

Registered Charity number 510520 (England and Wales)
Company number 01512204

NLT TRAINING SERVICES LIMITED

**A COMPANY LIMITED BY GUARANTEE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2020**



NLT TRAINING SERVICES LIMITED

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

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NLT TRAINING SERVICES LIMITED

Legal and administrative details

Chief Executive	S Temperton
Trustees	Mr S Oxspring Mr S J Winfield Mr F Benison Mrs A Melton Mr M Lovatt
Registered Office	Devonshire House Station Road Brimington Chesterfield S43 1JU
Registered Company Number	01512204
Registered Charity Number	
England & Wales	510520
Bankers	National Westminster Bank Plc 5 Market Place Chesterfield Derbyshire S40 1TW
Independent Examiner	Mr Phillip Nicholson Stopford Associates Ltd Synergy House 7 Acorn Business Park Commercial Gate Mansfield Nottinghamshire NG18 1EX

NLT TRAINING SERVICES LIMITED

Chairs Report

NLT Training Services continues to trade as a commercial business for the construction, engineering and manufacturing sector throughout 2019 – 2020 delivering health and safety training to SME's and self-employed contractors.

The Chesterfield site, Devonshire House, was finally sold in December 2019 to the Phoenix Technology Group. This meant the budget would become more realistic throughout 2020 with the reduction of many of the expensive running costs for the building in Chesterfield.

In February 2020 work commenced with a D2N2 business development advisor. Match funded EDRF grants were applied for through the Business Improvement Fund (BIF) and through Notts Business Venture (NBV) to contribute towards the purchase of laptops and refreshing the network. This would enable delivery of the 'CCNSG renewal test only' to those contractors who needed to refresh their safety passport cards. The plan is to deliver from Chesterfield and Scunthorpe. The cost of delivering this is much less than the full day's refresher course as no tutor is needed and the test is invigilated by a member of staff. This project was not finalised before the financial year end due to the national lockdown in May and June.

NLT closed its doors to training during the two months lockdown and re-opened in June 2020. This meant no income for the two months of closure. One member of staff was furloughed and the other worked from home during this period. Courses recommenced in June 2020 but to lower numbers to ensure safety for all. Overall tutor costs will be higher, and each course will have a lower profit margin.

NLT was successful in receiving 2 COVID – 19 grants, a discretionary one from Chesterfield Borough Council of £7,500 and a full COVID grant from North Lincolnshire Council of £10,000. This has enabled NLT to continue operating throughout the pandemic time period.

NLT continues to have a healthy balance sheet due to the sale of the Chesterfield building. The board are now keen to maximise their contributions to the local communities in Derbyshire and Lincolnshire to ensure their charitable objectives are met.

NLT TRAINING SERVICES LIMITED

Trustees Report (including Directors Report) for the year ended 31 July 2020

The Trustees present their report and financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019).

Governing document

NLT Training Services Limited is limited by guarantee and governed by its Articles of Association adopted on incorporation dated 13 August 1980, as amended on 20 February 1992, 25 October 1996, 21 May 2007, 16 March 2010 and 8 April 2019.

It is registered as a charity with the Charity Commission.

Trustees of the charity

The directors of the charitable company are its trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:

Mr S Oxspring	
Mr S J Winfield	(Appointed 19 February 2020)
Mr F Benison	
Mrs A Melton	
Mr M Lovatt	
Mr C Cox	(Resigned 12 March 2020)
Mrs C Penny	(Resigned 18 August 2020)

Appointment of directors

As set out in the Articles of Association the directors are appointed by the company from out of the members. The board of directors comprises the Chairman, the Vice Chairman and up to seven other members (or such other numbers of members as the company, in general meeting, shall from time to time fix) appointed by the company in general meeting, each of whom shall be chosen as representing one of the persons or bodies which are ordinary members of the company or are representative members of the company. The board may also co-opt other persons as it thinks fit to join the board and vote.

Induction and training of directors

New directors undergo an induction process which aims to inform them of their responsibilities as trustees of the charity.

Objects of the charitable company

The objects of the charity as set out in its Articles of Association are to promote and advance adequate training of persons employed or intending to be employed in industry and commerce, and to extend such training to members of the public generally.

The directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives.

NLT TRAINING SERVICES LIMITED

Trustees Report (including Directors Report) (continued) for the year ended 31 July 2020

Public Benefit

The charity supports individuals in business communities to grow by developing their work related skills through training and development, coaching and mentoring and in some cases providing a financial bursary for those who would be unable to access the training due to poor financial circumstances.

Organisation of the charitable company

The board of directors administer the charity. The board meets at least quarterly and on a more frequent basis when it is deemed necessary. A Chief Executive is appointed by the board to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within the terms of delegation approved by the directors, for operational matters including finance and employment.

Arrangements for setting pay and remuneration of key management personnel rest with the board of directors.

Achievements and performance

This is covered within the Chair's report on page 2.

Financial review

2019 – 2020 has been a better year as the sale of the Chesterfield site completed in December 2019. January 2020 enabled NLT to start trading with a realistic cost centre, in line with its current trading routes.

At 31 July 2020 total unrestricted reserves showed a surplus of £519,680 (2019 surplus £463,873).

Reserves (defined as Unrestricted Reserves less Intangible and Tangible Assets) showed a surplus of £519,680, (2019 surplus of £97,029).

Plans for future periods

We aim to improve and broaden out the training offer for NLT throughout 2020 – 2021 by delivering a 'test only' facility through the purchase of laptops and upgrading the networking facility at Chesterfield and Scunthorpe. Business development support is being sought through the Local Enterprise partnerships, D2N2 and Greater Lincolnshire.

Reserves policy

The charity aims to maintain adequate reserves sufficient to ensure that:

- (a) its financial position is protected should there be a sudden downturn in income;
- (b) there is protection against periodic adverse changes in cashflow;
- (c) resources are available to allow for improvements in the charity's main purpose of educating those in need.

The reserves policy is monitored by meetings of the directors of the company. Should the level of reserves fall below the levels deemed sufficient, the directors closely monitor the performance of the charity with a view to increasing reserves back to levels that are considered to be adequate or take necessary critical steps to prevent further reduction in reserves.

NLT TRAINING SERVICES LIMITED

Trustees Report (including Directors Report) (continued) for the year ended 31 July 2020

Risk analysis

The directors have put in place a risk management strategy to pursue risk management goals and objectives. These goals and objectives include:

1. Avoiding exposure to accidental loss by not undertaking events, contracts, or activities where the potential loss is greater than the potential benefit to be derived from these undertakings,
2. Preventing loss by identifying potential loss exposures and implementing policies and procedures to reduce the risk of these losses occurring,
3. Controlling losses that do occur by developing contingency plans for possible loss scenarios.

The directors consider the risks to which the charity is exposed and review the risk management strategy at board meetings.

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

By order of the board of directors;

Signed: _____

Date:

Trustee: Mr S Oxspring

NLT TRAINING SERVICES LIMITED

Independent Examiner's Report to the Trustees of NLT Training Services Ltd

I report to the trustees on my examination of the financial statements of NLT Training Services Limited ('the charity') for the year ended 31 July 2020 which are set out on the pages 2 to 15.

Responsibilities and basis of report

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

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

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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

Mr Phillip Nicholson
for and on behalf of Stopford Associates Ltd

Chartered Accountants
Statutory Auditor

Date:

Synergy House
7 Acorn Business Park
Commercial Gate
Mansfield
Nottinghamshire
NG18 1EX

NLT TRAINING SERVICES LIMITED

Statement of Financial Activities for the year ended 31 July 2020
Including Income and Expenditure Account

	Notes	Unrestricted 2020 £	Total 2020 £	Total 2019 £
INCOME AND ENDOWMENTS FROM:				
Charitable activities	2	119,411	119,411	206,603
Investments				
Interest received		642	642	275
Total Income and endowments:		120,053	120,053	206,878
EXPENDITURE ON:				
Charitable activities	3	157,375	157,375	196,766
Governance costs	4	4,500	4,500	7,653
Total resources expended		161,875	161,875	204,419
Net income/(expenditure)		(41,823)	(41,823)	2,459
Other recognised gains				
Gain/(Loss) on disposal of fixed assets		97,630	97,630	66,263
Net movement in funds		55,807	55,807	68,722
Balances brought forward at 1 August 2019		463,873	463,873	395,151
Balances carried forward at 31 July 2020		519,680	519,680	463,873

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

The notes on pages 9 to 15 form part of these financial statements.

NLT TRAINING SERVICES LIMITED

Balance Sheet as at 31 July 2020

	Notes	£	2020 £	£	2019 £
Fixed assets					
Tangible fixed assets	6				366,844
Current assets					
Debtors	7	22,716		25,099	
Bank and cash	8	<u>517,799</u>		<u>97,162</u>	
		540,515		122,261	
Creditors: Amounts falling due within one year	9	<u>20,835</u>		<u>25,232</u>	
Net current assets/(liabilities)			<u>519,680</u>		<u>97,029</u>
			519,680		463,873
Creditors: Amounts falling due in more than one year					
Total assets less current liabilities			<u>519,680</u>		<u>463,873</u>
Charity funds					
Revaluation reserve	10				26,334
Unrestricted funds	10		519,680		437,539
Total charity funds			<u>519,680</u>		<u>463,873</u>

For the financial year ending 31 July 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

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

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

The financial statements were approved by the directors on:

Signed: _____

Chairman of Trustees: Mr S Oxspring

Registered Company Number 510520
Registered Charity Number 01512204

The notes on pages 9 to 15 form part of these financial statements.

NLT TRAINING SERVICES LIMITED

Notes to the accounts for the year ended 31 July 2020

1. Accounting policies

a. Basis of accounting

NLT Training Services Ltd is a private company limited by guarantee incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £20 per member. The registered office is Devonshire House, Station Road, Brimington, Chesterfield, Derbyshire, S43 1JU.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The company has taken advantage of the provisions in the SORP for charities applying FRS102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are presented in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

b. Judgements and key sources of estimation uncertainty

In the application of the 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.

The following judgements that have had the most significant effect on amounts recognised in the financial statements are as follows:

Depreciation

The directors review depreciation rates and useful lives of the tangible fixed assets on an annual basis to ensure the effects of usage, wear and tear or technical obsolescence are reflected in the carrying value of the asset.

Impairment

The directors review fixed assets for indications of impairment in conjunction with review of depreciation above. The company has policies in place to review assets on an ongoing basis.

Trade debtors

The trustees make provisions for doubtful debts based on an assessment of the recoverability of trade debtors. This methodology is applied on a customer by customer basis.

c. 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.

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

d. Financial instruments

Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

e. Income tax

As a registered charity, NLT Training Services Limited is exempt from corporation tax on income and gains falling within section 478 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

f. Funds accounting

Funds held by the charity are:

- (a) Unrestricted general funds - these funds can be used in accordance with the charitable objects at the discretion of the trustees.
- (b) Restricted funds - these are funds that can only be used for a particular restricted purpose within the objects of the charitable company. Restrictions arise when specified by the donor when funds are raised for particular purposes.

Incoming resources

Voluntary income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income from charitable activities, which includes income received under contract where entitlement to grant funding is subject to specific performance conditions, is recognised as earned as the related services are provided.

Resources expended

All expenditure is accounted for on an accruals basis. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Charitable activities include expenditure associated with the provision of training and include both the direct and support costs relating to these activities. Governance costs comprise the costs of complying with constitutional and statutory requirements. Support costs comprise the costs incurred by the company which are not direct costs of providing training but are incurred by the company in order to fulfil its charitable activities.

g. Tangible fixed assets

Tangible assets costing more than £500 are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Workshop & classroom equipment	20% reducing balance/3-5 years straight line
Fixtures, fittings & IT equipment	15-25% reducing balance/3-5 years straight line

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

h. Stock

Stock is stated at lower of cost and net realisable value.

i. Pension costs

The charitable company operates a defined contribution pension scheme. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets.

j. Irrecoverable VAT

Irrecoverable VAT is calculated using a recognised scheme and is charged to the income and expenditure account as arising.

k. Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis.

l. Grants

Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

2. Income from charitable activities

	Unrestricted 2020 £	Total 2020 £	Unrestricted 2019 £	Total 2019 £
Apprenticeships			9,720	9,720
Study programme			51,920	51,920
Training courses	90,638	90,638	144,930	144,930
Room hire	12,279	12,279		
Government grants				
Small Business Support Grant	10,000	10,000		
Job Retention Scheme	4,436	4,436		
Other income	2,057	2,057	33	33
	119,411	119,411	206,603	206,603

3. Expenditure on charitable activities

Expenditure on charitable activities, Apprenticeships, Study Programme and Other Workplace Learning Activities undertaken directly

	Unrestricted 2020 £	Total 2020 £	Unrestricted 2019 £	Total 2019 £
Tutors, associates and course fees	48,442	48,442	63,082	63,082
Wages/salaries	53,927	53,927	62,823	62,823
Employer's NIC	4,188	4,188	4,778	4,778
Pension costs	2,702	2,702	3,464	3,464
Other employee benefits	2,644	2,644	1,627	1,627
Rent, rates & water	15,273	15,273	9,374	9,374
Light & heat	2,664	2,664	7,012	7,012
Repairs & maintenance	3,956	3,956	4,295	4,295
Insurance	657	657	3,391	3,391
Other establishment	3,929	3,929	5,950	5,950
Motor vehicle expenses			363	363
Other motor/travel costs	3,045	3,045	3,353	3,353
Legal and professional fees	408	408		
Telephone	1,398	1,398	1,107	1,107
Other office costs	4,495	4,495	8,328	8,328
Depreciation	4,891	4,891	14,669	14,669
Advertising and PR	4,757	4,757	3,151	3,151
Expenditure on charitable activities	157,375	157,375	196,766	196,766

4. Expenditure on charitable activities (support costs)

	Unrestricted 2020 £	Total 2020 £	Unrestricted 2019 £	Total 2019 £
<u>Governance costs</u>				
Accountancy support	3,300	-	6,553	6,553
Independent examination/Audit fees	1,200		1,100	1,100
	4,500	-	7,653	7,653

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

<u>5. Staff costs</u>	2020 £	2019 £
Wages and salaries	53,927	62,823
Social security costs	4,188	4,778
Pension costs	2,702	3,464
Other costs	2,644	1,627
	<hr/> 63,461	<hr/> 72,692

Average number of staff - based on equivalent full time

Management, training and administration staff	<hr/> 2	<hr/> 2
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During the year no employees received total employee benefits of more than £60,000.

The trustees received no remuneration or reimbursement of expenses during the year.

6. Tangible fixed assets

<u>Cost</u>	Freehold property £	Workshop & classroom equipment £	Fixtures, fittings & IT equipment £	Motor vehicles £	Total £
At 1 August 2019	660,194				660,194
Additions					
Eliminated on disposal	(660,194)				(660,194)
At 31 July 2020	<hr/>				<hr/>
<u>Depreciation</u>					
At 1 August 2019	293,350				293,350
Charge for the year	4,891				4,891
Eliminated on disposal	(298,241)				(298,241)
At 31 July 2020	<hr/>				<hr/>
<u>Net book value</u>					
At 31 July 2020	<hr/>				<hr/>
At 31 July 2019	<hr/> 366,844				<hr/> 366,844

There were no outstanding capital commitments at 31 July 2020.

Disposals represents the sale of company offices at Station Road, Chesterfield.

The company's offices at Station Road, Chesterfield and Queensway Business Centre, Scunthorpe have been sold and leased back, commitments are included within the disclosure in note 12.

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

<u>7. Debtors</u>	2020	2019
	£	£
Trade debtors	12,729	16,117
Prepayments and accrued income	9,987	8,983
	<u>22,716</u>	<u>25,099</u>

<u>8. Cash at bank and in hand</u>	2020	2019
	£	£
National Westminster Bank	305,142	97,162
Yorkshire Bank	212,658	-
	<u>517,799</u>	<u>97,162</u>

<u>9. Creditors: Amounts falling due within one year</u>	2020	2019
	£	£
Bank loans and overdrafts	113	129
Trade creditors	12,968	10,388
Accruals and deferred income	3,035	5,153
Social security and other taxes	2,244	3,113
Other creditors	2,476	6,449
	<u>20,835</u>	<u>25,232</u>

10. Analysis of charity funds

	2019	Income	Expenditure	Gains/Losses	Transfers	2020
	£	£	£	£	£	£
Unrestricted funds						
Revaluation reserve	26,334				(26,334)	
General fund	437,539	120,053	(161,875)	97,630	26,334	519,680
	<u>463,873</u>	<u>120,053</u>	<u>(161,875)</u>	<u>97,630</u>	<u>-</u>	<u>519,680</u>

Transfers between funds represents the revaluation reserve transferred to general reserves on disposal of the property at Station Road, Chesterfield.

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.

NLT TRAINING SERVICES LIMITED

Notes to the accounts (continued) for the year ended 31 July 2020

11. Analysis of Net Liabilities between Funds

	Tangible Fixed Assets	Net Current Assets/ Liab'	Creditor due after 1 year	Total £
Unrestricted Funds		519,680	-	519,680
Total funds at 31 July 2020		<u>519,680</u>	<u>-</u>	<u>519,680</u>

12. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020 £	2019 £
Not later than 1 year	9,334	6,926
Later than 1 year and not later than 5 years	11,219	6,370
	<u>20,553</u>	<u>13,296</u>

13. Related Party Transactions

During the year the company made the following transactions with connected parties:

Purchased book keeping services totalling £2,700 (2019 £2,025) from Chatsworth Accounts Services Ltd, registered in England, in which Mr Martin Lovatt is a director and shareholder. £270 remained payable at the balance sheet date.

Purchased marketing services totalling £4,350 (2019 £2,686) from In The Works PR Ltd, registered in England, in which Mrs Anna Melton is a director and shareholder. £1,320 remained payable at the balance sheet date.

Paid rent and service charges in respect of Devonshire House, Chesterfield, totalling £6,552 to Phoenix Technology Group Ltd, registered in England, in which Mr Simon Winfield is a director and shareholder. £3,470 remained payable at the balance sheet date.

All transactions were made on commercial terms.