

REGISTERED NUMBER: 06314891 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
NW FIRECONTROL LTD

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for the Year Ended 31 March 2023**

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NW FIRECONTROL LTD
COMPANY INFORMATION
for the Year Ended 31 March 2023

DIRECTORS:

Cllr D M O'Toole
Cllr J S C Shedwick
Cllr S Nelson
Cllr S Williams
P J McCall
Cllr M A Johnson
Miss K Green

SECRETARY:

Ms S L Allen

REGISTERED OFFICE:

North West Fire Control
Lingley Mere Business Park
Lingley Green Avenue
Warrington
Cheshire
WA5 3UZ

REGISTERED NUMBER:

06314891 (England and Wales)

AUDITORS:

Fairhurst
Statutory Auditor
Chartered Accountants
Douglas Bank House
Wigan Lane
Wigan
Lancashire
WN1 2TB

STATEMENT OF FINANCIAL POSITION
31 March 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	4		1,210,285		1,064,600
Tangible assets	5		<u>87,125</u>		<u>88,615</u>
			1,297,410		1,153,215
CURRENT ASSETS					
Debtors	6	768,705		1,043,763	
Cash at bank		<u>355,849</u>		<u>466,064</u>	
		1,124,554		1,509,827	
CREDITORS					
Amounts falling due within one year	7	<u>2,071,332</u>		<u>2,342,105</u>	
NET CURRENT LIABILITIES			<u>(946,778)</u>		<u>(832,278)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			350,632		320,937
PENSION ASSET/(LIABILITY)	11		<u>287,100</u>		<u>(5,184,900)</u>
NET ASSETS/(LIABILITIES)			<u>637,732</u>		<u>(4,863,963)</u>
RESERVES					
Income and expenditure account	9		<u>637,732</u>		<u>(4,863,963)</u>
			<u>637,732</u>		<u>(4,863,963)</u>

The financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

In accordance with Section 444 of the Companies Act 2006, the Statement of Comprehensive Income has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 19 December 2023 and were signed on its behalf by:

Cllr S Nelson - Director

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2023

1. STATUTORY INFORMATION

NW Firecontrol Ltd is a private company, limited by guarantee, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going Concern

The impact of disclosure requirements of the Retirement Benefits Scheme, has resulted in an asset (2022 liability) being shown on the balance sheet and an increase in the pension cost included in the profit and loss account over the contribution paid which thus results in a deficit before actuarial gains. The company has an agreement with each of the authorities (who jointly control the company) that contains obligations about the ongoing funding of the company, including pension contributions.

The company has net current liabilities of £939,813 (2022 £832,278), the directors do not consider this an indication of going concern issues as included in creditors amounts falling due within one year is a capital grant £1,131,157 (2022 £1,004,460) relating to intangible fixed assets not currently in use.

After making enquiries and consideration of the points above, post balance sheet events and future developments the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, being a period of twelve months after the date on which the report and financial statements are signed. For this reason, it continues to adopt the going concern basis in the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The directors consider there to be no items in the financial statements where they have had to make significant judgements in the process of applying the group's accounting policies or key sources of estimations uncertainty, other than as stated below:

The present value of the defined benefit pension scheme liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 12 will impact the carrying amount of the pension liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuations performed at 31 March 2022 has been used by the actuary in valuing the pensions liability at 31 March 2023. Any differences between the figures derived from the roll forward and approach and a full actuarial valuation would impact on the carrying amount of the pension asset/(liability).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and Licences are being amortised evenly over their estimated useful life of five years.

Computer software is being amortised from 1 June 2014 as the software was brought into operation during May 2014. Computer software is being amortised evenly over its estimated useful life of seven years.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost and 4% on cost
Computer equipment	- 33% on cost

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

Employees of NW Firecontrol Limited participate in the Cheshire Pension Fund which is a defined benefit pension scheme. The scheme is a Local Government Pensions Scheme managed by Cheshire West and Chester Borough Council. The assets of the scheme are invested and managed independently of the finances of the company.

The operating costs of providing retirement benefits to employees are recognised in the accounting periods in which the benefits are earned. The related finance costs, expected return on assets and any other changes in fair value of the assets and liabilities, are recognised in the accounting period in which they arise. The operating costs, finance costs and expected return on assets are recognised in the statement of comprehensive income with any other changes in fair value of assets and liabilities being recognised in other comprehensive income.

A pension scheme surplus is recognised as an asset in the balance sheet to the extent that the employer can recover a surplus through reduced contributions or refunds.

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable. Basic financial instruments are recognised at cost.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 82 (2022 - 65) .

4. INTANGIBLE FIXED ASSETS

	Patents and licences £	Computer software £	Totals £
COST			
At 1 April 2022	15,000	3,819,851	3,834,851
Additions	-	180,451	180,451
At 31 March 2023	<u>15,000</u>	<u>4,000,302</u>	<u>4,015,302</u>
AMORTISATION			
At 1 April 2022	15,000	2,755,251	2,770,251
Amortisation for year	-	34,766	34,766
At 31 March 2023	<u>15,000</u>	<u>2,790,017</u>	<u>2,805,017</u>
NET BOOK VALUE			
At 31 March 2023	<u>-</u>	<u>1,210,285</u>	<u>1,210,285</u>
At 31 March 2022	<u>-</u>	<u>1,064,600</u>	<u>1,064,600</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

5. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022	250,601	626,813	877,414
Additions	-	25,540	25,540
At 31 March 2023	<u>250,601</u>	<u>652,353</u>	<u>902,954</u>
DEPRECIATION			
At 1 April 2022	211,778	577,021	788,799
Charge for year	2,080	24,950	27,030
At 31 March 2023	<u>213,858</u>	<u>601,971</u>	<u>815,829</u>
NET BOOK VALUE			
At 31 March 2023	<u>36,743</u>	<u>50,382</u>	<u>87,125</u>
At 31 March 2022	<u>38,823</u>	<u>49,792</u>	<u>88,615</u>

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	21,418	461,589
Other debtors	<u>747,287</u>	<u>582,174</u>
	<u>768,705</u>	<u>1,043,763</u>

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade creditors	1,130	12,505
Taxation and social security	6,965	1,200
Other creditors	<u>2,063,237</u>	<u>2,328,400</u>
	<u>2,071,332</u>	<u>2,342,105</u>

Amounts received in advance

	2023 £	2022 £
Capital grants	166,254	148,755
Contributions received in advance from Fire and Rescue Services (FRS)	278,803	167,975
Implementation funding (general purpose)	-	295,802
FRS forward maintenance plan	-	-
ESMCP Capital grant	1,131,157	1,004,460
	<u>1,576,214</u>	<u>1,616,992</u>

Included in other creditors are grants and contributions received in advance as detailed above, the remaining balance is accrued expenses.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	1,532,901	1,532,901
Between one and five years	6,131,605	6,131,605
In more than five years	9,473,726	11,006,627
	<u>17,138,232</u>	<u>18,671,133</u>

The lease is for a term of 25 years with effect from 14 July 2008. The rent is subject to a review on each fifth year of the term when the rent will increase by a multiple of 1.025. The company currently pays rent of £383,225 per quarter.

From 1 April 2014 there is a grant in place from DCLG which will provide an ongoing contribution of 66% of the rental costs for the duration of the lease. The disclosures above are disclosed gross of the grant.

9. RESERVES

	Income and expenditure account £
At 1 April 2022	(4,863,963)
Deficit for the year	(634,305)
Actuarial surplus/(deficit)	6,136,000
At 31 March 2023	<u>637,732</u>

10. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Louise Webster Bsc BFP ACA (Senior Statutory Auditor)
for and on behalf of Fairhurst

11. EMPLOYEE BENEFIT OBLIGATIONS

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Present value of funded obligations	(12,697,900)	(19,536,900)
Fair value of plan assets	12,985,000	14,352,000
	<u>287,100</u>	<u>(5,184,900)</u>
Present value of unfunded obligations	-	-
Surplus/(Deficit)	<u>287,100</u>	<u>(5,184,900)</u>
Net asset/(liability)	<u>287,100</u>	<u>(5,184,900)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

11. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in surplus or deficit are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	1,041,000	1,179,000
Net interest from net defined benefit asset/liability	150,000	151,000
Past service cost	-	-
	<u>1,191,000</u>	<u>1,330,000</u>
Actual return on plan assets	<u>401,000</u>	<u>270,000</u>

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	19,536,900	19,944,900
Current service cost	1,041,000	1,179,000
Contributions by scheme participants	154,000	149,000
Interest cost	551,000	421,000
Benefits paid	(189,000)	(138,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(339,000)	(116,000)
Actuarial (gains)/losses from changes in financial assumptions	(9,412,000)	(1,938,000)
Other experience remeasurement	1,355,000	35,000
	<u>12,697,900</u>	<u>19,536,900</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	14,352,000	12,906,000
Contributions by employer	527,000	521,000
Contributions by scheme participants	154,000	149,000
Expected return	401,000	270,000
Benefits paid	(189,000)	(138,000)
Remeasurements:		
Return on plan assets (excluding interest income)	(1,708,000)	644,000
Assets other remeasurement	(552,000)	-
	<u>12,985,000</u>	<u>14,352,000</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

11. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	339,000	116,000
Actuarial (gains)/losses from changes in financial assumptions	9,412,000	1,938,000
Other experience remeasurement	(1,355,000)	(35,000)
Return on plan assets (excluding interest income)	(1,708,000)	644,000
Assets other remeasurement	(552,000)	-
	<u>6,136,000</u>	<u>2,663,000</u>

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
Equities	48%	42%
Bonds	36%	42%
Property	13%	10%
Cash	3%	6%
	<u>100%</u>	<u>100%</u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2023	2022
Discount rate	4.75%	2.75%
Future salary increases	3.65%	3.85%
Future pension increases	2.95%	3.15%

12. CAPITAL COMMITMENTS

	2023	2022
	£	£
Contracted but not provided for in the financial statements	<u>94,874</u>	<u>257,150</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

13. RELATED PARTY DISCLOSURES**Greater Manchester Combined Authority (GMCA)**

Lead authority for North West Region

S31 Funding is provided by the Department for Levelling Up, Housing and Communities (DLUHC) (Previously -Department of Communities and Local Government (DCLG)) annually to cover 66% of the building lease. This is paid to GMCA from DCLG as the lead authority for the North West region .In the period under review, the required grant was £1,011,508 (2022 £1,009,882) the company received £1,011,718 (2022 £1,012,000) leaving a cumulative balance owing of £1,788 (2022 £1,998).

Grant funding owed	2023	2022
	£	£
DCLG lease grant	1,788	1,998
Other grant funding	-	-
	<u>1,788</u>	<u>1,998</u>

Greater Manchester Combined Authority

Subscriber member

During the year amounts were received and receivable from this subscriber member as follows:

	2023	2022
	£	£
Service charges	2,624,998	2,467,622
Use of facilities	-	140
Recharge of costs	129,338	388,679
	<u>2,754,336</u>	<u>2,856,441</u>

	2023	2022
	£	£
Amount due from related party at the balance sheet date	<u>2,442</u>	<u>453,765</u>

Purchases of £862,867 (2022: £1,224,872) were made from this subscriber member.

	2023	2022
	£	£
Amount due to related party at the balance sheet date	<u>-</u>	<u>-</u>

Cheshire Fire Authority

Subscriber member

During the year amounts were received and receivable from this subscriber member as follows:

2023	2022
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NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023

	£	£
Service charges	974,226	916,101
Use of facilities	1,237	700
Project funding	13,752	18,336
ESMCP capital grant	126,697	96,815
Recharged costs	48,281	144,252
	<u>1,164,193</u>	<u>1,176,204</u>

	2023	2022
	£	£
Amount due from related party at the balance sheet date	<u>3,554</u>	<u>3,750</u>

Purchases of £Nil (2022: £175) were made from this subscriber member.

	2023	2022
	£	£
Amount due to related party at the balance sheet date	<u>175</u>	<u>175</u>

Lancashire Combined Authority
Subscriber member

During the year amounts were received and receivable from this subscriber member as follows:

	2023	2022
	£	£
Service charges	1,380,154	1,297,637
Use of facilities	81	-
Recharged costs	75,836	204,357
	<u>1,456,071</u>	<u>1,501,994</u>

Purchases of £Nil (2022: £Nil) were made from this subscriber member.

	2023	2022
	£	£
Amount due from related party at the balance sheet date	<u>11,522</u>	<u>3,131</u>

Cumbria County Council
Subscriber member

During the year amounts were received and receivable from this subscriber member as follows:

	2023	2022
	£	£
Service charges	432,989	405,529
Use of facilities	-	-
Recharged costs	20,779	64,112
	<u>453,768</u>	<u>469,641</u>

Purchases of £Nil (2022: £Nil) were made from this subscriber member.

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2023**

	2023	2022
	£	£
Amount due from related party at the balance sheet date	<u>1,967</u>	<u>(193)</u>

14. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

15. POST BALANCE SHEET EVENTS

The Manchester Arena Public Inquiry in respect of the Manchester Arena attack commenced on 7th September 2020 . The Public Inquiry is an independent public inquiry, established on 22 October 2019 by the Home Secretary. Its purpose is to investigate the deaths of the victims of the 2017 Manchester Arena attack. There are currently no claims against NW Firecontrol Ltd in respect of this. The costs of ongoing legal representation will be met by the company and recharged to the Fire and Rescue Services on the same basis as other company costs.

At the time of signing this report NWFC had provided the Inquiry with the necessary updates and a witness statements as recommended. The Inquiry was formally closed and handed over to the Secretary of State for the Home Department on 1st August 2023.

16. ULTIMATE CONTROLLING PARTY

The controlling parties are the four subscriber members being Cheshire Fire Authority, Cumbria County Council, Greater Manchester Combined Authority and Lancashire Combined Fire Authority each with 25% control and as such there is no singular ultimate controlling party.

17. LIMITED BY GUARANTEE

The Company is limited by guarantee and does not have any share capital. The liability of the four subscriber members is limited. Each member of the Company undertakes to contribute an amount not exceeding £1 in the event of a winding up.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.