

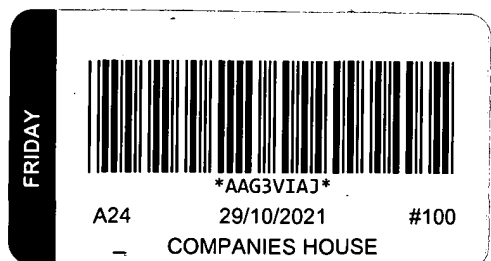
Metskill Limited

Report and Financial Statements

Year Ended

31 March 2021

Company Number 02465674



Metskill Limited

Company Information

Directors	A Parkes A Watson
Registered number	02465674
Registered office	Unit 2, The Orient Centre Greycaine Road Watford WD24 7GP
Independent auditor	Grant Thornton UK LLP Victoria House 199 Avebury Boulevard Milton Keynes MK9 1AU

Metskill Limited

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Metskill Limited

Directors' Report for the Year Ended 31 March 2021

The directors present their report together with the audited financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the company is the provision of apprentice training services to improve performance of businesses in the engineering and manufacturing sectors.

Results

Turnover for the company amounted to £1,000 (2020 - £397,675). After operating costs and expenses, the operating profit before gift aid was £Nil (2020 - £940,006).

Under Article 93 of the company's Articles of Association, the company may not declare any dividends payable to its members.

Directors

The directors who served during the year were:

A Parkes
A Watson

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Metskill Limited

Directors' Report (continued) for the Year Ended 31 March 2021

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Going concern

On 28 March 2019, the decision was made to cease trading operations with the intent to wind the company up. Therefore, the financial statements have not been prepared on the going concern basis.

Post balance sheet events

After the year-end, the Directors of Metskill Limited and the Directors of the parent company had put in place plans to dissolve Metskill Limited and strike it off from the register.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



.....
A Watson
Director

Date: 29 September 2021

Metskill Limited

Independent Auditor's Report to the Members of Metskill Limited

Opinion

We have audited the financial statements of Metskill Limited (the 'company') for the year ended 31 March 2021, which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity 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 company's affairs as at 31 March 2021 and of its profit 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – basis of preparation of the financial statements

We draw attention to note 2.1 to the financial statements, which describes the basis of preparation of the financial statements. As described in that note, the trading activities of Metskill Limited have ceased and accordingly the directors have prepared the financial statements on a break-up basis. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the information included in the directors 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.

Metskill Limited

Independent Auditor's Report to the Members of Metskill Limited (continued)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors 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 directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Metskill Limited

Independent Auditor's Report to the Members of Metskill Limited (continued)

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.

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

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We understood how Metskill Limited is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the audit committee. We corroborated our enquiries through our review of board minutes, papers provided to the Audit Committee and any correspondence received from regulatory bodies.
- The company is subject to many laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements. We identified the following laws and regulations as the most likely to have a material effect if non-compliance were to occur; FRS 102, Companies Act 2006, Data Protection Act 2018, tax legislation, anti-bribery legislation and employment law.
- We communicated relevant 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.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls. We determined that the principal risks were in relation to:
 - journal entries that increased revenues or that reclassified costs from the income statement to the balance sheet
 - potential management bias in determining accounting estimates, and
 - transactions with related parties
- Our audit procedures involved:
 - evaluation of the design effectiveness and testing the operating effectiveness of controls that management has in place to prevent and detect fraud;
 - challenging assumptions and judgements made by management in its significant accounting estimates;
 - testing the completeness of the company's related party transactions through information obtained and testing that these transactions had a valid business purpose; and
 - assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

Metskill Limited

Independent Auditor's Report to the Members of Metskill Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- In addition, we completed audit procedures to conclude on the compliance of disclosures in the directors' report and accounts with applicable financial reporting requirements.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation
 - knowledge of the industry in which the client operates
 - understanding of the legal and regulatory requirements specific to the entity/regulator entity including:
 - the provisions of the applicable legislation
 - the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules
 - the applicable statutory provisions
- Team communications in respect of potential non-compliance with laws and regulations and fraud included the potential for fraud in revenue recognition through manipulation of accrued or deferred income.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operations, including the nature of its revenue sources, products and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - the applicable statutory provisions
 - the entity's control environment, including the policies and procedures implemented to comply with the requirements of its regulator, including the adequacy of the training to inform staff of the relevant legislation, rules and other regulations of the regulator, the adequacy of procedures for authorisation of transactions, internal review procedures over the entity's compliance with regulatory requirements, the authority of, and resources available to the compliance officer and procedures to ensure that possible breaches of requirements are appropriately investigated and reported.

Metskill Limited

Independent Auditor's Report to the Members of Metskill Limited (continued)

Use of our report

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

Grant Thornton UK LLP

William Devitt (Senior Statutory Auditor)

For and on behalf of Grant Thornton LLP, Statutory Auditor, Chartered Accountants
Milton Keynes

Date: 5 October 2021

Metskill Limited

Statement of Comprehensive Income for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	1,000	397,675
Cost of sales		-	(93,294)
Gross profit		1,000	304,381
Administrative expenses		(1,000)	(933,394)
Exceptional other income	5	-	1,569,019
Total comprehensive income for the year	6	-	940,006

All amounts relate to discontinued operations.

The notes on pages 11 to 15 form part of these financial statements.

Metskill Limited
Registered number: 02465674

Statement of Financial Position
as at 31 March 2021

	Note	2021 £	2020 £
Current assets			
Debtors: amounts falling due within one year	9	7,822	33,771
Creditors: amounts falling due within one year	10	(1,000)	(26,949)
Net assets		<u>6,822</u>	<u>6,822</u>
Capital and reserves			
Share capital	11	1,098	1,098
Retained earnings	12	5,724	5,724
Total equity		<u>6,822</u>	<u>6,822</u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



.....
A Watson
Director

Date: 29 September 2021

The notes on pages 11 to 15 form part of these financial statements.

Metskill Limited

Statement of Changes in Equity for the Year Ended 31 March 2021

	Share capital £	Retained earnings £	Total equity £
At 1 April 2020	1,098	5,724	6,822
At 31 March 2021	1,098	5,724	6,822

Statement of Changes in Equity for the Year Ended 31 March 2020

	Share capital £	Retained earnings £	Total equity £
At 1 April 2019	1,098	(934,282)	(933,184)
Comprehensive income for the year			
Profit for the year	-	940,006	940,006
At 31 March 2020	1,098	5,724	6,822

The notes on pages 11 to 15 form part of these financial statements.

Metskill Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1. General information

Metskill Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office and registered number are given on the company information page and the nature of the company's operations and principal activity are set out in the directors' report. The company is part of a public benefit entity group as the parent undertaking is constituted as a public benefit entity as defined by FRS102.

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

On the 28 March 2019, the Board members made the decision to cease apprenticeship training provision under the ESFA contract. This ultimately led to the trading activities of Metskill limited to cease on 31 July 2019. This will ultimately lead to the winding up of the company. As a result of this, the financial statements have been prepared on the break-up basis.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Enginuity as at 31 March 2021 and these financial statements may be obtained from Unit 2, The Orient Centre, Greycaine Road, Watford, WD24 7GP.

2.3 Turnover

Turnover represents the amount receivable for goods and services supplied to customers, excluding Value Added Tax and trade discounts.

Metskill Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

2. Accounting policies (continued)

2.4 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.5 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.6 Pensions

The company incurred no pensions costs in the year to 31 March 2021. The prior year's costs related to contributions to a defined contribution plan administered by ITB Pension Funds. A defined contribution plan is a pensions plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations. The contributions are recognised as an expense in the profit and loss accounts as and when they fall due. The assets of the plan are held separately from the company in an independently administered fund.

2.7 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the company but are presented separately due to their size or incidence.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

Due to the simplicity of the company's transaction streams and year-end financial position, the directors consider there to be no critical judgements, estimates or assumptions in the preparation of these financial statements.

Metskill Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

4. Turnover

An analysis of turnover by class of business is as follows:

	2021 £	2020 £
Apprenticeships	26,804	454,471
Other income	(25,804)	(56,796)
	<u>1,000</u>	<u>397,675</u>

All turnover arose within the United Kingdom.

5. Exceptional items

	2021 £	2020 £
Write off of amounts owed to group undertakings	-	1,569,019

During the prior year Enginuity wrote off the balance of amounts due to group undertakings (see note 9).

6. Operating profit

The operating profit is stated after charging:

	2021 £	2020 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	<u>1,000</u>	<u>3,300</u>

7. Staff costs

	2021 £	2020 £
Wages and salaries	-	34,741
Social security costs	-	3,554
Pension costs	-	3,167
	<u>-</u>	<u>41,462</u>

During the year, no director received any emoluments (2020 - £Nil).

The average monthly number of employees, including the directors, during the year was 2 (2020 - 4).

Metskill Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

8. Covered by gift aid

There is no charge to taxation as the company has entered into a Deed of Covenant with Enginuity to make a payment equal to its taxable profits each year.

The payment under the Deed of Covenant represents a taxable profit and differs from the profit on ordinary activities because of the different basis used for calculating taxable and accounting profits. The company did not make payments to Gift Aid for the current or prior year.

9. Debtors

	2021 £	2020 £
Amounts owed by group undertakings	7,822	-
Prepayments and accrued income	-	33,771
	<u>7,822</u>	<u>33,771</u>

During the prior year Enginuity wrote off the balance of amounts due to group undertakings (see note 5).

10. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	1,000	26,949
	<u>1,000</u>	<u>26,949</u>

11. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
1,048 ordinary shares of £1 each	1,048	1,048
50 preference shares of £1 each	50	50
	<u>1,098</u>	<u>1,098</u>

Metskill Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

11. Share capital (continued)

The ordinary and preference shares are held by Enginuity.

In the event of a winding up, surplus assets available for distribution shall be applicable in the following manner and priority:

- Firstly, in returning to the holders of preference shares the capital paid up on their shares and if the surplus assets are insufficient to repay such capital in full repayment shall be made pro rata among them according to the capital paid up by each of them.
- Secondly, in returning to the holders of the ordinary shares the capital paid up on their shares and if the surplus assets are insufficient to repay such capital in full then the repayment shall be made pro rata among them according to the capital paid up by each of them.
- Thirdly, any remaining assets shall be divided between the holders of the preference shares in proportion to the amount of levies paid by them over such period as the directors may determine.

12. Reserves

Retained earnings

Retained earnings represent cumulative profits or losses, net of dividends paid and other adjustments.

13. Related party transactions

The company has taken advantage of the exemption conferred by Financial Reporting Standard 102 Section 33 'Related Party Disclosures' paragraph 33.1A not to disclose transactions with certain Group companies on the grounds that 100% of the voting rights in the company are controlled by the Group.

14. Controlling party

The directors regard Enginuity, a charitable company registered in England, as the company's ultimate parent undertaking and ultimate controlling party.

The Enginuity is the parent undertaking of the only group which Metskill Limited is a member for which group accounts are drawn up. Copies of those accounts are available from Enginuity, Unit 2 The Orient Centre, Greycaine Road, Watford, WD24 7GP.

15. Post balance sheet events

After the year-end, the Directors of Metskill Limited and the Directors of the parent company had put in place plans to dissolve Metskill Limited and strike it off from the register.