

Northern Gas Networks Pensions Trustee Limited

Annual report and accounts
for the year ended 31 December 2023

Registered number: 05424249



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Directors' report

The directors present their Annual report on the affairs of the company, together with the accounts and auditor's report, for the year ended 31 December 2023.

The principal activity of the company throughout the year was to operate as trustee for the Northern Gas Networks Pension Scheme.

Business strategy

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. No strategic report has been prepared due to the small companies' exemption.

The company did not trade during the current or prior year and consequently no profit and loss account has been prepared. The directors do not intend that the company will commence trading in the foreseeable future.

The directors do not recommend payment of a dividend (2022 - £nil).

Going concern

The company does not trade and has net assets which the directors consider to be fully recoverable. Therefore, on this basis the directors believe it is appropriate to prepare the accounts on a going concern basis. Northern Gas Networks Limited pays for any fees and liabilities incurred by the company without recharging costs, as such the company has received a letter of support from Northern Gas Networks Limited whom will continue to provide support for at least 12 months from the date of signing the financial statements, the directors have considered the ability of NGN to support and are not aware of any issues.

Directors

The directors, who served throughout the year and subsequently, were as follows except as noted:

MHM Trustee Services Ltd, represented by C Edmondson (Resigned 5th November 2023)

J D Binns

I Clark

D Hawksworth

S Rennie

F Sweeting

R Roberts

S Mannion

Ross Trustees Services Ltd, represented by C Edmondson (Appointed on 6th November 2023)

Directors' report (continued)

Auditor

Each of the directors at the date of approval of this report confirms that:

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

The directors will propose to reappoint Deloitte LLP as auditor for the ensuing year.

By order of the Board



C Edmondson (Trustee Chair)

Duly authorised by Ross Trustees Services Ltd to sign on its behalf as corporate director of Northern Gas Networks Pensions Trustee Limited

25 March 2024

1100 Century Way
Thorpe Park Business Park
Colton
Leeds
LS15 8TU

Directors' responsibilities statement

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

Company law requires the directors to prepare accounts for each financial year. Under that law the directors have elected to prepare the accounts 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 accounts unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these accounts, 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 accounts 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 accounts 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.

Independent auditor's report to the members of Northern Gas Networks Pensions Trustee Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Northern Gas Networks Pensions Trustee Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its results for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the balance sheet; and
- the related notes 1 to 4.

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).

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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and pensions legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and the company's solicitors concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

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.

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 any material misstatements in the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.



Anthony Matthews FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, England

25 March 2024

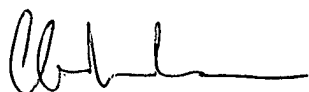
Balance Sheet

31 December 2023

	Notes	2023	2022
		£	£
Fixed assets			
Loans to group undertakings	2	<u>1</u>	<u>1</u>
Net assets		<u>1</u>	<u>1</u>
Capital and reserves			
Called-up share capital	3	<u>1</u>	<u>1</u>
Shareholders' funds		<u>1</u>	<u>1</u>

The accompanying notes are an integral part of this balance sheet. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts of Northern Gas Networks Pensions Trustee Limited, Registered number 05424249, were approved by the Board of Directors and authorised for issue on 25 March 2024 and signed on its behalf by:



C Edmondson (Trustee Chair)

Duly authorised by Ross Trustees Services Ltd to sign on its behalf as corporate director of Northern Gas Networks Pensions Trustee Limited

25 March 2024

Notes to the accounts

31 December 2023

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

Northern Gas Networks Pensions Trustee Limited is a company incorporated in the United Kingdom under the Companies Act.

The company is a private company limited by shares and is registered in England and Wales. The address of the company's registered office is shown on page 2.

The accounts have been prepared under the historical cost convention and in accordance with FRS102 issued by the Financial Reporting Council.

Northern Gas Networks Pensions Trustee Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. An exemption has been taken in relation to presentation of a cash flow statement, remuneration of key management personnel and financial instruments.

The presentational and functional currency of Northern Gas Networks Pensions Trustee Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

The principal activity of the company is set out in the directors report on page 1.

The company did not trade during the current or prior year and accordingly neither a profit nor a loss has been made, consequently no statement of income or changes in equity has been prepared.

Going concern

The Directors' report includes a note on page 1 stating that the directors consider the business to be a going concern at the time of the approval of the Annual report and accounts.

Financial instruments - debtors

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Notes to the accounts (continued)

31 December 2023

Critical accounting judgements and key sources of estimation uncertainty

Due to the simple nature of the entity the directors conclude that there are no critical accounting judgements or key sources of estimation uncertainty which are required in the process of applying the company's accounting policies.

1 Operating profit

Other than the directors, there have been no employees of the company during the current or prior year. Total remuneration received by the directors for their services to the scheme during the year was £64,000 (2022 - £54,000), which was paid by Northern Gas Networks Limited.

The auditor's remuneration for the statutory audit of the company was borne by another group undertaking in the current and prior year. The amount attributable but not recharged to Northern Gas Networks Pensions Trustee Limited was £1,000 (2022 - £1,000). There were no non-audit services provided by the auditor in either the current or prior year.

2 Loans to group undertakings

	2023	2022
	£	£
Loans to Group undertakings	<u>1</u>	<u>1</u>

Amounts owed by group undertakings are repayable on demand; however, we do not anticipate needing to recall any funds in the next 12 months.

3 Called-up share capital

	2023	2022
	£	£
<i>Allotted, called-up and fully-paid</i>		
1 ordinary share of £1 each	<u>1</u>	<u>1</u>

Notes to the accounts (continued)

31 December 2023

4 Ultimate controlling party

The directors regard Northern Gas Networks Holdings Limited, a company incorporated in England and Wales, as the ultimate parent company and the ultimate controlling party. Northern Gas Networks Limited is the immediate parent company.

Northern Gas Networks Holdings Limited is the parent company of the largest and smallest group of which the company is a member and for which group accounts are drawn up. Copies of the accounts are available from 1100 Century Way, Thorpe Park Business Park, Colton, Leeds, LS15 8TU.

The Shareholders of Northern Gas Networks Holdings Limited are a consortium comprising of:

PG (April) Limited (47.1%)

Beta Central Profits Limited (41.3%)

SAS Trustee Corporation (11.6%).