenditure comprises all expenditure relating to the objects of the Charity and includes the direct costs of supporting charitable activities including governance costs comprising the costs of running the Charity, including strategic planning for its future development, external audit, any legal advice for the Board of Trustees, and the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage. Grants payable are charged as committed. The Charity awards grants to support particular activities which fulfil the Charity's objectives for the advancement of education.

Taxation

The Charity is exempt from corporation tax on its charitable activities. The subsidiary's tax expense for the year comprises current and deferred tax. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Fund Accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign Currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation on tangible fixed assets is charged to the profit and loss so as to write off their value, over their estimated useful lives, using the following methods:

Equipment 33.33% on cost

At each balance sheet date, the Company reviews the carrying amounts of its fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment loss is recognised as an expense immediately.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Trade and other debtors

Trade and other debtors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method, less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases, the receivables are stated at cost less impairment losses for bad and doubtful debts.

Trade and other creditors

Trade and other creditors are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand. Bank borrowings and overdrafts are included in creditors.

Notes to the Financial Statements (continued)

Defined contribution pension obligation

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

The obligations for contributions to defined contribution scheme are recognised as an expense as incurred. The assets of the scheme are held separately from those of the Company in an independent administered fund.

Defined benefit pension obligation

The institution participates in Universities Superannuation Scheme. The assets of the scheme are held in a separate Trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

FRS 102 makes the distinction between a Group plan and a multi-employer scheme. A Group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The Directors are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and have therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving these financial statements.

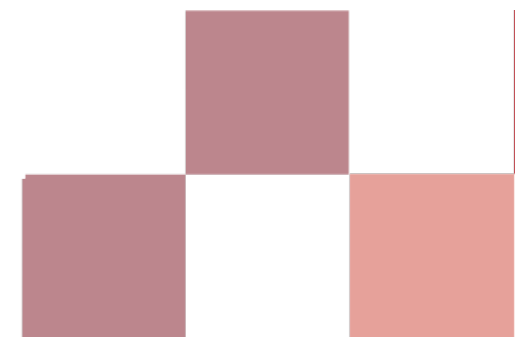
A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The obligations for contributions to defined contribution scheme are recognised as an expense as incurred. The assets of the scheme are held separately from those of the Company in an independent administered fund.

Critical accounting judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future period. There have been no provisions or assumptions deemed necessary after review by the directors required in these financial statements.



Notes to the Financial Statements (continued)

1 Trading subsidiary

The principal wholly-owned trading subsidiary is Northern Consortium UK Limited. The principal activity of this company is, in conjunction with partner universities, the advancement of educational standards by the development of syllabuses and courses and the provision of examination services and assurance programmes to ensure that students wishing to attend the company's partner universities meet the required standards. A summary of the trading results is shown below:

Summary results	2023 £	2022 £
Turnover	6,542,942	5,828,373
Cost of sales	(767,295)	(749,714)
Other income	35,007	50,854
Administrative expenses	(5,751,113)	(4,593,521)
Net interest	4,401	(6,368)
Tax charge	(733)	(73,681)
Actuarial gain (loss) on pension scheme	157,511	(385,633)
Donation to parent charity	(152,360)	(125,821)
Retained profit (loss) for the year	68,360	(55,511)

The assets and liabilities of the subsidiary were:

	2023 £	2022 £
Fixed assets	42,194	39,454
Debtors	527,615	508,633
Cash at bank	3,831,029	4,043,359
Creditors: amounts falling due within one year	(1,362,999)	(1,480,931)
Deferred tax	(10,330)	(9,597)
Pension liability	(645,335)	(787,104)
Net assets	2,382,174	2,313,814

2 Investment income

	2023 £	2022 £
Interest receivable on bank deposits	23,285	1,800

3 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging:		
Depreciation of tangible fixed assets	25,864	17,567
Fees paid to the Charity's auditor		
- Audit of charity financial statements	6,500	3,800
- Audit of subsidiary financial statements	13,000	8,925
- Other services	3,675	5,700

4 Staff costs

	2023 £	2022 £
Wages and salaries	3,082,280	2,322,188
Social security costs	267,417	202,992
Pension costs	232,713	224,611
	3,582,410	2,749,792

	No.	No.
The average monthly number of employees were:	76	65

4 Staff costs (continued)

The Charity considers its key management personnel comprise the Trustees and the Executive Director.

The total employee benefits of the key management personnel of the Charity were £47,560 (2022 - £44,130)

5 Trustees remuneration

No Trustee, nor any person connected to them, received any remuneration from the Charity during the year.

6 Direct expenses - trading subsidiary

	2023 £	2022 £
Rebates to partners	767,295	749,714

7 Charitable activities

	2023 £	2022 £
Administrative costs		
Employment costs	3,530,628	2,701,745
Establishment costs	278,832	153,954
General administrative expenses	1,894,532	1,688,852
Finance charges	21,257	13,369
Depreciation and profit / loss on disposal	25,864	17,567
	5,751,113	4,575,487

Charitable activities

Bank charges	87	84
Office expenses	4,785	1,631
Scholarships and project development	137,887	36,376
	142,759	38,091

Governance costs

Staff costs (including support)	58,382	53,881
Auditors' remuneration	6,550	6,308
Legal fees	14,970	17,940
Other governance costs	7,194	5,847
	87,096	83,976

	5,980,968	4,697,554
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8 Taxation

Northern Consortium has charitable status and is thus potentially exempt from taxation of its income and gains provided that they are applied for charitable purposes only. However, the following tax charges have arisen in the trading subsidiary:

	2023 £	2022 £
Current tax		
- UK corporation tax	-	69,129
Deferred tax	733	4,552
	733	73,681

Notes to the Financial Statements (continued)

9 Tangible fixed assets - Group

	Equipment £
Cost	
At 1 September 2022	243,091
Additions	28,604
At 31 August 2023	<u>271,695</u>
Depreciation	
At 1 September 2022	203,637
Charge for the year	25,864
At 31 August 2023	<u>229,501</u>
Net book value	
At 31 August 2023	<u>42,194</u>
At 1 September 2022	<u>39,454</u>

10 Fixed asset investments - Charity

	Shares in subsidiary undertakings £
Cost	
At 31 August 2023	<u>1,256,001</u>
At 1 September 2022	<u>1,256,001</u>

Shares in subsidiary undertakings

The trading company, Northern Consortium UK Limited, is a wholly owned subsidiary of the Charity, incorporated in England and Wales (company number : 04842064). Details of the principal activity are provided in note 1.

11 Debtors

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade debtors	472,396	398,289	-	-
Amounts owed by group undertakings	-	-	-	-
Other debtors and prepayments	54,808	101,797	1,789	-
	<u>527,204</u>	<u>500,086</u>	<u>1,789</u>	<u>-</u>

12 Creditors: Amounts falling due within one year

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Trade creditors	52,305	203,252	3,075	55
Amounts owed to group undertakings	-	-	2,200	8,547
Current tax	-	69,129	-	-
Taxation and social security	72,161	73,509	1,207	1,134
Other creditors	321,774	330,846	1,180	1,083
Accruals & deferred income	965,328	822,342	43,107	15,875
	<u>1,411,568</u>	<u>1,499,078</u>	<u>50,769</u>	<u>26,694</u>

13 Pension scheme liability

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
Universities Superannuation Scheme (USS)				
At 1 September 2022	827,871	410,627	40,767	17,041
Actuarial (gains) losses during the year	(137,746)	409,018	19,765	23,385
Pension finance cost	16,557	8,226	815	341
At 31 August 2023	<u>706,682</u>	<u>827,871</u>	<u>61,347</u>	<u>40,767</u>

The latest available complete actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method; a more recent valuation is not yet available.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have a sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below.

Discount rate (forward rate)	Years 1-10: CPI +0.14% reducing liability to CPI -0.73% Years 11-20: CPI +2.52% reducing linearly to CPI +1.55% by year 21 Years 21+ CPI +1.55%
Pension increases (CPI)	Term dependent rates in line with the difference between the fixed interest and index Linked yield curves, less 1.3% p.a.
The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows :	
Mortality base table	Pre-retirement: 71% of AMCO0 (duration 0) for males and 112% of AMCO0 (duration 0) for females. Post retirement: 97.6% of SAPS S1NMA "light" for males and 102.7% of RFV00 for females.
Pension increases (CPI)	CMI 2017 with smoothing parameter of 8.5, and a long term improvement rate of 1.8% p.a. for males and 1.6% p.a. for females.

The current life expectancies on retirement at age 65 are:

	2018 Valuation	2017 Valuation
Males currently aged 65 (years)	24	25
Females currently aged 65 (years)	26	26
Males currently aged 45 (years)	26	27
Females currently aged 45 (years)	28	28

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period. 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2020 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2023	2022
Discount rate	2.00%	2.64%
Pension salary growth	n/a	n/a

Notes to the Financial Statements (continued)

14 Movement in funds - Group

	Unrestricted	Pension reserve	TOTAL
	£	£	£
At 1 September 2021	3,597,709	(410,627)	3,187,082
Net income for the year	360,078	-	360,078
Actuarial gain (loss) on defined benefit pension scheme	-	(409,018)	(409,018)
Pension finance cost	-	(8,226)	(8,226)
At 1 September 2022	3,957,787	(827,871)	3,129,916
Net outgoings for the year	(147,762)	-	(147,762)
Actuarial gain (loss) on defined benefit pension scheme	-	137,746	137,746
Pension finance cost	-	(16,557)	(16,557)
At 31 August 2023	3,810,025	(706,682)	3,103,343

	Unrestricted	Pension reserve	TOTAL
	£	£	£
At 1 September 2021	2,108,833	(17,041)	2,091,792
Net income for the year	4,037	-	4,037
Actuarial gain (loss) on defined benefit pension scheme	-	(23,385)	(23,385)
Pension finance cost	-	(341)	(341)
At 1 September 2022	2,112,870	(40,767)	2,072,103
Net outgoings for the year	(74,353)	-	(74,353)
Actuarial gain (loss) on defined benefit pension scheme	-	(19,765)	(19,765)
Pension finance cost	-	(815)	(815)
At 31 August 2023	2,038,517	(61,347)	1,977,170

15 Operating lease commitments

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Within one year	45,144	84,627	-	-
Between one and five years	217,975	25,796	-	-
	263,119	110,423	-	-

Charity income and expenditure account

	2023 £	2022 £
INCOME		
Donation from subsidiary	152,360	125,821
Interest receivable	3,142	283
	155,502	126,104
EXPENDITURE		
Office expenses	4,785	1,631
Unrecoverable VAT	3,662	-
Other governance costs	3,532	5,847
Wages and salaries	51,782	47,281
Finance support costs - NCUK	6,600	6,600
Auditors' remuneration	6,550	6,308
Scholarships and project development	137,887	36,376
Bank charges	87	84
Accountancy and legal fees	14,970	17,940
	229,855	122,067
	(74,353)	4,037

Reference and Administrative Details

Registered company number 02788226 (England and Wales)

Registered charity number 1018979

Registered office 667-669 Stockport Road
Manchester
M12 4QE

Trustees

The Trustees, who are also Directors under company law, who served during the year and since year end were as follows:

Dr M A Butler - Chair of the Board of Trustees	Mr J Rossiter
Mr J Richardson - Deputy Chair	Mr A Ryder
Mr S Mckinnon-Evans - Treasurer	Professor A J Sambell
Professor L C Bishop	Mr N Smith
Mr R Cotton	Professor I C Wood
Miss S Darch	Professor C Hamshire (Joined 14 March 2024)
Mrs M Webster	Professor J Watling (Retired 12 October 2023)
	Professor J Allan (Retired 14 March 2024)

Executive Director & Company secretary Mrs D Leicester

Northern Consortium Member Universities

The present members of the Consortium are:

The University of Bradford
Leeds Beckett University
The University of Salford
Liverpool John Moores University
Sheffield Hallam University
The University of Manchester
The University of Leeds
The University of Sheffield
The University of Huddersfield

Auditors

Xeinadin Audit Limited
Chartered Accountants and Statutory Auditors
100 Barbirolli Square
Manchester
M2 3BD

Solicitors

Shakespeare Martineau	Eversheds Sutherland
Waterfront House	One Wood Street
Waterfront Plaza	London
Nottingham	EC2V 7WS
NG2 3DQ	

Bankers

Barclays Bank Plc
PO Box 357
51 Mosley Street
Manchester
M60 2AU

NORTHERN CONSORTIUM

Get In Touch

📞 07309 926 751

✉️ info@nccharity.org.uk

🌐 www.nccharity.org.uk