

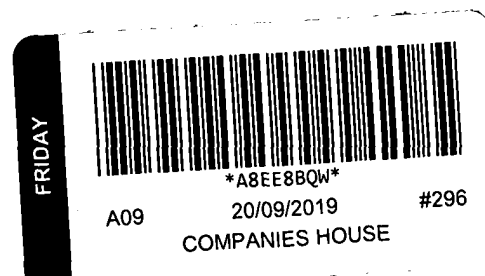
Registered number: 02720630  
Charity number: 1026685

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**



---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

---

**CONTENTS**

---

	Page
<b>Reference and administrative details of the charity, its trustees and advisers</b>	1 - 2
<b>Trustees' report</b>	3 - 14
<b>Independent auditors' report</b>	15 - 17
<b>Consolidated statement of financial activities</b>	18
<b>Consolidated balance sheet</b>	19
<b>Charity balance sheet</b>	20
<b>Consolidated statement of cash flows</b>	21
<b>Notes to the financial statements</b>	22 - 42

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 30 JUNE 2019**

---

**Directors**

Laura Adams  
Gavin Allen  
Lynne Anderson (appointed 20 September 2018)  
Abu Bundu-Kamara  
Andy Cairns  
Jeremy Clifford  
Kim Fletcher, Chairman  
Toby Granville (appointed 7 March 2019)  
Andy Martin (resigned 7 March 2019)  
Rosalind McKenzie  
Alison Moore (resigned 6 June 2019)  
Colm Murphy  
John Ryley  
Martin Wright

**Patron**

Alex Crawford

**Company registered number**

02720630

**Charity registered number**

1026685

**Registered office**

The New Granary  
Station Road  
Newport  
Saffron Walden  
Essex  
CB11 3PL

**Company secretary**

Chris Dunham

**Chief executive officer**

Joanne Butcher

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**Advisers (continued)**

**Independent auditors**

Peters Elworthy & Moore  
Chartered Accountants  
Statutory Auditors  
Salisbury House  
Station Road  
Cambridge  
CB1 2LA

**Bankers**

Barclays Bank Plc  
183 High Street  
Epping  
Essex  
CM16 4BH

**Investment manager**

Investec Wealth and Investment  
2 Gresham Street  
London  
EC2V 7QN

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

The directors (who are also trustees of the charity for the purposes of the Charities Act 2011) submit their annual report and audited financial statements of National Council for the Training of Journalists (the charity) for the year ended 30 June 2019.

The directors confirm that the annual report and financial statements of the charity and the group comply with current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" applicable to charities preparing their accounts in accordance with Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Since the company and the group qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## **OBJECTIVES AND ACTIVITIES**

### **Policies and objectives**

#### **Principal activity**

The principal activities of the group are the provision, supervision and accreditation of journalism-related training, and the directors intend to continue to develop these activities.

#### **Business direction**

The National Council for the Training of Journalists (NCTJ) is a well-established and robust organisation with a well-known brand in the industry that enjoys high penetration and employer support and recognition across the media. It is financially stable with revenue streams offering a range of products and services. The number of journalists working in the UK has risen substantially from 65,000 in 2012 to 73,000 in 2018. The percentage of qualified journalists who have NCTJ qualifications is also increasing, 81 per cent in 2018 and up from 63 per cent in 2012 and 58 per cent in 2002.

The media industry is undergoing significant change and this is reflected in the business direction of the charity.. NCTJ is committed to alleviating the pressures on funding for training and ensuring journalists and trainers are appropriately skilled for the digital journalism revolution. With serious concerns about fake news, the role of NCTJ is more important than ever to ensure quality and high standards of journalism.

The charity is committed to making a positive and demonstrable contribution to the future sustainability of public interest journalism in the UK. Quality news requires quality journalists and NCTJ plays an important role in ensuring high standards of recruitment, training and qualifications.

To move to the next stage of its development, the charity is working to secure and implement high profile partnerships and projects. This is designed to build capacity and capability in order to achieve the mission and strategic objectives.

Achieving greater equality, diversity and inclusion in the journalism workforce has become a more important aspect of the charity's work. NCTJ continues to run the industry's Journalism Diversity Fund by encouraging the awarding of bursaries for those who cannot afford their training. The fund fosters greater diversity in the newsroom by promoting careers in journalism and awarding bursaries to those from diverse backgrounds without the financial means to attend NCTJ-accredited courses.

The charity continues to invest in the development of a broad range of products and services for all journalists, media organisations and journalism trainers. A long-term commitment has been made to foster a culture of continuing professional development for journalists to ensure there is public confidence in journalism standards

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

and ethics.

In a fast-changing market place and digital developments mean the charity has a vital role to play in ensuring there is up-to-date and reliable labour market information about journalism.

In October 2018, NCTJ appointed Alex Crawford, special correspondent for Sky News, as the charity's first ever patron. The decision to appoint Alex as patron came after she received the most nominations from journalists who were asked which living journalist they felt most embodies the values of journalism that they respect and adhere to as part of the 2018 Journalists at Work survey. In her role as patron, Alex is giving talks, running workshops, writing articles, helping with fundraising events and doing all she can to highlight the importance of professional journalism and to promote the NCTJ's values.

### **Mission**

To be recognised as the industry charity for attracting, qualifying and developing outstanding journalists who work to the highest professional standards.

### **Purpose**

To provide a world-class education and training system that develops current and future journalists from all walks of life for the demands of a fast-changing media industry

### **Strategies for achieving objectives**

In setting objectives the directors confirm that they have paid due attention to the charity commission guidance on public benefit and section 19 of the Charities Act 2011.

To achieve its purpose the objectives are to:

- Accredit high quality courses delivered by education and training providers and recognise courses of excellence
- Offer outstanding professional qualifications which guarantee the high standards of journalism needed in the workplace and trust in journalists by the public
- Foster continuing professional development for journalists and journalism trainers throughout their careers
- Provide services and products that are demonstrably helpful and relevant to stakeholders

### **Values**

The charity's strategy is based on the distinctive characteristics – the values – of the organisation. The values are:

- Fair, accessible and transparent
- Strong, sustainable growth and best use of resources
- Effective leadership, management and governance
- Equality, diversity and inclusion

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

- High profile, respected and influential
- Upholding quality, high standards and best practice
- Open, receptive and responsive to change

**Priorities**

- Increase resources to build the capacity and capability of NCTJ to strengthen its role and influence across all media sectors and related sectors where journalism skills are required.
- Ensure there are effective products and services for journalists and journalism trainers at all stages of their careers and foster a culture of continuing professional development.
- Maintain a progressive, flexible and inclusive framework of respected industry 'gold standard' journalism qualifications and apprenticeships that embrace digital and other developments.
- Accredite journalism courses of excellence at colleges, universities and independent providers and reward and support them to achieve the media industry's challenging performance standards.
- Provide an effective careers information service that promotes journalism careers, accredited courses and the industry's training scheme for professional journalists.
- Take more action on equality, diversity and inclusion to build a journalism workforce that widens participation so that it better reflects its audiences.
- Mobilise employers to ensure the media industry's professional training scheme produces journalists with high ethical standards to win public confidence and trust in quality journalism.
- Communicate and collaborate effectively with all target audiences to increase awareness of NCTJ brand values, its role, value for money, agenda-setting activities and status as a charity.
- Make a positive and demonstrable contribution to the future sustainability of quality public interest - journalism in the UK.
- Provide the industry with substantive research and up-to-date skills information to develop our understanding and response to the rapidly changing market place for journalism.

**ACHIEVEMENTS AND PERFORMANCE**

**Review of activities**

The net income to the group, before investment gains, amounted to £3,856,991 (2018: £85,720 deficit). Together with net realised and unrealised gains on investments amounting to £8,177 (2018: £82,281) this produced a total increase in funds of £3,865,168 (2018: decrease £3,439).

The charity continued its investment in digital tools and resources as well as making further developments to its products and services to meet the needs of the changing media industry and new markets for journalism skills. This work included the new National Qualification in Journalism, piloting a practical international journalism qualification, the design of new digital and data journalism diploma modules, and publication of the fourth edition of Public Affairs for Journalists. The charity continues to play a pivotal role in the development and assessment of journalism apprenticeships.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

In November 2018, the charity entered into a partnership with Facebook and nine regional news publishers: Archant; Barnsley Chronicle; Baylis Media; JPIMedia; KM Media Group; MNA Media; Newbury News and Media; Newsquest; and Reach. The Community News Project, which will recruit, train and qualify at least 80 community journalists working for the nine publishers, aims to increase the quantity and quality news stories in under reported communities in England, Scotland and Wales. The project also aims to improve the diversity of new entrants into community journalism.

A head of partnerships and projects, Will Gore, former associate editor of The Independent, was appointed in June 2019 to lead the NCTJ's management of the Community News Project. In this new senior role, he will also work on a number of the charity's strategic objectives, particularly those related to building capacity and capability, fostering a culture of continuing professional development across the industry, achieving greater equality, diversity and inclusion, sustaining quality journalism and raising the organisation's profile and influence.

During the year, NCTJ completed the transition to a new approach to accreditation. This risk-based approach aims to be even more rigorous, transparent and cost-effective, and fosters closer collaboration between course providers, employers and NCTJ. It is based on courses meeting seven performance standards:

1. Quality journalism education and training and results
2. Close industry links and practical up-to-date journalism experience
3. Professional delivery of NCTJ qualifications
4. Commitment to equality, diversity and inclusion
5. Innovation, ambition and continuous improvement
6. Employability
7. Communication, collaboration and contact

To help trainers update their skills, NCTJ set up a scheme to provide industry work placements for accredited course leaders and tutors. All journalism schools running accredited courses are assigned industry advisers to support centres and add value. The charity worked with centres to ensure they have effective policies and procedures in place to safeguard their students on NCTJ courses in line with the charity's safeguarding policy.

As a result of competition from other sectors for journalism talent and the increasingly competitive education market, the charity has increased its work to promote journalism careers and accredited courses. During the year, the charity made plans to provide an effective careers information service.

The charity's work on continuing professional development, digital journalism skills and ethics included training in partnership with Facebook and Google.

A major project to transfer paper-based examinations to a secure online format was concluded successfully during the year. The charity, in partnership with Cirrus Assessment, has been at the forefront of using cutting-edge technology for its high-stakes assessments.

The eleventh Journalism Skills Conference was hosted by Harlow College in November 2018. The event welcomed a host of speakers working at the heart of the revolution in journalism skills to discuss the latest developments in the industry, and journalism education and training. A record number of entries were received for the 2018 Awards for Excellence, which were presented at a gala dinner for more than 200 guests at Quendon Hall in Essex by Sky News presenter Sarah Hewson. Jonathan Baker received the chairman's award for his outstanding contribution to journalism education and training.

The annual Student Council meeting was hosted by the BBC in MediaCity in Manchester on 8 February 2019. More than 50 student representatives attended and gave their feedback on the NCTJ's training scheme.

The charity's on-going investment in professional research continued with the publication of the third edition of *Journalists at Work*. This included a major survey of journalists and provided detailed and up-to-date labour market information about journalism.



---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

The Journalism Diversity Fund is managed and administered by NCTJ as a restricted fund. Repeat donations to the fund were received from NLA media access, The Printing Charity, Google, Sky UK, BBC, Bloomberg LP UK, Daily Mail and General Trust, Thomson Reuters, Financial Times, and Press Association. New donations were received from Newsquest and Cision Group. Donations totalling £7,153 were received for the Thomas Read bursary for students with disabilities and £5,000 for the Claire Prosser bursary for students studying broadcast journalism.

Supporters of the Journalism Diversity Fund celebrated its continued success at a reception and lunch hosted by Bloomberg on 20 September 2018. For the second year running, this followed a seminar to discuss key issues related to equality, diversity and inclusion, including fostering a culture of inclusion, fair access, recruitment and retention, and the importance of raising your voice to influence change.

## **FINANCIAL REVIEW**

### **Performance**

The results are summarised as follows:

Income generated from the diploma was £426,857 (2018: £449,403).

Income from the National Qualification in Journalism was £32,703 (2018: £53,659). 97 (2018:158) trainees sat the exams.

1,262 (2018: 1,306) journalism students enrolled on NCTJ-accredited courses during the year.

At the end of June 2019 there were 36 (2018: 38) centres approved to run accredited journalism courses across the UK. Income from accreditation was £39,924 (2018: £45,560).

40 (2018: 32) training courses were run during the year. Revenue was £84,561 (2018: £103,614).

Income from events, including the Journalism Skills Conference, was £31,980 (2018: £33,943).

There were 329 entries in the Awards for Excellence (2018: 298).

Income from distance learning courses, including the foundation certificate and the sale of books, CDs and videos, was £128,553 (2018: £114,650).

103 (2018: 105) trainee journalists were registered during the year. Income from registrations was £6,628 (2018: £6,881).

54 (2018: 96) apprentices were registered during the year. Income from apprenticeships amounted to £50,667 (2018: £45,020).

Income from our strategic partners was £44,500 (2018: £46,000), with a further £45,810 of in-kind support received (2018: £30,600).

Sponsorship income was £22,700 (2018: £16,500).

Total donations to the Journalism Diversity Fund were £316,340 (2018: £241,091) and total expenditure was £329,678 (2018: £244,330) giving a net decrease to the fund of £13,338 after allocation of investment income of £388.

46 bursaries from the Journalism Diversity Fund were awarded during the year (2018: 32).

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

A donation of £4.6m (US \$6m) was made by Facebook to finance the Community News Project. The donation was split, providing £3.96m to be paid by the NCTJ as grants to the publishers to recruit, employ and train the journalists, and a further £0.66m for the NCTJ to administer and quality assure the project, develop qualifications and training programmes to support the community journalists. To the end of June, £560,620 had been paid to the publishers leaving a balance of £3,403,505 to be held in a restricted fund and used over the next two financial years for further grants to the publishers. £112,936 has been used by the NCTJ to employ a project team, administer and develop training and qualifications, leaving a balance of £551,213 in a designated fund.

In the Community News Project, 4,398 applications were received, 72 community news reporter appointments were made and 61 reporters started work in their roles.

**Investment policy and performance**

Under the memorandum and articles of association, NCTJ has the power to make investments in such securities, property and other investments as the directors see fit.

The portfolio is invested with the advice of Investec Wealth & Investment Ltd and the directors are satisfied with its overall performance in the current market conditions.

**Reserves policy**

It is the aim of the directors to generate surpluses sufficient to maintain a level of resources which, in the opinion of the board, is commensurate with the identified needs of NCTJ. Directors will continue to monitor the future allocation of investments in line with the charity's reserves policy and development strategy.

The policy is to maintain a minimum level of funds equal to four months of overhead expenditure and six months' salary costs. This currently equates to c£327,000 and would allow time for a re-organisation / restructure in the event of a downturn in income, protect ongoing strategic work and allow the charity to fulfil its objectives and commitments.

At 30 June 2019 the group had funds totalling £5,635,098 (2018: £1,769,930) of which unrestricted funds amounted to £2,055,939 (2018: £1,558,054) and restricted funds of £3,579,159 (2018: £211,876)

An analysis and purpose of the funds are shown in note 20 to the accounts.

Excluding restricted and designated funds the charity currently holds free reserves of £1,107,432. After allowing for funds of £4,861 held in its subsidiary, NCTJ Training Ltd, it leaves a balance of £1,102,571, well in excess of its reserves policy.

Part of this balance, £840,916 is in a capital fund currently invested through Investec Wealth Management. £334,470 was accumulated in 2010 through the extraordinary repayment following the closure of a final salary pension scheme, the fund was further boosted by the exceptional growth in its investment portfolio during previous financial years (£242,192). Under the instruction of its trustees this fund can be accessed, should the need ever arise, to meet the charity's obligations under the relevant conditions of recognition set by the regulators in relation to protecting the interest of learners. This ensures sufficient funds and resources are available to enable the charity to develop, deliver and award qualifications so that every learner has the opportunity to complete any qualification commenced.

The charity has undertaken increased levels of research and development and has invested in enhancing its products and services to meet changing skills needs. It is well placed to continue to meet the changing requirements of both future journalists and industry skills.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**Funding**

NCTJ has adopted a diversified approach to income generation. The principal funding sources are: donations from strategic partners; income from registrations; apprenticeship and examination fees; sales of publications and training materials; events and training courses; accreditation fees; donations to the Journalism Diversity Fund; sponsorship and donations; and investment income.

The charity's strategic partners help the charity to innovate, build capacity and ensure it has the resources and support to make a difference in the areas where help is needed most. The NCTJ team is working to increase the number and value of the stakeholders involved.

The directors have given due consideration to the fundraising regulations and their duties and responsibilities as trustees. NCTJ does not fundraise from the public and does not engage the services of professional fundraisers or third party agencies.

**Risk management**

The directors have assessed the major risks to which the group is exposed, in particular, those related to the operations and finances of the charity and its trading subsidiary, and compliance with the regulators' conditions of recognition for awarding organisations.

The importance of effective risk management operates at all levels of the organisation. The directors are responsible for managing risk at a strategic level and monitor risk on a quarterly basis. The chief executive and management team have primary responsibility for managing risk at an operational level and building a risk awareness culture within the organisation. Individuals and teams are responsible for identifying and managing risk on a day-to-day basis.

The risk analysis is undertaken in core areas under the following categories:

- Strategic – these concern the long-term strategic objectives of NCTJ.
- Operational – these concern the day-to-day issues that may occur while delivering services and products.
- Financial – these concern the effective management and control of NCTJ's finances.
- Knowledge – these concern the effective management and control of knowledge resources, communication and intellectual property.
- Compliance – these concern issues such as health and safety, data protection, regulatory issues or environmental issues.

The key risks identified and monitored by the organisation during the year relate to:

- Sufficient skilled staff and management to deliver objectives: This has a potential impact on productivity and the ability to deliver services. Actions taken to mitigate this have been the appointment of additional staff to manage the Community News Project, extra resources for the exams administration team during the transition period for e-assessment, and succession planning, training, development and multi-skilling of staff.
- Adherence to operational procedures and meeting quality assurance levels and standards. Actions taken to mitigate these involve staff training and communication of policies and procedures through meetings and communications with key stakeholders and the use of external consultants.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

- IT, potentially impacting on productivity and delivery of services. Strong contingency measures are in place to minimise any impact, with full data back-up in multiple offsite locations. Investment has been made during the year to upgrade our web server, with the ability to now switch to cloud based technology, providing greater resilience to failure.

The directors are satisfied that systems and procedures are in place to mitigate these risks.

**PLANS FOR FUTURE PERIODS**

NCTJ has a strategy and an action plan of priorities with performance indicators and risk assessments. There are supplementary strategies for qualifications, accreditation, development, research, communications and diversity.

The overall strategy for the next two years will focus on the priorities agreed by the trustees and will continue the work to ensure NCTJ has the expertise, support, products and resources to operate effectively as an industry charity for all media sectors and journalists. The current strategy and plan aims for NCTJ to be:

- A fully converged professional organisation supported and funded by all the leading media organisations
- The first choice 'gold standard' for professional, high quality journalism careers, courses, continuing professional development, apprenticeships and qualifications
- Focused on its charitable activities and generating income streams to pay for these activities
- Known for the action taken and the partnerships developed to promote equality, diversity and inclusion
- Recognised for acting in the best interests of trusted ethical journalism, continually evolving and adapting products and services in response to change
- High profile with wider public recognition
- Responsible for accrediting and promoting quality, innovative journalism training and careers
- Successful in developing partnerships and projects to sustain quality public interest journalism

The charity will continue its investment in digital tools and resources as well as making further developments to its operations, products and services to meet the needs of the changing media and education and training sectors, and to serve new markets for journalism skills.

In the year ahead the charity will place more emphasis on e-learning solutions, careers advice, international journalism, and training to encourage more female sports journalists and coverage of women's sports.

Work will continue to build effective strategic partnerships with like-minded organisations. We aim to develop partnerships with those who can assist us in our mission to attract, qualify and develop outstanding journalists from all walks of life who work to the highest professional standards.

In the charity's work to support the future sustainability of public interest journalism, NCTJ will ensure the Community News Project is a success and will work with partners to devise new projects.

The charity is committed to equality, diversity and inclusion and helping more people from different backgrounds to train and develop their careers as journalists and to tackle under representation in specific journalism sectors.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

The programme of research will include publication of the research report on the job destinations of those who studied on NCTJ-accredited courses. The findings will be considered and a new action plan put in place.

The directors remain focussed on the need to manage expenditure appropriately and in line with its charitable objectives.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Constitution**

NCTJ is registered as a charitable company limited by guarantee and a registered charity (number 1026685). It was incorporated by Memorandum and Articles of Association on 5 June 1992.

The principal object of the charity is the provision, supervision and accreditation of journalism-related training, and the directors intend to continue to develop these activities.

### **Method of appointment or election of Directors**

New directors are recommended and appointed by the directors. Nominations are vetted carefully and considerations include skills and experience, representation of stakeholders, eligibility and conflicts of interest.

The chairman and chief executive are responsible for the induction and training of new directors and formal training is available covering the role of a trustee, governance, finance, chairing committees and board leadership.

The number of directors is not subject to any maximum but is not less than three. A director's term of office is normally for at least three years and a period of up to nine years. Thereafter the term of office of individual directors will be reviewed and may be extended further by the directors if it is in the interests of the charity.

### **Key management personnel and remuneration policy**

Members of the senior management team during the year were: the chief executive; the head of finance and IT; the head of quality and assessment; the head of development/head of partnerships and projects; and the head of qualifications. Total costs for the year amounted to £317,108. (2018: £319,675).

NCTJ recognises that motivated staff are vital to the success of the organisation. NCTJ is committed to a policy that rewards and recognises staff both formally and informally, and in financial and non-financial ways.

Arrangements are in place to recognise company, team and individual achievements and to celebrate success.

NCTJ wants its staff to feel that, in return for high performance and meeting objectives, it is a great place to work and that their contributions make a difference and are appreciated.

NCTJ approach to reward and recognition is based on the general principles of:

- Fairness, integrity, value and equality of opportunity
- Support for job and career development
- Training, mentoring and coaching
- A team culture of openness, trust and support combined with individual responsibility and measurable performance

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

- Leadership and management effectiveness
- Effective communication

All staff have agreed job descriptions, 'smart' objectives and regular reviews. There are shared and understood company values, objectives and priorities.

A reward and recognition sub-committee of the board meets twice a year to approve remuneration and reward arrangements. Meetings are chaired by the chairman or vice-chairman, with at least two other directors present.

**Safeguarding and whistleblowing**

The charity has safeguarding and whistleblowing policies in place which reflect the services it provides and the people it supports and employs. The charity takes its responsibilities in these areas extremely seriously and requires journalism education and training centres to have their own effective policies and procedures in place. Policies are reviewed in line with changes in policy or guidance from our regulators and other relevant bodies including the Charities Commission.

**Organisational structure and decision making**

The directors have the ultimate responsibility for running the charity and exercising all the powers of the council, and, in particular, for its property, finances, strategy and accountability. Operations are delegated to the chief executive, who is appointed by, and reports to, the board, and her management team. Stakeholders are involved through focus groups of editors and trainers, accreditation forums and seminars, the Journalism Skills Conference and the Student Council.

The charity's professional awarding organisation function is recognised in England by Ofqual, the Office of the Qualifications and Examinations Regulator and, for apprenticeship end-point assessments, by the Institute for Apprenticeships/Open Awards. In Northern Ireland the regulator is the Council for the Curriculum, Examinations and Assessment, and in Wales it is Qualifications Wales.

The directors provide external guidance, advice and oversight for NCTJ staff and examiners in relation to the charity's activities as an awarding organisation. Their purpose is to ensure the maintenance of the credibility and relevance of NCTJ qualifications and awards. The directors oversee the annual self-evaluation process for monitoring compliance with the regulators' conditions of recognition and submit annual statements of compliance. The journalism qualifications board reports to the board of directors to provide external guidance, advice and oversight of NCTJ syllabuses, examinations and awards. The chairman of the quality assurance and standards committee is the independent arbiter of NCTJ awards and the committee oversees the work of the principal examiner and chief examiners. The committee publishes its annual report in December. There is an independent ombudsman, Sir Clive Jones, to rule on final stage appeals.

The accreditation board develops and implements the industry standard for accrediting pre-entry journalism training courses. It plays an important role in monitoring centres and managing risk.

The Journalism Diversity Fund is managed by an advisory committee appointed by the directors. Members of the committee include representatives from companies that make financial contributions for the awarding of bursaries.

To manage potential conflicts of interest, the Community News Project is overseen by a sub-committee of the board.

NCTJ has agreed terms of reference for directors and these are reviewed annually to ensure good governance and best practice. These cover the organisation's purpose and structure, responsibilities, membership of the board, meetings and decision-making protocol.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

NCTJ's patron, Alex Crawford, assists the charity in the achievement of its mission and objectives. The patron is the person who most embodies the values of journalism that journalists respect and adhere to.

**Related party relationships**

The trading activities of the group are carried out by NCTJ Training Limited, a wholly-owned subsidiary. NCTJ Training Limited, providing it has sufficient reserves, has undertaken to pass all its taxable profits to the holding company under deed of covenant.

The charity is precluded by its memorandum and articles of association from the payment of dividends.

**People with significant control**

The directors have considered the changes to the rules concerning people with significant control (PSC). They concluded there are no PSC; all the trustees are responsible collectively and no single individual has a controlling interest.

**CHARITABLE CONTRIBUTIONS**

NCTJ Training Limited made a profit of £4,003 (2018: £36,043); during the year NCTJ Training Limited made a charitable donation of £2,144 (2018: £39,233) under deed of covenant to its holding company, National Council for the Training of Journalists.

**DIRECTORS' RESPONSIBILITIES STATEMENT**

The directors (who are also directors of National Council for the Training of Journalists for the purposes of company law) are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. 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 of the charitable company and the group and of the income and expenditure of the charitable group for that period. In preparing these financial statements, the directors are required to:

- ❖ select suitable accounting policies and then apply them consistently;
- ❖ observe the methods and principles in the Charities SORP;
- ❖ make judgments and accounting estimates that are reasonable and prudent;
- ❖ state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- ❖ prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**DISCLOSURE OF INFORMATION TO AUDITOR**

So far as each of the directors is aware at the time the report is approved:

- ❖ there is no relevant audit information of which the company and the group's auditors are unaware, and
- ❖ the directors 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.

This report was approved by the directors, on 12/9/19 and signed on their behalf by:



Mr K T Fletcher



---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR THE TRAINING  
OF JOURNALISTS**

---

**Opinion**

We have audited the financial statements of National Council for the Training of Journalists (the 'parent charity') and its subsidiary (the 'group') for the year ended 30 June 2019 which comprise the group statement of financial activities, the group and charity balance sheets, the group cash flow statement and the related notes, 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's and of the parent charitable company's affairs as at 30 June 2019 and of the group's incoming resources and application of resources, including its 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 and the Charities Act 2011.

**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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ❖ the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ❖ the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' 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

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**

---

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.

**Opinion 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.
- ❖ the Directors' report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of our 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 Directors' report.

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:

- ❖ the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- ❖ the parent charitable company 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 Group strategic report.

**Responsibilities of trustees**

As explained more fully in the Directors' responsibilities statement, the directors (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 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 group's and the parent 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 directors either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NATIONAL COUNCIL FOR THE TRAINING  
OF JOURNALISTS**

---

**Auditors' 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 Auditors' 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's Trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 Auditors' 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kelly Bretherick (Senior statutory auditor)

for and on behalf of

**Peters Elworthy & Moore**

Chartered Accountants  
Statutory Auditors

Salisbury House  
Station Road  
Cambridge  
CB1 2LA  
18 September 2019

Peters Elworthy & Moore are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
(incorporating the Income and Expenditure Account)  
FOR THE YEAR ENDED 30 JUNE 2019

	Note	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>INCOME FROM:</b>					
Donations	2	4,935,595	36,010	4,971,605	271,691
Investments	3	1,877	25,551	27,428	16,985
Charitable activities	5	-	846,373	846,373	898,731
Other income	6	-	25,402	25,402	18,689
<b>TOTAL INCOME</b>		<b>4,937,472</b>	<b>933,336</b>	<b>5,870,808</b>	<b>1,206,096</b>
<b>EXPENDITURE ON:</b>					
Raising funds	7	-	11,173	11,173	15,470
Charitable activities	8	891,048	1,110,456	2,001,504	1,276,073
Taxation	12	-	1,140	1,140	273
<b>TOTAL EXPENDITURE</b>		<b>891,048</b>	<b>1,122,769</b>	<b>2,013,817</b>	<b>1,291,816</b>
<b>NET INCOME / (EXPENDITURE) BEFORE INVESTMENT GAINS</b>					
Net gains on investments	16	4,046,424	(189,433)	3,856,991	(85,720)
		-	8,177	8,177	82,281
<b>NET (EXPENDITURE) / INCOME BEFORE TRANSFERS</b>					
		4,046,424	(181,256)	3,865,168	(3,439)
Transfers between funds	20	(679,141)	679,141	-	-
<b>NET INCOME / (EXPENDITURE)</b>		<b>3,367,283</b>	<b>497,885</b>	<b>3,865,168</b>	<b>(3,439)</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>3,367,283</b>	<b>497,885</b>	<b>3,865,168</b>	<b>(3,439)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		211,876	1,558,054	1,769,930	1,773,369
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,579,159</b>	<b>2,055,939</b>	<b>5,635,098</b>	<b>1,769,930</b>

The notes on pages 22 to 42 form part of these financial statements.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 02720630**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 30 JUNE 2019**

	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	15		<b>414,391</b>		421,368
Investments	16		<b>840,911</b>		832,734
			<b>1,255,302</b>		1,254,102
<b>CURRENT ASSETS</b>					
Stocks	17	<b>7,654</b>		4,734	
Debtors	18	<b>151,117</b>		177,935	
Cash at bank and in hand		<b>4,377,570</b>		504,034	
		<b>4,536,341</b>		686,703	
<b>CREDITORS:</b> amounts falling due within one year	19	<b>(156,545)</b>		(170,875)	
<b>NET CURRENT ASSETS</b>			<b>4,379,796</b>		515,828
<b>NET ASSETS</b>			<b>5,635,098</b>		1,769,930
<b>CHARITY FUNDS</b>					
Restricted funds	20		<b>3,579,159</b>		211,876
Unrestricted funds	20		<b>2,055,939</b>		1,558,054
<b>TOTAL FUNDS</b>			<b>5,635,098</b>		1,769,930

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 directors on **12/9/2019** and signed on their behalf, by:



.....  
**Mr K T Fletcher, Chairman**

The notes on pages 22 to 42 form part of these financial statements.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)  
REGISTERED NUMBER: 02720630

**CHARITY BALANCE SHEET**  
**AS AT 30 JUNE 2019**

	Note	£	2019 £	£	2018 £
<b>FIXED ASSETS</b>					
Tangible assets	15		403,026		405,868
Investments	16		840,912		832,735
			<u>1,243,938</u>		<u>1,238,603</u>
<b>CURRENT ASSETS</b>					
Debtors	18	51,025		68,768	
Cash at bank		4,353,060		476,763	
		<u>4,404,085</u>		<u>545,531</u>	
<b>CREDITORS:</b> amounts falling due within one year	19	(17,782)		(17,205)	
<b>NET CURRENT ASSETS</b>			<u>4,386,303</u>		<u>528,326</u>
<b>NET ASSETS</b>			<u>5,630,241</u>		<u>1,766,929</u>
<b>CHARITY FUNDS</b>					
Restricted funds	20		3,579,159		211,876
Unrestricted funds	20		2,051,082		1,555,053
<b>TOTAL FUNDS</b>			<u>5,630,241</u>		<u>1,766,929</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 directors on 12/9/2019 and signed on their behalf, by:



Mr K T Fletcher, Chairman

The notes on pages 22 to 42 form part of these financial statements.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

	Note	2019 £	2018 £
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	<u>3,857,216</u>	<u>(106,100)</u>
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		27,428	16,986
Purchase of tangible fixed assets		<u>(11,108)</u>	<u>(1,284)</u>
<b>Net cash provided by investing activities</b>		<u>16,320</u>	<u>15,702</u>
<b>Change in cash and cash equivalents in the year</b>		<b>3,873,536</b>	<b>(90,398)</b>
Cash and cash equivalents brought forward		<u>504,034</u>	<u>594,432</u>
<b>Cash and cash equivalents carried forward</b>	22	<u><u>4,377,570</u></u>	<u><u>504,034</u></u>

The notes on pages 22 to 42 form part of these financial statements.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

National Council for the Training of Journalists (NCTJ) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the charity alone as permitted by section 408 of the Companies Act 2006.

No significant estimates were made by management in preparing these financial statements.

**1.2 COMPANY STATUS**

The charitable company is a company limited by guarantee. The members are the directors named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member.

**1.3 FUND ACCOUNTING**

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.



---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**1. ACCOUNTING POLICIES (continued)**

**1.4 INCOME**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The turnover in the trading subsidiary comprises revenue recognised in respect of training courses and examination fees. Income is recognised when the exam or course takes place.

Donation and strategic partnership income in the charity is recognised in the period to which it relates.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**1.5 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Charitable activities include expenditure associated with running the various qualifications and include both the direct and support costs relating to these activities.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Management and administration costs include central functions and support costs and have been allocated to expenditure categories of the SOFA on a basis designed to reflect the use of the resource, which is in proportion to direct costs incurred.

**1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line. Freehold land is not depreciated
Fixtures & fittings	-	25% reducing balance and 3-4 years straight line

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**1. ACCOUNTING POLICIES (continued)**

**1.7 INVESTMENTS**

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment.

**1.8 GOING CONCERN**

The charity continues to report a surplus on unrestricted funds. The directors consider the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly the going concern basis is adopted in preparing the financial statements.

**1.9 OPERATING LEASES**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**1.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.11 PENSIONS**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The annual contributions payable are charged to the Statement of Financial Activities as they fall due.

**1.12 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.13 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**1. ACCOUNTING POLICIES (continued)**

**1.14 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.15 FINANCIAL INSTRUMENTS**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**2. INCOME FROM DONATIONS**

	<b>Restricted funds 2019 £</b>	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Sponsorship/Diversity fund	306,152	-	306,152	241,091
Community News Project	4,619,643	-	4,619,643	-
In Kind income	9,800	36,010	45,810	30,600
<b>Total donations</b>	<b>4,935,595</b>	<b>36,010</b>	<b>4,971,605</b>	<b>271,691</b>
<b>Total 2018</b>	<b>243,591</b>	<b>28,100</b>	<b>271,691</b>	

Included within donations are gifts in kind amounting to £45,810 (2018: £30,600). Of this amount, £9,000 (2018: £7,000) relates to conferences and events, £10,300 (2018: £11,500) is in relation to accreditations and a further £18,310 (2018: £9,100) on qualifications. The remaining £8,200 (2018: £3,000) relates to interviews and meetings.

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

---

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

---

**3. INVESTMENT INCOME**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	-	17,779	17,779	16,436
Bank interest	1,877	7,772	9,649	549
	<u>1,877</u>	<u>25,551</u>	<u>27,428</u>	<u>16,985</u>
	<u>200</u>	<u>16,785</u>	<u>16,985</u>	
Total 2018				

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**4. NET INCOME FROM TRADING ACTIVITY OF SUBSIDIARY**

The charity has a wholly-owned subsidiary which is incorporated in the UK. NCTJ Training Limited operates the provision and supervision of its journalism-related training arm. The company covenants its taxable profits to the National Council for the Training of Journalists. A summary of the company's results is shown below. Audited accounts have been filed with the Registrar of Companies.

	2019 £	2018 £
<b>PROFIT AND LOSS ACCOUNT</b>		
Turnover	816,607	850,572
Cost of sales	(281,645)	(294,977)
Gross profit	534,962	555,595
Administrative expenses	(557,152)	(540,215)
Other operating income	27,216	20,848
Profit before covenant	5,026	36,228
Amount covenanted to National Council for the Training of Journalists	(2,144)	(39,233)
Profit/(Loss) on ordinary activities before interest and tax	2,882	(3,005)
Interest receivable and similar income	117	88
Tax on profit	(1,140)	(273)
Profit/(Loss) for the financial year	1,859	(3,190)
	2019 £	2018 £
<b>BALANCE SHEET</b>		
Tangible fixed assets	11,365	15,550
Current assets	160,898	193,902
Current liabilities	(167,402)	(206,400)
Aggregate share capital & reserves	4,861	3,002

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**5. INCOME FROM CHARITABLE ACTIVITIES**

	2019 £	2018 £
Strategic partnership	44,500	46,000
Registrations	6,628	6,881
Short courses	84,561	103,614
NQJ fees	32,703	53,659
Diploma in Journalism (Prelims)	426,857	449,403
Distance learning and publications	125,500	111,377
Accreditation fees	39,924	45,560
Events	16,565	18,770
Apprenticeships	50,667	45,020
Conferences	15,415	15,173
Royalties	3,053	3,274
	<u>846,373</u>	<u>898,731</u>

All income from charitable activities in 2018 was attributable to unrestricted funds.

**6. OTHER INCOME**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Other operating income	24,163	24,163	17,574
Postage and packing income	1,239	1,239	1,115
	<u>25,402</u>	<u>25,402</u>	<u>18,689</u>
<i>Total 2018</i>	<u>18,689</u>	<u>18,689</u>	

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**7. EXPENDITURE ON RAISING FUNDS**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment management fee	6,096	6,096	6,047
Publicity and advertising	5,077	5,077	9,423
	<u>11,173</u>	<u>11,173</u>	<u>15,470</u>
Total 2018	<u>15,470</u>	<u>15,470</u>	

All expenditure on raising funds in 2018 was attributable to unrestricted funds.

**8. EXPENDITURE ON CHARITABLE ACTIVITIES**

	Direct costs (note 9) 2019 £	Grant funding of activities (note 11) 2019 £	Support and governance costs (note 10) 2019 £	Total 2019 £	Total 2018 £
Conferences and courses	86,390	-	181,000	267,390	261,505
Cost of examinations	223,393	-	508,750	732,143	745,024
Publication costs	14,909	-	29,747	44,656	40,789
Sponsorship/Diversity	27,606	284,068	18,004	329,678	228,755
Community News Project	11,338	560,620	55,679	627,637	-
	<u>363,636</u>	<u>844,688</u>	<u>793,180</u>	<u>2,001,504</u>	<u>1,276,073</u>
Total 2018	<u>344,131</u>	<u>204,663</u>	<u>727,279</u>	<u>1,276,073</u>	

Expenditure on charitable activities attributable to restricted funds amounted to £891,048 (2018: £229,505).

Direct costs include gifts in kind of £45,810 (2018: £30,100) of which £9,000 (2018: £7,000) is included within 'conferences and courses', £26,510 (2018: £20,600) within 'cost of examinations', and £9,800 (2018: £2,500) within 'Sponsorship/ Diversity'. Support costs include a further £500 (2018: £500) of gifts in kind.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**9. DIRECT COSTS**

	Conferences and courses 2019 £	Cost of Exams 2019 £	Publication Costs 2019 £	Sponsorship /Diversity Fund 2019 £	Community News Project 2019 £	2019 £	2018 £
NQJ	-	51,701	-	-	-	51,701	54,875
Diploma in Journalism (Prelims)	-	160,662	-	-	-	160,662	168,020
Short courses and events	72,595	-	-	-	-	72,595	75,034
Meetings	10,048	-	-	-	-	10,048	7,858
Qualification Development	3,747	11,030	-	-	-	14,777	19,957
Distance learning and publication costs	-	-	14,909	-	-	14,909	12,421
Sponsorship / Diversity - other direct costs	-	-	-	27,606	-	27,606	5,966
Wages and salaries	-	-	-	-	11,338	11,338	-
<b>Total</b>	<b>86,390</b>	<b>223,393</b>	<b>14,909</b>	<b>27,606</b>	<b>11,338</b>	<b>363,636</b>	<b>344,131</b>



**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2019**

**10. SUPPORT COSTS**

	Conferences and courses 2019 £	Cost of Exams 2019 £	Publication costs 2019 £	Sponsorship /Diversity Fund 2019 £	Community News Project 2019 £	2019 £	2018 £
Governance, audit, legal & consultancy	7,808	21,141	1,299	-	1,735	31,983	32,327
Research	3,971	11,278	635	-	-	15,884	15,101
Office expenses	6,625	18,813	1,060	-	-	26,498	31,724
IT costs	17,222	45,705	3,312	-	9,973	76,212	65,935
Miscellaneous	4,189	11,899	670	-	1,111	17,869	14,838
Bank charges	1,092	3,103	175	-	-	4,370	3,773
Premises expense	5,295	15,037	846	-	-	21,178	50,592
Recruitment and training	1,694	4,494	325	-	24,383	30,896	11,644
Staff costs	129,147	366,779	20,664	18,004	-	534,594	485,278
Depreciation	3,957	10,501	761	-	2,866	18,085	16,067
Management and admin - Community News Project	-	-	-	-	15,611	15,611	-
<b>Total</b>	<b>181,000</b>	<b>508,750</b>	<b>29,747</b>	<b>18,004</b>	<b>55,679</b>	<b>793,180</b>	<b>727,279</b>

Included above is £16,953 (including £500 gifts in kind) (2018: £15,336) which relates to governance costs. Non audit fees relate to the preparation of the statutory accounts of the charity and its trading subsidiary and tax compliance. Directly attributable support costs have been allocated to the the Community News Project funds, the remaining governance costs have been allocated based on the proportion of direct costs to each activity.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**11. ANALYSIS OF GRANTS**

	Grants to Organisations 2019 £	Bursaries to Individuals 2019 £	Total 2019 £	Total 2018 £
Grants to Organisations	560,620	-	560,620	-
Bursaries to Individuals	-	284,068	284,068	204,663
	<u>560,620</u>	<u>284,068</u>	<u>844,688</u>	<u>204,663</u>
Total 2018	-	204,663	204,663	

During 2018, 46 (2018: 32) bursaries were awarded to individuals.

**Grants to Organisations were as follows:**

	2019 £	2018 £
Archant	33,271	-
Baylis Media Ltd	7,508	-
JPIMedia	100,851	-
KM Media Group Ltd	16,587	-
MNA	22,760	-
Newbury News & Media Ltd	7,595	-
Newsquest	185,146	-
Reach	186,902	-
Total	<u>560,620</u>	<u>-</u>

**12. TAXATION**

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Corporation tax payable by trading subsidiary	1,140	1,140	273
Total 2018	<u>273</u>	<u>273</u>	

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**13. NET INCOME/(EXPENDITURE)**

This is stated after charging:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	18,085	16,067
Auditors' remuneration - audit	11,840	9,899
Auditors' remuneration - other services	1,120	1,895
	<u>31,045</u>	<u>27,861</u>

**14. STAFF COSTS, DIRECTOR'S REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL**

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	476,748	423,354
Social security costs	43,118	39,400
Other pension costs	26,066	22,524
	<u>545,932</u>	<u>485,278</u>

The average number of persons employed by the company during the year was as follows:

	2019 No.	2018 No.
Management and administration	13	12

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £110,001 - £120,000	0	1
In the band £120,001 - £130,000	1	0

The key management personnel of the charity comprise the directors, chief executive officer, head of finance & IT, head of qualification development, head of partnerships and projects and head of quality and assessment. Total employment benefits including employer pension contributions of key management personnel were £317,164 (2018 - £316,862).

During the year, no directors of the Charity received any remuneration or benefits in kind (2018 - £Nil).

During the year, the Charity paid directly or reimbursed travelling and subsistence expenses to 2 (2018:4) directors amounting to £507 (2018 - £2,439).

During the year a redundancy payment of £13,248 (2018 - £Nil) was paid to a member of staff.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**15. TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Freehold property £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 July 2018	508,745	179,845	688,590
Additions	-	11,108	11,108
Disposals	-	(1,709)	(1,709)
At 30 June 2019	508,745	189,244	697,989
<b>DEPRECIATION</b>			
At 1 July 2018	102,877	164,345	267,222
Charge for the year	8,574	9,511	18,085
On disposals	-	(1,709)	(1,709)
At 30 June 2019	111,451	172,147	283,598
<b>NET BOOK VALUE</b>			
At 30 June 2019	397,294	17,097	414,391
At 30 June 2018	405,868	15,500	421,368

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**15. TANGIBLE FIXED ASSETS (continued)**

<b>COMPANY</b>	<b>Freehold property £</b>	<b>Furniture, fittings and equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 July 2018	508,745	42,301	551,046
Additions	-	8,599	8,599
At 30 June 2019	<u>508,745</u>	<u>50,900</u>	<u>559,645</u>
<b>DEPRECIATION</b>			
At 1 July 2018	102,877	42,301	145,178
Charge for the year	8,574	2,867	11,441
At 30 June 2019	<u>111,451</u>	<u>45,168</u>	<u>156,619</u>
<b>NET BOOK VALUE</b>			
At 30 June 2019	<u>397,294</u>	<u>5,732</u>	<u>403,026</u>
At 30 June 2018	<u>405,868</u>	<u>-</u>	<u>405,868</u>

Included within freehold property is freehold land at cost of £80,000 (2018 - £80,000) which is not depreciated.

**16. FIXED ASSET INVESTMENTS**

<b>GROUP</b>	<b>Listed securities £</b>
<b>MARKET VALUE</b>	
At 1 July 2018	832,734
Revaluations	8,177
At 30 June 2019	<u>840,911</u>

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily in the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The charity is operating an investment policy that provides for a degree of diversification of holdings with different common investment funds. The charity has a reasonably large fixed interest section (12%) to provide a level of income on a regular basis, although is not reliant upon this to undertake its normal activities. The remainder is invested in equities spread across the; UK (38%); Europe (5%); North America (5%); the Far East and Australasia (5%); and other international markets (35%). This helps to mitigate the impact of significant movements in exchange rates and localised economic issues affecting the value of the portfolio.

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**16. FIXED ASSET INVESTMENTS (continued)**

The charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term growth and annual income.

The charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

<b>COMPANY</b>	<b>Investment in listed securities £</b>	<b>Investment in subsidiary £</b>	<b>Total £</b>
<b>MARKET VALUE</b>			
At 1 July 2018	832,734	1	832,735
Revaluations	8,177	-	8,177
At 30 June 2019	<u>840,911</u>	<u>1</u>	<u>840,912</u>

**17. STOCKS**

	<u>GROUP</u>		<u>COMPANY</u>	
	2019	2018	2019	2018
	£	£	£	£
Finished goods and goods for resale	7,654	4,734	-	-

**18. DEBTORS**

	GROUP		COMPANY	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	141,469	172,789	18,000	12,000
Amounts owed by group undertakings	-	-	28,639	52,730
Other debtors	8,003	4,674	4,386	4,038
Prepayments and accrued income	1,645	472	-	-
	<u>151,117</u>	<u>177,935</u>	<u>51,025</u>	<u>68,768</u>

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2019**

**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	10,825	19,509	705	-
Corporation tax	1,140	273	-	-
Other taxation and social security	63,689	66,356	8,942	7,168
Other creditors	4,130	3,457	1,500	1,117
Accruals and deferred income	76,761	81,280	6,635	8,920
	<b>156,545</b>	<b>170,875</b>	<b>17,782</b>	<b>17,205</b>

Income is received in advance of NQJ and Diploma in Journalism (Prelims) exams. These amounts are deferred to be recognised when the course or exam takes place.

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>DEFERRED INCOME</b>				
Deferred income at 1 July 2018	33,790	40,634	-	-
Income deferred during the year	38,620	33,790	-	-
Amounts released from previous years	(33,790)	(40,634)	-	-
Deferred income at 30 June 2019	<b>38,620</b>	<b>33,790</b>	<b>-</b>	<b>-</b>

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**20. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 July 2018 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 30 June 2019 £
<b>DESIGNATED FUNDS</b>						
Property fund	405,868	-	(8,574)	-	-	397,294
Community News Project	-	7,143	(83,565)	627,635	-	551,213
	<u>405,868</u>	<u>7,143</u>	<u>(92,139)</u>	<u>627,635</u>	<u>-</u>	<u>948,507</u>
<b>GENERAL FUNDS</b>						
Income fund	316,445	82,253	(190,693)	53,650	-	261,655
Capital fund	832,739	-	-	-	8,177	840,916
Subsidiary undertaking	3,002	843,940	(839,937)	(2,144)	-	4,861
	<u>1,152,186</u>	<u>926,193</u>	<u>(1,030,630)</u>	<u>51,506</u>	<u>8,177</u>	<u>1,107,432</u>
Total unrestricted funds	<u>1,558,054</u>	<u>933,336</u>	<u>(1,122,769)</u>	<u>679,141</u>	<u>8,177</u>	<u>2,055,939</u>
<b>RESTRICTED FUNDS</b>						
Diversity Fund	209,126	316,340	(329,678)	(22,134)	-	173,654
Gannett Foundation	2,750	-	(750)	-	-	2,000
Community News Project	-	4,621,132	(560,620)	(657,007)	-	3,403,505
	<u>211,876</u>	<u>4,937,472</u>	<u>(891,048)</u>	<u>(679,141)</u>	<u>-</u>	<u>3,579,159</u>
Total of funds	<u>1,769,930</u>	<u>5,870,808</u>	<u>(2,013,817)</u>	<u>-</u>	<u>8,177</u>	<u>5,635,098</u>

**PURPOSE OF FUNDS**

Designated Funds

Property fund - The fund represents the sums expended on the charity's freehold property less accumulated depreciation.

Community News Project - The fund represents the funds permitted to be used for third party administration, including training and events.

Property maintenance fund (prior year only) - This represented funds required for maintenance projects to the freehold property. During the year ended 30 June 2018 repair work was completed on the roof and the property re-decorated and the unspent balance transferred to unrestricted reserves as no further significant work was planned on the property in the foreseeable future.



**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**20. STATEMENT OF FUNDS (continued)**

**PURPOSE OF FUNDS (continued)**

General Fund

Capital fund - The fund represents the market value of investments.

Restricted Funds

Journalism Diversity Fund - The fund is used to foster greater diversity in the newsroom by promoting careers in journalism and awarding bursaries to those from minority ethnic and social communities without the financial means to attend NCTJ pre-entry courses.

Gannett Foundation - The fund is for the sponsorship of awards.

Community News Project - The fund is designed to help diversity in local newsrooms across the United Kingdom and to support local news organisations by identifying and placing community journalists including a focus on developing a training scheme/qualification.

Transfer between funds

The transfer between restricted and unrestricted funds represents management fees charged by the charity in administering restricted funds and further sums added to the investment portfolio. The transfer from the subsidiary company represents the donation under Gift Aid.

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 July 2017 £	Income £	Expenditure £	Transfers in/(out) £	Gains/ (losses) £	Balance at 30 June 2018 £
<b>DESIGNATED FUNDS</b>						
Property fund	414,443	-	(8,575)	-	-	405,868
Property maintenance fund	40,000	-	(27,384)	(12,616)	-	-
	<u>454,443</u>	<u>-</u>	<u>(35,959)</u>	<u>(12,616)</u>	<u>-</u>	<u>405,868</u>
<b>GENERAL FUNDS</b>						
Income fund	346,608	90,797	(190,887)	69,925	-	316,443
Capital fund	750,458	-	-	-	82,281	832,739
Subsidiary undertaking	6,192	871,508	(835,465)	(39,233)	-	3,002
	<u>1,103,258</u>	<u>962,305</u>	<u>(1,026,352)</u>	<u>30,692</u>	<u>82,281</u>	<u>1,152,184</u>
Total Unrestricted funds	<u>1,557,701</u>	<u>962,305</u>	<u>(1,062,311)</u>	<u>18,076</u>	<u>82,281</u>	<u>1,558,052</u>

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**20. STATEMENT OF FUNDS (continued)**

**RESTRICTED FUNDS**

Diversity Fund	212,166	243,791	(228,755)	(18,076)	-	209,126
Gannett Foundation	3,500	-	(750)	-	-	2,750
	<u>215,666</u>	<u>243,791</u>	<u>(229,505)</u>	<u>(18,076)</u>	<u>-</u>	<u>211,876</u>
Total of funds	<u>1,773,367</u>	<u>1,206,096</u>	<u>(1,291,816)</u>	<u>-</u>	<u>82,281</u>	<u>1,769,928</u>

**CHARITY ONLY FUNDS**

The restricted funds brought forward of the charity only are £211,876, (2017: £1,551,509), income of £4,937,472 (2018: £243,791), expenditure of £891,048 (2018: £229,505), transfers out of £679,141 (2018: 18,076) and carried forward funds of £3,579,159 (2018: £211,876).

The unrestricted funds brought forward of the charity only are £1,555,052, (2017: £1,551,509), income of 167,019 (2018: £187,530), expenditure of £358,307 (2018: £284,343), transfers in of £679,141 (2018: 18,076), gains of £8,177 (2017: £82,281 and carried forward funds of £2,051,082 (2018: £1,555,053).

**21. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	<b>GROUP</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Net income/(expenditure) for the year (as per Statement of Financial Activities)	<b>3,865,168</b>	<b>(3,439)</b>
<b>Adjustment for:</b>		
Depreciation charges	<b>18,085</b>	<b>16,067</b>
Gains on investments	<b>(8,177)</b>	<b>(82,281)</b>
Dividends and interest from investments	<b>(27,428)</b>	<b>(16,986)</b>
Increase in stocks	<b>(2,925)</b>	<b>(1,052)</b>
Decrease in debtors	<b>26,818</b>	<b>10,889</b>
(Decrease) in creditors	<b>(14,325)</b>	<b>(29,298)</b>
<b>Net cash provided by/(used in) operating activities</b>	<b><u>3,857,216</u></b>	<b><u>(106,100)</u></b>

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

**22. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	<b>GROUP</b>	
	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Cash in hand	<b>4,377,570</b>	504,034
Total	<b>4,377,570</b>	504,034

**23. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2019</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	5,732	408,659	414,391
Fixed asset investments	-	840,911	840,911
Current assets	3,574,132	962,209	4,536,341
Creditors due within one year	(705)	(155,840)	(156,545)
	<b>3,579,159</b>	<b>2,055,939</b>	<b>5,635,098</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR**

	<b>Restricted funds</b>	<b>Unrestricted funds</b>	<b>Total funds</b>
	<b>2018</b>	<b>2018</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	-	421,368	421,368
Fixed asset investments	-	832,734	832,734
Current assets	211,876	474,825	686,701
Creditors due within one year	-	(170,875)	(170,873)
	<b>211,876</b>	<b>1,558,052</b>	<b>1,769,930</b>

---

**NATIONAL COUNCIL FOR THE TRAINING OF JOURNALISTS**  
**(A company limited by guarantee)**

---

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2019**

---

**24. RELATED PARTY TRANSACTIONS**

During the year consultancy fees of £2,460 (2018: £2,171) were paid to Roz McKenzie News and Feature, a business of Miss R McKenzie, director.

During the year the charity charged its trading subsidiary a management fee of £34,927 (2018: £33,497) and rent of the premises of £24,000 (2017: £24,000).

During the year the charity was charged by its trading subsidiary for staff costs in relation to the Community News Project of £16,548 (2018: £Nil).

The trading subsidiary donated by way of gift aid £2,144 (2018: £39,233) to the charity. At 30 June 2019 the trading subsidiary owed the charity £28,639 (2018: £52,730).

**25. PENSION COMMITMENTS**

**EMPLOYEE PENSIONS**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost for the year amounted to £14,465 (2018: £13,070). At the year end £4,130 (2018: £3,457) of both employee and employer contributions were outstanding.

**EXECUTIVE PERSONAL PENSION ARRANGEMENT**

NCTJ contributes to the personal pension arrangement in respect of the chief executive. The pension cost charge relating to this arrangement for the year amounted to £9,738 (2018: £9,454) and contributions of £833 (2018: £1,117) were due to the scheme at the year end.

**26. OPERATING LEASE COMMITMENTS**

At 30 June 2019 the total of the group's future minimum lease payments under non-cancellable operating leases was:

<b>GROUP</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
<b>AMOUNTS PAYABLE:</b>		
Within 1 year	<b>5,474</b>	5,474
Between 1 and 5 years	<b>7,906</b>	13,380
	<b>13,380</b>	<b>18,854</b>

At 30 June 2019 the charity had entered into a financial commitment until 31 August 2019 amounting to £1,792 (2018: £12,542).