Registered number: 05950172

EEF LIMITED
Trading as Make UK

REPORT AND GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

EEF LIMITED

COMPANY INFORMATION

Directors	Lord RI Harrington (Chair) (appointed 28 March 2025) Rt Hon Lord JM Hutton of Furness (Chair) (resigned 27 March 2025) S Phipson (Chief Executive Officer) RI Greenway (Chief Financial Officer) B Fletcher (Chief Operating Officer) RC Fletcher RGNS Forsyth (appointed 27 March 2025) JR Greenham (resigned 19 May 2025) RP Glazebrook (appointed 27 March 2025) LE Harry DE Jones FG Morris A Watson
Company secretary	Jenny McMillan
Registered number	05950172
Registered office	Broadway House, Tothill Street London SW1H 9NQ
Independent auditors	HaysMac LLP 10 Queen Street Place London EC4R 1AG
Bankers	Lloyds Bank plc
Solicitors	Russell-Cooke LLP Eversheds Sutherland LLP Bates Wells & Braithwaite London LLP

EEF LIMITED

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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2024

It was an honour to be appointed as Make UK's (EEF Ltd) Chair in March 2025. I am passionate about the manufacturing sector, its contribution to the UK economy and how it will continue to help address the societal challenges we all face. Make UK celebrates the brilliance of Britain's manufacturing: our mission is to do all we can to raise the profile of the sector and ensure the right environment is created so UK manufacturing not only thrives but grows.

UK manufacturing makes the difference on the issues that matter. From pioneering renewable energy solutions that will secure the UK's future as a clean energy superpower, to creating the next generation of medicines and medical equipment to make the NHS fit for the future, our sector is essential to innovation, progress, and prosperity for all.

Manufacturing is not just the catalyst of economic change, helping the UK achieve the highest sustained growth in the G7. It's an engine for social advancement, providing high-skill, high-paid jobs in every region and nation of the UK. Manufacturers are committed to breaking down barriers to opportunity by investing in skills and ensuring a diverse and inclusive workplace.

I am proud to be taking on the leadership of such an important and influential organisation and at such a critical time. Our sector faces face global trading barriers, tariff wars and the heightened concerns about domestic production, highlighted notably with the recent recall of Parliament to agree the renationalisation of British Steel. During my tenure I am looking forward to working with colleagues and our partners to further advance the manufacturing agenda, building on the almost 130-year legacy of Make UK.

My predecessor, The Rt Hon The Lord Hutton of Furness stood down in March after three years as Chair during which Make UK went from strength to strength, culminating in the excellent results outlined in this report. I will take this opportunity to thank Lord Hutton as well as two Member Representative Directors whose service concluded recently: Brian Holliday – who as a Member Representative Director contributed over nine years in Make UK (then EEF Ltd) Board leadership and James Greenham who also served as Member Representative Director for over four years. Their contribution to the manufacturing sector both in their broader career and as part of Make UK has been significant and I am most grateful to them for all they have done.

2024 saw seismic political shifts in the UK with the election of the first Labour government in 14 years. As an incoming Government, Labour pledged an ironclad commitment to economic growth. Despite this, the tax changes announced at the 2024 Autumn Budget have and will create significant difficulties to all businesses. These changes have put a major strain on investment in the sector, at a time when we need to release the shackles to encourage investment and growth. At the end of 2024 our members told us that business confidence had slumped at the fastest rate since the pandemic.

That is why, as we look to the year ahead and beyond, I cannot pretend that there are not challenges on the horizon. Our flagship executive survey report has found that 92% of manufacturers expect employment costs to rise, 51% of manufacturers expect their biggest challenge to be a high cost of energy, 28% will decrease their investment plans because of the 2024 Autumn Budget, and 69% intend to pass on these increased costs to customers. And our Q1 Outlook published in March backs this up as manufacturers say that they have hit the buffers due to increasing employment taxes and wider business costs such as energy and logistics bite hard. And the slump in business confidence at the end of last year has now translated into a fall in both output and orders, with output falling in the first quarter of the year for the first time in a decade, a highly unusual occurrence.

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

In response, companies are freezing recruitment and considering redundancies, while investment plans are being delayed and, in some cases, cancelled altogether. As a result, Make UK is now urging the Government to consider measures to mitigate these actions, in particular reform of the business rates system to remove disincentives to invest and, policies to aid industrial decarbonisation and fix the broken skills system. Whilst these challenges are a major concern to manufacturers, there is also optimism. Indeed our Executive Survey report finds that 62% of manufacturers still believe that the opportunities for 2025 outweigh the risks and 49% believe the UK will be a competitive location for manufacturing in 2025.

With this optimism from the sector, there are plenty of opportunities for businesses to grasp, most importantly, the Government's Industrial Strategy. The sector very much welcomes the commitment to an Industrial Strategy, particularly in relation to providing a clear direction and focus for the sector, with 57% of manufacturers agreeing that the Government's industrial strategy if executed correctly, will increase their plans for investment.

Yet there is more we can do, together. By increasing the manufacturing sector from 10% of UK GDP to 15%, we can add an extra £142bn to the UK economy, increasing exchequer contributions to fund public services, while also driving a substantial uplift in long term domestic and foreign investment. That is why we are particularly keen to see more flesh on the bones in the final industrial strategy, especially around skills. It is crucial that the industrial strategy has a clear direction on skills which is vital to the UK's future growth. The sector needs support on upskilling and retraining, to ensure that manufacturers have the workforce of the future, equipped with the skills of the future.

Make UK continues to champion the future leaders of manufacturing through our own Skills Commission. The Commission is working hard to get the answers for how we get the right skills for the future, ensuring more young people get the opportunity to learn new skills, develop new technologies, and lead the sector to a brighter future.

And we must address Industrial energy costs. Our costs are 50% more expensive than Europe and twice that of the US. Industrial output performance is directly linked to energy costs, high costs impact jobs and investment and we say that Government must address Industrial energy costs as an urgent priority. Since the Industrial Revolution, every major period of industrial transformation has been on turbo charge with access to cheaper energy and its absence is holding us back today.

We only need to look at recent global events since the start of 2025 to see the critical role of a strong manufacturing sector in ensuring that we have the capabilities to defend ourselves and our allies. The UK has world leading manufacturers in the defence sector and with defence rightly being identified as one of the priority sectors of the UK economy, we have an opportunity to capitalise on our research and innovation capabilities to make sure that the defence sector is leading the way globally for years to come.

Manufacturers are united in their priorities for 2025. We want to deliver an industrial strategy that has manufacturing at its heart, we want to create good jobs by addressing the skills gap and investing in education, and we want to unlock innovation and accelerate digitalisation. Make UK will strengthen collaboration between Government and industry to secure long-term growth through focusing our campaigning in the four key areas set out below.

Following engagement through our member groups, both national and regional, our policy groups and using our own intel and evidence we have confirmed the following as Make UK's 2025 policy campaigns.

1. An industrial strategy that delivers for manufacturing,
2. Creating good jobs and shared prosperity,
3. Unlocking innovation and accelerating digitalisation and
4. Driving decarbonisation and green growth.

CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

2025 will be crucial to the growth and success of the manufacturing sector. With industry and government working together, we can guarantee that all manufacturers, from defence, to automotive, to aerospace, can continue to grow and ensure the backbone of the economy is Great British manufacturing.

I would like to take this opportunity to thank Stephen and all the staff for their work this year. And I thank my Board colleagues for their commitment to the Company and for their support to me as incoming Chair.

Lord RI Harrington
Chairman

29 May 2025

CHIEF EXECUTIVE'S REVIEW
AS AT 31 DECEMBER 2024

2024 was a very strong year for Make UK (EEF Ltd) achieving growth in both revenues and operating profits, further reducing our reliance on our investment income for financial sustainability.

Operating profits of just over £0.9m for the year grew by 60% when compared to the £0.6m generated in 2023. With investment and other income taken into account, along with the fair value improvement in the company's investments and a much-improved taxation charge, overall profit after tax for the year amounted to £3.9m as contrasted to the equivalent £1.6m recognised in 2023.

The improvement in day-to-day trading, and operating profits in particular, has been a considerable journey for the organisation to achieve and all staff have worked tirelessly to achieve this. If I look back to 2017 when I joined the organisation it was regularly posting operating losses of over £2m.

We have improved on our year-on-year revenue position with that performance flowing through to improved margins. Despite this we did not hit the ambitious revenue growth targets in certain areas we had set ourselves which means there is more work to do in 2025.

With the election behind us and increasing employment costs to come in 2025 because of the budget, we must work hard to support our sector and work with Government to improve the economic trading conditions our members (and us) need to thrive commercially.

Operating profit improvements were realised across the vast majority of operational units within Make UK, with notable growth achieved in core Make UK membership, Make UK Defence, our hospitality business, Make Venues, and also bottom line improvement in our employment law and HR services despite modest top line improvement in this area. Apprentice training remains challenging with government funding rates that have remained static for many years during a high inflationary period, and demand side pressures on the number of apprentices being recruited.

The decline in apprentice numbers has reinforced our decision to rationalise into one building in 2023 but equally, we are frustrated not to achieve our target student numbers or make tangible progress to date on increasing Government funding through our policy work and engagement. As a result, whilst the apprentice training offering remains a core activity in support of our members and the wider manufacturing sector, we will continue to carefully control costs to ensure that any deficit incurred on training activities are contained without sacrificing quality of service provision.

Our employment law and HR services have seen some improvement in its commercial revenue towards the end of 2024 and we have maintained that sales momentum in early 2025. We have seen stability in our key account portfolio which is positive, and we need to use that foundation to deliver some key account growth into 2025. Our acquisition of Bhayani Law has been a positive step forward with contribution from that business in the last few months of the year.

Looking to our sector, the 2024 General Election was a pivotal moment for us to represent and advocate for the needs of our members. Through our strong and diverse political relationships we ensured Make UK's profile was raised and strengthened, empowering us to influence across Westminster and Whitehall for the changes our sector needs. 2024 has been a year of change and new challenges in UK manufacturing, especially post-Budget, but it has also been a year of incredible achievements.

After nearly a decade of campaigning here at Make UK, we finally saw plans drawn up to implement an industrial strategy, and to re-introduce an Advisory Council to oversee its progress. At the same time, with the help of our members and partners, we have secured other significant wins in the forms of the expansion of Made Smarter, full expensing being made permanent, reforms to vocational education (Apprenticeship Levy and T Levels), and much more.

Over recent years Make UK has firmly established itself as maintaining the closest political relationships. The engagement campaigns we ran pre-election have paid off resulting in us being in the strong position of having maintained our opposition networks whilst having unparalleled access to Government at the most senior levels (political and civil service). We will continue to leverage these relationships through our 2025 campaigns, to make significant progress towards an effective and funded Industrial Strategy as well as to secure opportunities needed in the Spending Review.

2025 will be a very challenging year for many of our members on several fronts with employment costs, energy costs and global uncertainty being the principal concerns. We will need to respond quickly to changes in demand and discretionary spending and to show value to members in our government influencing work. Manufacturers have demonstrated their resilience continuously in recent years and, despite the numerous challenges they face, those that remain innovative and are prepared to invest in new technologies, expanding markets and, most crucially, their people will continue to thrive.

But Make UK knows they can only do this if they are operating in the most favourable business environment. There is little doubt that the next twelve months are set to be immensely challenging in a complex international environment. We will continue to press Government to help companies navigate a way through these challenges including through the formation and implementation of an Industrial Strategy.

As we look back on the year I would like to especially thank Lord John Hutton for his time as Chair of Make UK. John stepped down at the end of March and served Make UK through a challenging period for our industry, ensuring that manufacturing was heard at the heart of government. We have been very fortunate to have John as our Chair and we are incredibly grateful for the work he has done for Make UK during his time as Chair and I know that he will continue to be a fantastic advocate for our sector. He leaves us in a much better place.

I would like to welcome Make UK's incoming Chair, Lord Richard Harrington. Richard brings a wealth of experience to the role, having held several ministerial positions, including Minister for Business and Industry and most recently led the previous Government's review into Foreign Direct Investment. Richard also has a particular commitment to apprenticeships having been Chairman of the Apprentice Delivery Board. Richard now sits as a non-affiliated peer in the House of Lords and advises the current government and many other businesses from his position of expertise. Richard is a committed and passionate supporter of manufacturing, and we all look forward to working with him to enhance the role of Make UK as a powerful voice for business.

I would also like to thank each of our members for their continued support and the Make UK team for their commitment during a challenging but rewarding year for our Company.

S Phipson

S Phipson CBE
Chief Executive Officer
29 May 2025

NATIONAL MEMBERSHIP, REGIONAL ADVISORY BOARDS AND POLICY COMMITTEES AS AT 31 DECEMBER 2024

National Membership Board (Chair)

Rowan Crozier	National

Regional Advisory Boards (Chairs)

Graham Hartley	North West
Sam Handley	East of England
Austen Adams	East Midlands
Mike Evans	Wales North
Mike Evans	Wales South
Sharon Lane	North East
Mike Maddock	Yorkshire & Humber
Laura McBrown	South East
Brian Cutts	South West
Rowan Crozier	West Midlands
Peter Williamson	Affiliate Board Chair
Patrick Heskins	Affiliate Vice Chair

Policy Committees (Chairs)

Bonnie Dean	Economic Policy Committee
Steve George	Environment Sustainability Policy Committee
Daphne Vlastari	Environment Sustainability Policy Committee
Pete James	Health, Safety & Wellbeing Policy Committee
Clare Porter	Technology, Innovation & Digitalisation Policy Committee
Barbara Henry	Labour Market & Skills Policy Committee
Denise Peet	Government Affairs Group
Laura Sandys	Electrify Industry

GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

Introduction

The Directors present the Strategic Report for the year ended 31st December 2024.

Business review

In 2024, the business achieved year on year growth in both revenues and operating profits across most trading and membership areas.

The number of members increased throughout the year across both the core Make UK membership and the Make UK Defence offering, indicating the strong support and influence the Company can deliver during a period of change and instability in economic, domestic, and geo-political environments.

The Company ended the Make Modular offering due to sector difficulties but has since created a special interest group to address the transformation of UK industrial processes through electrification which follows requests from relevant stakeholders in this area for active Make UK leadership.

Electrify Industry was formed in conjunction with those industrial businesses with ambitions to decarbonise the UK economy affordably and at pace through electrification. Despite its infancy, it has already seen strong uptake.

The Company also established an Industrial Strategy Skills Commission during the year to address another significant concern among members regarding the lack of appropriate skills in the workforce and the policy challenges that had exacerbated this. The Commission's mandate is to examine this issue and propose a series of recommendations to Government that would address these issues.

UK Steel membership experienced a stable year in 2024 but has since encountered considerable challenges in early 2025, particularly due to the original planned close and subsequent government intervention of British Steel in Scunthorpe. The UK Steel team has been working tirelessly with both steel industry members and the UK Government to address these issues and safeguard the future of steel manufacturing in the UK.

The non-membership areas of the business, incorporating legal services, training, consultancy and venues, delivered bottom line improvements year on year across all areas except for Apprentice training which continues to suffer from the lack of increases in funding rates over many years along with reductions in apprentice intakes. The HR & Employment law area of the business remains the biggest contributor to Company finances at both top and bottom-line but with a mixed performance within this unit.

Overall top and bottom-line growth has been achieved with notable improvement achieved from the consultancy and training offerings, particularly on the back of proposed governmental changes to the employment law environment. In contrast, despite the market challenges, growth has been achieved in core employment law services but at a more modest rate.

The Company has accordingly embarked on an acquisitive growth strategy, acquiring the full share capital of Bhayani Law Ltd in October 2024, a small but profitable law firm. This will allow the Company to expand its offering to more SME customers, on a more flexible fee model, and with a focus on a wider sector than just manufacturing and engineering.

In parallel, the go-to-market offerings of the manufacturing focussed Make UK employment law service, including the increased use of technology, continues to be explored to drive greater organic growth in this area.

Make Venues continues to deliver growth across all three of its locations in Leamington, Bristol and London, with the first two locations coming under capacity constraints, especially for larger group sizes. Investment in the Venues product at each location continues, to maintain and improve on market share where possible.

Environmental, Health & Safety services saw a spectacular start to 2024, with strong growth achieved across core training products, but has since seen a deterioration in the last quarter of 2024 and into the early part of 2025.

Changes to the cost of doing business, such as the increase in employers national insurance contributions in the autumn budget, has since had a negative impact on more discretionary spend areas from customers, especially training.

The Apprentice training centre faced another challenging year with the lowest student intake numbers experienced in many years. Combined with stagnant ESFA funding rates since 2017, inflationary pressures since then, and reduced student numbers, the centre's financial performance continues to decline despite strict cost control. The Company is advocating for increased funding to ensure sustainable delivery of essential skills by all training providers and this was endorsed by the Industrial Strategy Skills Commission recommendations.

With a concerted and continued focus on cost control the Company delivered an operating profit of £0.9m in 2024 (2023 - £0.6m).

2025 in the meantime has got off to a mixed start to the year with a strong performance within the membership areas of the business but coming under pressure from those commercial areas that are suffering from the aforementioned cuts in customer discretionary spending, such as training.

Nevertheless, the Company’s forecasts and projections for the next 12 months from the date of the approval of these financial statements take account of any expected ongoing risks, including any possible changes in trading performance, as well as the mitigating actions taken by, or available to us. These forecasts and projections show that the Company will be able to continue to operate given its current and projected levels of resources.

After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Further information on the business and future developments are contained in the Chairman’s Statement and Chief Executive’s Review, which contain details of the activities carried out on behalf of members.

Principal risks and uncertainties

As a membership organisation, one of the key risks identified relates to the potential loss of members should the Company’s services to, or representation of, its members not be performed satisfactorily, or should the Company suffer significant reputational damage. Net membership attrition is routinely reviewed by the Board to ensure that any risk of membership loss is recognised at an early stage. Furthermore, an Ethics Committee established by the Board considers aspects which could give rise to any reputational risk.

The Board considers the endemic risk surrounding any adverse Ofsted inspection on the Apprentice training centre to be high. The Directors are satisfied that appropriate actions have been put in place to mitigate this risk.

In relation to any changes in the market value of investments which impact both the carrying value of financial investments held by the Company, and additionally the position of the defined benefit pension scheme, these items are considered by the Finance and Investment and Audit and Risk Committees as appropriate, as well as the Corporate Board.

A further risk which the Company views as an increasing threat is that of a Cyber event/attack, whether direct or indirect. The Company continues to invest in appropriate upgrades to IT systems and associated infrastructure, as well as investing in staff training to ensure the Company is appropriately protected to thwart any attempts from potential threat actors. Cyber Essentials plus accreditation continues to be held, and internal audit reviews on the Company’s cyber position demonstrated a strong posture against known controllable threats, acknowledging that new threats continually emerge.

Financial key performance indicators

The Board reviews a number of key performance indicators throughout the course of the year, including:
• Membership attrition rates in order to assess revenue risk, and the relative growth rate of the business.
• Staff utilisation rates within the legal, training and consultancy business to ensure spare capacity is addressed.
• Gross and net margin by business unit, including variances against budget to ensure financial performance shortfalls are identified and discussed.
• Cashflow forecasts to ensure that the Company has sufficient access to working capital along with ongoing liquid net asset assessment.

Section 172(1) Statement

The Directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of the Company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole and, in doing so have regard (amongst other matters to):
• the likely consequences of any decisions in the long term.
• the interests of the Company's employees.
• the need to foster the Company's business relationships with suppliers, customers and others.
• the impact of the Company's operations on the community and environment.
• the desirability of the Company maintaining a reputation for high standards of business conduct; and
• the need to act fairly between members of the Company.

The current Directors of the Company have all been provided with a briefing on their duties and in addition any new Directors are briefed as part of any induction process. They are entitled to seek professional advice on their duties, either from the Company Secretary, or if judged necessary from an independent adviser.

It is important to note that the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company and details of this can be found in the Directors Report on pages 11-16.

The Directors of the Company consider its key stakeholders to be:
• Employees,
• Members & Customers,
• Apprentices,
• Suppliers,
• HM Government,
• Media,
• Pension Scheme trustees & members,
• Manufacturing sector, and
• Local Communities.

The following summarises how the Directors have fulfilled their obligations with consideration to the key strategic decisions taken during the year.

<u>Acquistion of Bhayani Law Ltd</u>

The Company acquired 100% of the share capital of Bhayani Law Ltd, a small employment law firm, regulated by the Solicitors Regulation Authority, in October 2024.

The Board considered any impact on the financial performance of the organisation, including any material detriment on any pension covenant from a reduction in investments held, and the likely return and payback period for any investment.

The risk of not achieving the desired financial outcomes was considered and reflected in the purchase price payable, along with any key employee dependency.

The Board considered that the acquisition would provide enhanced commercial outcomes for both the Company and Bhayani Law, along with increased opportunities for staff within both companies, with no detriment to any key stakeholders.

Establishment of specialist support groups; Electrify Industry; Skills Commission

In late 2024 a decision was taken to establish a special interest group, Electrify Industry, powered by Make UK, and spearheaded by several key manufacturers who signed up as inaugural members of the group.

The Board considered any investment needed to support and underpin the offering along with any likely take up to join membership to drive the agenda on one the key issues faced by manufacturers, namely high energy costs.

The offering was established in conjunction with members, for the members, following engagement over perennial issues deemed strategically important.

Furthermore, the other perennial issue of ‘skills’ was addressed by the formation of a Skills Commission, led by former senior politicians, supported by subject matter experts, in order to shape and inform the current governments proposed industrial strategy, and to address the shortage of critical skills within the manufacturing sector.

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

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RI Greenway
Chief Financial Officer

Date: 29 May 2025

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2024

The Directors present their report and the financial statements for the year ended 31 December 2024.

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

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

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Principal activity

The principal activities of the Company are to promote and further the interests of its members.

The Company represents members in the human resource, economic, legal, and other spheres of business activity locally, regionally, nationally, and internationally. It provides information, advice, assistance, training, and other services on all matters related to human resources and the economic, legal, and other spheres of business activity.

Results

The Group recorded a profit for the year, after taxation, amounting to £3.9m *(2023 - £1.6m)*.

The year-on-year improvement is due to a combination of improved day-to-day trading performance, achieved across membership offerings and commercial services, notably within the Make Venues and the employment law functions, profit on disposal of property assets, improvement in the fair value of investments held, a reduction in exceptional cost items and an improved tax charge within the profit & loss account..

On 22 October 2024 EEF Ltd acquired the entire share capital of Bhayani Law Ltd, a SRA regulated legal firm specialising in Employment Law and HR services for a purchase consideration of £2.6m. With an annual turnover of approximately £1.2m and only a short period of post-acquisition results consolidated into the 2024 Group performance, so profits recognised in the 2024 profit and loss account are immaterial to the Group.

The profit on remeasuring the Groups' investments held at fair value amounted to £2.4m (2023 - £2m). Such unrealised investment gains were due to the improvement in financial markets during the year.

The Group disposed of its freehold interest in the property in Warrington in January 2024 for £1.4m and recognised a £0.1m profit on the sale. The Group also sold its long leasehold property interest in St James House in Edgbaston, Birmingham in September 2024 for £0.5m recognising a £0.3m profit on the sale. An impairment of £0.3m was also recognised on the Group's Gateshead property. This is a long leasehold property and has been marketed for sale and the impairment is based on market indicators of its fair value.

No exceptional charges were recorded in 2024 (2023 - £0.5m). 2023 charges primarily related to £0.8m of legal fees incurred to support a successful litigation action.

The total comprehensive income for the year was £1.5m (2023 - £8.1m loss). Within this net income of £1.5m a £2.5m net loss was incurred in 2024 (2023 - £9.7m loss) due to remeasurements of the Group’s defined benefit pension scheme. The deficit within the scheme has grown from £7.2m in 2023 to £9.3m in 2024 on an FRS 102 basis. The growth in the pension deficit from 2023 to 2024 is due to a general weakening in discount rates & inflation assumptions and prevailing interest rates remaining higher than expected causing assets to fall more than the increase in FRS102 liabilities. More detail on the accounting for the Group’s defined benefit pension scheme can be found in note 29.

At 31st December 2024 the Group had net assets of £51.9m (2023 - £50.4m).

Directors

The Directors who served during the year were:

Rt Hon Lord JM Hutton of Furness (Chair) (resigned 27 March 2025)
S Phipson (Chief Executive Officer)
RI Greenway (Chief Financial Officer)
B Fletcher (Chief Operating Officer)
RC Fletcher
JR Greenham (resigned 19 May 2025)
LE Harry
DE Jones
FG Morris
A Watson

Environmental matters

The Group will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Group has complied with all applicable legislation and regulations.

We recognise the value of good environmental performance in managing the cost-base of the business and in minimising any harmful impact of our activities on ecosystems. As a supplier of environmental advice, consultancy and training, it is incumbent upon us to demonstrate our commitment through continually developing the sophistication of our environmental management systems. Accordingly, the Company has signed up to the pledge to achieve net zero by 2050, and halving emissions by 2030.

UK Energy Use and Greenhouse Gas (“GHG”) Emissions

The energy used by the company in business activities involving the combustion of gas and fuels, the purchase of electricity and business mileage in the years ended 31 December 2024 and 31 December 2023 was as follows:

	2024		2023	
Type of Activity	Energy Usage (kWh)	GHG emissions (tCO2e)	Energy Usage (kWh)	GHG emissions (tCO2e)
Grid electricity	1,660,783	343.9	1,788,951	370.4
Natural Gas	1,845,645	337.6	2,208,928	404.3
Transport	624,781	142.7	668,194	154.4
Total	**4,131,209**	**824.2**	**4,666,073**	**929.1**

	2024		2023	
Scope	Energy Usage (kWh)	GHG emissions (tCO2e)	Energy Usage (kWh)	GHG emissions (tCO2e)
Scope 1 (Natural Gas & Transport)	1,845,974	337.7	2,232,354	409.9
Scope 2 (Grid electricity)	1,660,783	343.9	1,788,951	370.4
Scope 3 (Transport)	624,452	142.6	644,767	148.8
Total	**4,131,209**	**824.2**	**4,666,073**	**929.1**

The Company uses an intensity ratio based on the GHG emissions and the average number of full time equivalent (FTE) employees during the year. This intensity ratio allows a comparison of energy efficiency performance over time and with similar types of organisations. The intensity ratio is as follows:

Intensity Ratio	2024	2023
tCO2e	824.2	929.1
FTE Employees	365	341
tCO2e per FTE	2.26	2.72

The Company has pledged to reach carbon zero by 2050 with the aim of reducing emissions by half by 2030. In view of this the company is reducing its company car fleet and its office footprint, placing a greater reliance on video conferencing to reduce business travel and general office energy consumption.

The energy consumption for 2024 and 2023 was based on meter readings and mileage claims, applying a conversion factor taken from the ‘UK Government’s GHG conversion factors for Company Reporting’ information.

An average CV and CO2e factor have been applied to the refunded business mileage. All emissison scopes have decreased year-on-year. This is largely due to better energy consumption across the group's properties.

Engagement with employees

The Company has established employment policies to encourage an environment that promotes high productivity, good communications, effective employee consultation in management processes and harmonious working relationships. We aim to recruit and to retain excellent, highly qualified, and motivated staff with staff training a priority and a commitment.

Employees are kept informed of the performance and objectives of the Company through the established methods of general and personal briefings and through regular meetings.

The Company is committed to ensuring that its recruitment and employment policies are without discrimination in the form of race, creed, gender, disability or otherwise. The Company is committed to ensuring that its employees share in the success of the business.

It is the policy of the Company that disabled persons shall be considered for employment, training, career development and promotion on the basis of their aptitudes and abilities, in common with all employees. The services of any existing employee who becomes disabled are retained wherever possible.

Statement of corporate governance arrangements

EEF is a company limited by guarantee. It is also registered with the Certification Officer as an Employers' Association under the Trade Union and Labour Relations (Consolidation) Act 1992 ("TULR(C)A"). The employers who are members of the Association are the guarantors, for £1 each, and company law members of the Company.

The Corporate Board of the Company consists of no fewer than six and no more than twelve Directors with executive directors comprising a minority.

The Directors have established the following committees and determined appropriate terms of reference:
Nomination and Remuneration Committee,
Audit and Risk Committee,
Finance and Investment Committee and
Ethics Committee

The Directors who currently serve on the various committees are as follows:

	Membership of Committees			
Director	Audit and Risk	Nominations & Remuneration	Finance & Investment	Ethics
B Fletcher				#
RC Fletcher		Ch.#		
RI Greenway			#	#
DE Jones	Ch.#			
FG Morris		#		
S Phipson CBE			#	#
A Watson	#			
Lord RI Harrington (Appointed 28 March 2025)		#	Ch. #	
LE Harry				Ch. #
RGNS Forsyth (Appointed 27 March 2025)	#			
RP Glazebrook (Appointed 27 March 2025)			#	

Key:
- member
Ch - Chair

Mr D Bramwell, who is not a director of the company, serves as a member of the Audit and Risk committee.

The Directors have also established a National Membership Board (NMB) which oversees a number of Regional Advisory Boards (RABs) and determined their terms of reference. These boards act in an advisory capacity, with the details of the Chairs of such Boards set out on page 6.

The Directors have delegated day-to-day management of the Company to an Executive Board and determined terms of reference for it. The Executive Board is chaired by the Chief Executive and manages the Company by implementing the policy and strategy adopted by and within a budget approved by the Directors. Certain matters are specifically reserved to the Corporate Board to consider and approve.

Members of the Executive Board as at 19 May 2025 were as follows:

S Phipson CBE (Chair)*	Chief Executive
B Fletcher*	Chief Operations Officer
RI Greenway*	Chief Financial Officer
M Corkan	HR Director
G Stace	Director General, UK Steel
J McMillan	Director of Performance & Company Secretary
H Bowler	Commercial Director
J Bhayani	Managing Director - Bhayani Law Ltd

** Director of the Company*

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

Disclosure of information to auditors

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

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

The auditors, HaysMac LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 May 2025 and signed on its behalf.

....
RI Greenway
Chief Financial Offier

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EEF LIMITED

Opinion

We have audited the financial statements of EEF Ltd (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024, which comprise the Consolidated Profit and Loss Account, the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity 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 Company's affairs as at 31 December 2024 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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

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 Group's or the parent 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 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 auditor’s report thereon. Our opinion on the group and parent company 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 group and parent company financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or 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:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 11, 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 Group's and the parent 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 Company or to cease operations, or have no realistic alternative but to do so.

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 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.

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:

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with management and the Audit Committee including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management and approved by the directors in their critical accounting estimates, and in particular the valuation of the company's defined benefit pension scheme and particular judgements surrounding impairment of property assets.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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 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 Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Thomas Wilson (Senior Statutory Auditor)

for and on behalf of
HaysMac LLP

10 Queen Street Place
London
EC4R 1AG

Date: 02/06/2025

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £000	*2023 £000*
Turnover	4	**39,216**	*38,543*
Cost of sales		**(20,760)**	*(20,585)*
Gross profit		**18,456**	*17,958*
Administrative expenses		**(17,515)**	*(17,382)*
Operating profit	5	**941**	*576*
Fair Value Adjustments	17	**2,374**	*2,014*
Exceptional Items	6	**-**	*(505)*
Profit on disposal of fixed assets		**566**	*16*
Impairment (Losses) / Reversals	16	**(300)**	*683*
Profit on ordinary activities before interest and income from investments		**3,581**	*2,784*
Income from investments	11	**945**	*1,457*
Interest receivable and similar income	12	**581**	*714*
Interest payable and similar expenses	13	**(354)**	*(106)*
Profit before tax		**4,753**	*4,849*
Tax on profit	14	**(819)**	*(3,248)*
Profit for the financial year		**3,934**	*1,601*
Profit for the year attributable to:			
Owners of the parent		**3,934**	*1,601*
		3,934	*1,601*

The notes on pages 32 to 65 form part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024 £000	2023 £000
Profit for the financial year		**3,934**	*1,601*
Other comprehensive income			
Remeasurements of net defined benefit obligation		**(3,299)**	*(12,990)*
Total tax on components of other comprehensive income		**825**	*3,248*
Other comprehensive income for the year net of tax		**(2,474)**	*(9,742)*
Total comprehensive income for the year		**1,460**	*(8,141)*
Total comprehensive income for the year attributable to:			
Owners of the parent Company		**1,460**	*(8,141)*
		1,460	*(8,141)*

The notes on pages 32 to 65 form part of these financial statements.

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note		2024 £000		2023 £000
Fixed assets					
Intangible assets	15		**1,516**		-
Tangible assets	16		**16,707**		*18,444*
Investments	17		**42,731**		*41,691*
			60,954		*60,135*
Current assets					
Stocks	18	**6**		*6*	
Debtors: amounts falling due within one year	19	**10,870**		*11,858*	
Cash at bank and in hand	20	**2,975**		*1,206*	
		13,851		*13,070*	
Creditors: amounts falling due within one year	21	**(12,999)**		*(14,429)*	
Net current assets/(liabilities)			**852**		*(1,359)*
Total assets less current liabilities			**61,806**		*58,776*
Creditors: amounts falling due after more than one year	22		**(555)**		*(802)*
Provisions for liabilities					
Deferred tax	25	**(4)**		-	
Other provisions	26	**(35)**		*(360)*	
			(39)		*(360)*
Net assets excluding pension liability			**61,212**		*57,614*
Pension liability	29		**(9,323)**		*(7,185)*
Net assets			**51,889**		*50,429*
Capital and reserves					
Profit and loss account			**51,889**		*50,429*
			51,889		*50,429*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 May 2025.

S Phipson

S Phipson CBE
Chief Executive Officer

RI Greenway
Chief Financial Officer

The notes on pages 32 to 65 form part of these financial statements.

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2024

	Note		2024 £000		*2023 £000*
Fixed assets					
Tangible assets	16		**16,690**		*18,444*
Investments	17		**45,283**		*41,691*
			61,973		*60,135*
Current assets					
Stocks	18	**6**		*6*	
Debtors: amounts falling due within one year	19	**10,732**		*11,858*	
Cash at bank and in hand	20	**1,857**		*1,206*	
		12,595		*13,070*	
Creditors: amounts falling due within one year	21	**(12,751)**		*(14,429)*	
Net current liabilities			**(156)**		*(1,359)*
Total assets less current liabilities			**61,817**		*58,776*
Creditors: amounts falling due after more than one year	22		**(555)**		*(802)*
Provisions for liabilities					
Other provisions	26	**(35)**		*(360)*	
			(35)		*(360)*
Net assets excluding pension liability			**61,227**		*57,614*
Pension liability	29		**(9,323)**		*(7,185)*
Net assets			**51,904**		*50,429*
Capital and reserves					
Profit and loss account			**51,904**		*50,429*
			51,904		*50,429*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2024

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 May 2025.

S Phipson

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S Phipson CBE
Chief Executive Officer

RI Greenway
Chief Financial Officer

The notes on pages 32 to 65 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Profit and loss account £000	Total equity £000
At 1 January 2023	**58,570**	**58,570**
Comprehensive income for the year		
Profit for the year	**1,601**	**1,601**
Remeasurements of net defined benefit obligation	**(12,990)**	**(12,990)**
Total tax on components of other comprehensive income	**3,248**	**3,248**
Other comprehensive income for the year	**(9,742)**	**(9,742)**
Total comprehensive income for the year	**(8,141)**	**(8,141)**
At 1 January 2024	**50,429**	**50,429**
Comprehensive income for the year		
Profit for the year	**3,934**	**3,934**
Remeasurements of net defined benefit obligation	**(3,299)**	**(3,299)**
Total tax on components of other comprehensive income	**825**	**825**
Other comprehensive income for the year	**(2,474)**	**(2,474)**
Total comprehensive income for the year	**1,460**	**1,460**
At 31 December 2024	**51,889**	**51,889**

The notes on pages 32 to 65 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024

	Profit and loss account £000	Total equity £000
At 1 January 2023	**58,570**	**58,570**
Comprehensive income for the year		
Profit for the year	**1,601**	**1,601**
Remeasurements of net defined benefit obligation	**(12,990)**	**(12,990)**
Total tax on components of other comprehensive income	**3,248**	**3,248**
Other comprehensive income for the year	**(9,742)**	**(9,742)**
Total comprehensive income for the year	**(8,141)**	**(8,141)**
At 1 January 2024	**50,429**	**50,429**
Comprehensive income for the year		
Profit for the year	**3,949**	**3,949**
Remeasurements of net defined benefit obligation	**(3,299)**	**(3,299)**
Total tax on components of other comprehensive income	**825**	**825**
Other comprehensive income for the year	**(2,474)**	**(2,474)**
Total comprehensive income for the year	**1,475**	**1,475**
At 31 December 2024	**51,904**	**51,904**

The notes on pages 32 to 65 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £000	2023 £000
Cash flows from operating activities		
Profit for the financial year	**3,934**	*1,601*
Adjustments for:		
Amortisation of intangible assets	**53**	*-*
Depreciation of tangible assets	**1,034**	*1,109*
Impairments of fixed assets	**300**	*(683)*
(Profit) / Loss on disposal of tangible assets	**(401)**	*(16)*
Interest paid	**354**	*106*
Investment income	**(945)**	*(1,457)*
Taxation charge	**819**	*3,248*
Decrease/(increase) in debtors	**990**	*(1,295)*
(Decrease)/increase in creditors	**(1,515)**	*563*
(Decrease) in provisions	**(325)**	*(1,796)*
Net fair value (gains) recognised in P&L	**(2,374)**	*(2,014)*
Interest Received	**(581)**	*(714)*
Pension fund administration expenses	**640**	*710*
Pension fund past service cost / (credit)	**-**	*298*
(Profit) / Loss on disposal of investments	**(165)**	*-*
Net cash generated from operating activities	**1,818**	*(340)*
Cash flows from investing activities		
Purchase of tangible fixed assets	**(1,009)**	*(446)*
Sale of tangible fixed assets	**1,834**	*16*
Purchase of listed investments	**(1,000)**	*-*
Sale of listed investments	**2,500**	*1,000*
Purchases of Subsidiary (net of cash acquired)	**(1,498)**	*-*
Income from investments	**185**	*197*
Dividends received	**760**	*1,259*
Payments to defined benefit pension schemes	**(2,098)**	*(2,381)*
Interest Received	**581**	*466*
Net cash from investing activities	**255**	*111*

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024

	2024 £000	2023 £000
Cash flows from financing activities		
Repayment of loans	**(247)**	*(247)*
Interest paid	**(57)**	*(106)*
Net cash used in financing activities	**(304)**	*(353)*
Net increase/(decrease) in cash and cash equivalents	**1,769**	*(582)*
Cash and cash equivalents at beginning of year	**1,206**	*1,788*
Cash and cash equivalents at the end of year	**2,975**	*1,206*
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	**2,975**	*1,206*
	2,975	*1,206*

The notes on pages 32 to 65 form part of these financial statements.

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2024

	At 1 January 2024 £000	Cash flows £000	Acquisition of subsidiaries £000	Other non-cash changes £000	At 31 December 2024 £000
Cash at bank and in hand	1,206	715	1,054	-	2,975
Debt due after 1 year	(802)	-	-	247	(555)
Debt due within 1 year	(247)	247	-	(247)	(247)
	157	962	1,054	-	2,173

The notes on pages 32 to 65 form part of these financial statements.

1. General information

EEF Ltd is an Employers Association registered with the Certification officer under the Trade Union and Labour Relations (Consolidation) Act 1992 (the “Act”). It was incorporated in the United Kingdom and its registered office is Broadway House, Tothill Street, London SW1H 9NQ.

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies. The following are the group's key sources of estimation uncertainty:

2.1 Post-Employment Benefits

The company operates a multi-employer defined benefit scheme. Prior to 2021, the company was unable to identify its share of the assets and liabilities of the scheme and so it was accounted for as a defined contribution scheme where the net present value of the deficit contributions were recognised in the financial statements as creditors falling within and more than one year.

Since 1 January 2021, because of additional information becoming available, the group is now able to split the pension liability by employer which has resulted in the scheme being accounted for as a Defined Benefit scheme in accordance with FRS 102, paragraphs 28.11B and 28.11C.

The FRS 102 valuation involves making assumptions about discount rates, inflation, mortality rates and future pension increases. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. The mortality rate is based on publicly available mortality tables for the UK. Future pension increases are based on expected future inflation rates for the UK.

The group has applied paragraph 28.11 of FRS 102 where applicable and it is considered that it has an unconditional right to a refund of any surplus arising from the Fund.

2.2 Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the group performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculations are based on available data from binding sales transactions in an arm’s length transaction on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculations are based on a discounted cash flow model over an appropriate time period in order to determine the net recoverable amount. The recoverable amount is most sensitive to the discount rate used, the expected cash flows generated and growth assumptions over the relevant time period. Changes to any of these can significantly affect the recoverable amount.

The group recognised a £0.3m impairment on its Gateshead property in 2024. This is a long term leashold property and has been marketed for sale. The impairment is based on market indicators of the fair value of the building.

The group considers the Apprentice training centre, operating out of the Technology Hub in Noble Way, Birmingham, to form part of its core activity in the provision of services to its members and in support of the wider manufacturing sector, to address the skills shortages faced by the sector.

Accordingly, the Group considers any impairment by reference to its service potential and a depreciated replacement cost approach.

Whilst the Group continues to consider the apprentice training centre as a core service provision, so a Depreciated Replacement Cost approach indicates no impairment is required.

The discount rate reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which the future cash flows have not been adjusted. The rate is based on observable market data, such as the Group’s weighted average cost of capital (WACC), adjusted where necessary for asset-specific risks.

3. Accounting policies

3.1 Basis of preparation of financial statements

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

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

The following principal accounting policies have been applied:

3.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. Disposals are deconsolidated from the date control ceases.

3. Accounting policies (continued)

3.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Profit and Loss Account within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

3.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Membership & Other Subscription Income

Membership & Other Subscription income represents the amount receivable, excluding VAT, for the year after providing for associated doubtful debts. Member subscriptions, once receipted, are deferred and released to income over the period the membership relates to.

Government funded training

The Group receives funding from the Education & Skills Funding Agency (ESFA) for its apprentice operations. Revenue is recognised in the income statement based on the stage of completion of the underlying apprentice programme typically measured by the proportion of teaching time cumulatively spent at a point in time as a proportion of the total expected teaching time. This reflects the pattern in which services are delivered and ensures that revenue reflects the amount of teaching and course

3. Accounting policies (continued)

3.4 Revenue (continued)

content that has been delivered.

Programme funding from the ESFA, excluding a final success on completion payment, is received on a straight-line basis over the term of the programme. As such, where the revenue earned based on stage of completion exceeds the amount of funding received to date, the difference is recorded as accrued income and presented as a current asset on the balance sheet.

Where students fail to complete their programme in full, the sponsoring employer is liable for any shortfall in funding unable to be claimed from the ESFA, under the terms of their contract.

Final completion payments are recognised in full once the student has successfully completed their End Point Assessment, and funding becomes due.

Consultancy and Training
Income is recognised on a receivable basis where entitlement to the income and the amount can be measured with reasonable certainty. It is reported gross of related expenditure.

Other income
Other income is recognised on a receivable basis where entitlement to the income and the amount can be measured with reasonable certainty. It is reported gross of related expenditure.

Grants receivable are recognised at the same time as the expenditure which they subsidise. Capital grants are offset against the cost of the asset in the balance sheet, and depreciation charged on the net amount. Grants of a revenue nature are credited to the profit and loss account in the period to which they relate.

3.5 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

3.6 Interest income

Interest income is recognised in profit or loss using the effective interest method.

3.7 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.8 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

3. Accounting policies (continued)

3.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets (if any) at the balance sheet date out of which the obligations are to be settled.

The fair value of plan assets is measured in accordance with the FRS102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit obligation'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

a) the increase in net pension benefit liability arising from employee service during the period; and

b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as interest payable and similar expenses.

3. Accounting policies (continued)

3.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3.11 Exceptional items

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

3. Accounting policies (continued)

3.12 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer’s interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Profit and Loss Account over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	5	years

Management have estimated the useful life of the goodwill to be 5 years. This relates to the expected payback period on the investment in Bhayani Law Ltd and is equally a suitable time period for synergies and efficiencies to be realised.

3.13 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the Group assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount. In the case of the Technology Hub, Aston, from which Apprentice Training is delivered, any impairment is assessed based on Depreciated Replacement Cost, reflecting the service potential of the centre.

3. Accounting policies (continued)

3.13 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Building Improvements	- 7%
Long-term leasehold property	- The cost of long leasehold premises is written off by equal instalments over the last 50 years of the lease.
Short-term leasehold property	- All other leasehold premises are written off by equal instalments over the life of the lease.
Plant and machinery	- 10-33%
Motor vehicles	- 33%
Fixtures and fittings	- 33%
Computer equipment	- 33%

Freehold buildings are maintained in such a state of repair that their residual value is at least equal to their net book value, with maintenance costs being charged to profit and loss in the year incurred. As a result, it is considered that depreciation would be immaterial and is not charged in the accounts.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

3.14 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, or in the case of the Technology Hub, Aston, its Depreciated Replacement Cost (DRC). The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

3.15 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

3. Accounting policies (continued)

3.16 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

3.17 Debtors

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

3.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

3.19 Creditors

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

3.20 Provisions for liabilities

Provisions are recognised when an event has taken place that gives rise to a legal or constructive obligation, a transfer of economic benefits is probable and a reliable estimate can be made.

Provisions are measured as the best estimate of the amount required to settle the obligation, taking into account the related risks and uncertainties.

Increases in provisions are generally charged as an expense to profit or loss.

3.21 Financial instruments

The Group has elected to apply the provisions of Section 11 “Basic Financial Instruments” of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for

3. Accounting policies (continued)

3.21 Financial instruments (continued)

objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Group's contractual obligations expire or are discharged or cancelled.

4. Turnover

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

	2024 £000	*2023* *£000*
Make UK Members Subscriptions	**14,086**	*14,262*
Steel levy income	**776**	*811*
Training	**6,069**	*5,951*
Consultancy	**1,904**	*1,645*
Conference Hire	**8,816**	*8,269*
Government Funded Training	**4,825**	*5,342*
Other Income	**2,740**	*2,263*
	39,216	*38,543*

5. Operating profit

The operating profit is stated after charging:

	2024 £000	2023 £000
Depreciation on tangible fixed assets	1,034	1,110
Amortisation on goodwill	53	-
Exchange differences	2	2
Other operating lease rentals	418	539
Defined Benefit Pension Scheme - Past Service Costs / (Credits)	-	298
Defined Benefit Pension Scheme - Administration costs	640	710

6. Exceptional items

Exceptional items includes the following charges/(credits):

	2024 £000	2023 £000
Onerous lease provision adjustments	-	(149)
Dilapidation provision adjustments	-	(215)
Legal fees	-	869
	-	505

The dilapidations and onerous lease provision adjustments in 2023 related to the probable sale of the company's Edgbaston leasehold property. This property was sold in September 2024.

Legal fees shown in exceptional items in 2023 were unforeseen and incurred in relation to the company's dispute with Ofsted.

7. Profit on disposal of fixed assets

	2024 **£000**	*2023* *£000*
Profit on disposal of tangible fixed assets	**401**	*16*
Profit on disposal of listed invesments	**165**	-
	566	*16*

8. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2024 **£000**	*2023* *£000*
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	**55**	*50*
Fees payable to the Company's auditors in respect of:		
The auditing of accounts of subsidiaries of the Company	**10**	-
Taxation compliance services	**9**	*13*
All non-audit services not included above	**56**	-

Fees paid for non-audit services in 2024 relate to the due diligence undertaken on Bhayani Law Ltd. These fees have been included in the cost of the investment in this subsidiary.

9. Employees

Staff costs were as follows:

	Group **2024** **£000**	*Group* *2023* *£000*	**Company** **2024** **£000**	*Company* *2023* *£000*
Wages and salaries	**18,375**	*17,675*	**18,325**	*17,675*
Social security costs	**1,937**	*1,883*	**1,937**	*1,883*
Cost of defined contribution scheme	**930**	*882*	**930**	*882*
	21,242	*20,440*	**21,192**	*20,440*

9. Employees (continued)

In addition to the above the Company made a payment of £2.1m (2023: £2.4m) to the multi-employer defined benefit scheme (see Note 29).

Key Management personnel include members of the Executive Board, and remuneration in the year was £1.6m (2023: £1.8m).

Redundancy costs of £0.1m (2023: £0.09m) were also incurred during the year. These costs are not shown in the above table of employee costs.

The average monthly number of employees, including the Directors, during the year was as follows:

	Group 2024 No.	*Group 2023 No.*	**Company 2024 No.**	*Company 2023 No.*
Average number of employees	**409**	*370*	*400*	*370*

10. Directors' remuneration

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Remuneration	**1,013**	*1,204*	**1,013**	*1,204*
Contributions to money purchase pension schemes	**35**	*34*	**35**	*34*
	1,048	*1,238*	**1,048**	*1,238*

Retirement benefits were accruing for three directors throughout the year (2023: three directors).

The remuneration of directors presented above includes the following amounts attributable to the highest paid director:

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Remuneration	**331**	*425*	**331**	*425*
	331	*425*	**331**	*425*

11. Income from investments

	2024 £000	2023 £000
Fee Rebates from listed investments	**(185)**	*(197)*
Dividends received from listed investments	**(760)**	*(1,259)*
	(945)	*(1,456)*

12. Interest receivable

	2024 £000	2023 £000
Interest received on investments	**581**	*466*
Interest on defined benefit pension scheme	**-**	*248*
	581	*714*

13. Interest payable and similar expenses

	2024 £000	2023 £000
Loan interest payable	**57**	*106*
Net interest payable on defined benefit pension scheme	**297**	*-*
	354	*106*

14. Taxation

	2024 **£000**	*2023* *£000*
Corporation tax		
Current tax on profits for the year	**(6)**	-
	(6)	-
Total current tax	**(6)**	-
Deferred tax		
Origination and reversal of timing differences	**825**	*3,248*
Total deferred tax	**825**	*3,248*
Tax on profit	**819**	*3,248*

Factors affecting tax charge for the year

The tax assessed for the year is the same as the standard rate of corporation tax in the UK of 25% *(2023 - 23.52%)*. The differences are explained below:

	2024 **£000**	*2023* *£000*
Profit on ordinary activities before tax	**4,753**	*4,849*
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25% (2023 - 23.52%)	**1,188**	*1,140*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**8**	*7*
Movement in deferred tax not recognised	**(1,626)**	*(628)*
Adjustments to tax charge in respect of prior periods	**-**	*37*
Non-taxable income	**(599)**	*(372)*
Chargeable gains	**1,171**	*128*
Dividends from UK companies	**(187)**	*(296)*
Other tax charge (relief) on exceptional items	**825**	*3,248*
Other differences leading to an increase (decrease) in the tax charge	**39**	*(16)*
Total tax charge for the year	**819**	*3,248*

14. Taxation (continued)

Factors that may affect future tax charges

There were no factors that may affect future tax charges.

15. Intangible assets

Group

	Goodwill £000
Cost	
On acquisition of subsidiaries	**1,571**
At 31 December 2024	**1,571**
Amortisation	
Charge for the year	**55**
At 31 December 2024	**55**
Net book value	
At 31 December 2024	**1,516**
At 31 December 2023	-

On 22 October 2024, the company acquired 100% of the ordinary share capital of Bhayani Law Ltd for a purchase consideration of £2.5m. Goodwill of £1.56m was recognised on this transaction.

16. Tangible fixed assets

Group

	Freehold property £000	Long-term leasehold property £000	Short-term leasehold property £000	Plant & Machinery, Equipment & Systems £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 January 2024	**12,684**	**1,300**	**7,566**	**17,064**	**14**	**38,628**
Additions	**298**	**-**	**36**	**675**	**-**	**1,009**
Acquisition of subsidiary	**-**	**-**	**-**	**20**	**-**	**20**
Disposals	**(1,268)**	**-**	**(564)**	**-**	**-**	**(1,832)**
At 31 December 2024	**11,714**	**1,300**	**7,038**	**17,759**	**14**	**37,825**
Depreciation						
At 1 January 2024	**286**	**-**	**4,657**	**15,241**	**-**	**20,184**
Charge for the year	**-**	**-**	**226**	**802**	**5**	**1,033**
Disposals	**-**	**-**	**(399)**	**-**	**-**	**(399)**
Impairment charge	**-**	**300**	**-**	**-**	**-**	**300**
At 31 December 2024	**286**	**300**	**4,484**	**16,043**	**5**	**21,118**
Net book value						
At 31 December 2024	**11,428**	**1,000**	**2,554**	**1,716**	**9**	**16,707**
At 31 December 2023	*12,398*	*1,300*	*2,909*	*1,823*	*14*	*18,444*

16. Tangible fixed assets (continued)

Company

	Freehold property £000	Long-term leasehold property £000	Short-term leasehold property £000	Plant & Machinery, Equipment & Systems £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 January 2024	**12,684**	**1,300**	**7,566**	**17,064**	**14**	**38,628**
Additions	**298**	**-**	**36**	**674**	**-**	**1,008**
Disposals	**(1,268)**	**-**	**(564)**	**-**	**-**	**(1,832)**
At 31 December 2024	**11,714**	**1,300**	**7,038**	**17,738**	**14**	**37,804**
Depreciation						
At 1 January 2024	**286**	**-**	**4,657**	**15,241**	**-**	**20,184**
Charge for the year	**-**	**-**	**226**	**798**	**5**	**1,029**
Disposals	**-**	**-**	**(399)**	**-**	**-**	**(399)**
Impairment charge	**-**	**300**	**-**	**-**	**-**	**300**
At 31 December 2024	**286**	**300**	**4,484**	**16,039**	**5**	**21,114**
Net book value						
At 31 December 2024	**11,428**	**1,000**	**2,554**	**1,699**	**9**	**16,690**
At 31 December 2023	*12,398*	*1,300*	*2,909*	*1,823*	*14*	*18,444*

16. Tangible fixed assets (continued)

The freehold land and buildings comprise:

- Broadway House, Tothill Street, London, SW1H 9NQ
- Engineers House, The Promenade, Clifton Downs, Bristol, BS8 3NB
- Woodland Grange, Old Milverton Lane, Leamington Spa CV32 6RN

On 29 January 2024 the group sold its freehold interest in Mount Pleasant, Warrington for £1.4m adjusted for any cost to sell. The adjusted carrying value of the property was £1.3m and the company realised a profit of £0.1m on the sale.

Leasehold property comprises:

- EEF House, Gateshead NE11 0NX. A long lease expiring in 2131. The company recognised a £0.3m impairment against this property in 2024.
- The EEF Technology Hub, Noble Way, Birmingham, B6 7EU. The lease expires in 2032.

In September 2024, the group sold the lease of its St. James House Property in Edgbaston, Birmingham for £0.5m adjusted for any costs incurred to sell. The property had an adjusted carrying value £0.2m and the company realised a profit of £0.3m on the sale.

The group has granted the following charges over its freehold land and buildings:

- An uncapped charge in favour of the Trustees of the EEF Staff Pension Fund over Broadway House, Tothill Street, London, included in the Balance Sheet at 31st December 2024 at £2.2m, as explained in Note 29.

- A legal charge over Woodland Grange included in the Balance Sheet at 31st December 2024 at £8.8m, as explained in Note 22.

- An uncapped secondary legal charge over Woodland Grange in favour of the Trustees of the EEF Staff Pension Fund. The primary but capped legal charge already in place at the balance sheet date was in favour of any outstanding bank loans as referenced in Note 22.

- An uncapped charge in favour of the Trustees of the EEF Staff Pension Fund over Engineers House, Clifton Downs, Bristol, included in the Balance Sheet at 31st December 2024 at £0.2m, as shown in Note 29.

17. Fixed asset investments

Group

	Listed investments £000
Cost or valuation	
At 1 January 2024	**41,691**
Additions	**1,000**
Disposals	**(2,334)**
Revaluations	**2,374**
At 31 December 2024	**42,731**

Company

	Investments in subsidiary companies £000	Listed investments £000	Total £000
Cost or valuation			
At 1 January 2024	**-**	**41,691**	**41,691**
Additions	**2,552**	**1,000**	**3,552**
Disposals	**-**	**(2,334)**	**(2,334)**
Revaluations	**-**	**2,374**	**2,374**
At 31 December 2024	**2,552**	**42,731**	**45,283**

The group has granted a floating charge of £15m over listed investments, as shown in Note 29, and a further £5m against any overdraft facility it may arrange. As of 31 December 2024, an overdraft facility of £2m was in place but unutilised.

17. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Bhayani Law Ltd	59 Shoreham St,Sheffield City Centre,Sheffield,S1 4SB	HR & Employment Law Services	Ordinary	100%
Northern Defence Industries Ltd	Broadway House, Tothill Street, London, SW1H 9NQ	Dormant	Ordinary	100%
NDI (UK) Ltd	Broadway House, Tothill Street, London, SW1H 9NQ	Dormant	Ordinary	100%

18. Stocks

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Finished goods	**6**	*6*	**6**	*6*
	6	*6*	**6**	*6*

19. Debtors

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Trade debtors	**5,062**	*5,456*	**4,946**	*5,456*
Other debtors	**93**	*113*	**70**	*113*
Prepayments and accrued income	**5,715**	*6,289*	**5,716**	*6,289*
	10,870	*11,858*	**10,732**	*11,858*

20. Cash and cash equivalents

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Cash at bank and in hand	**2,975**	*1,206*	**1,857**	*1,206*
	2,975	*1,206*	**1,857**	*1,206*

21. Creditors: Amounts falling due within one year

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Bank loans	**247**	*247*	**247**	*247*
Trade creditors	**2,504**	*3,645*	**2,466**	*3,645*
Corporation tax	**79**	*-*	**-**	*-*
Other taxation and social security	**1,104**	*1,108*	**1,068**	*1,108*
Other creditors	**940**	*976*	**940**	*976*
Accruals and deferred income	**8,125**	*8,453*	**8,030**	*8,453*
	12,999	*14,429*	**12,751**	*14,429*

22. Creditors: Amounts falling due after more than one year

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Bank loans	**555**	*802*	**555**	*802*
	555	*802*	**555**	*802*

Capital will be repaid as follows:

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Within 1 year	**247**	*247*	**247**	*247*
Between 1 and 5 years	**555**	*802*	**555**	*802*
	802	*1,049*	**802**	*1,049*

Bank Loans consist of a loan originally arranged in 2005 by EEF West Midlands to fund development work at Woodland Grange. The loan was transferred to EEF Ltd as part of the amalgamation process, and it is repayable over a total period of 22 years. Interest is charged using the Sterling Overnight Index Average (SONIA), a Cessation Sterling Adjustment Spread and an applicable margin. At 31 December 2024, the effective interest rate was 6.08% (2023:6.57%). It is secured by a legal charge over Woodland Grange.

23. Financial instruments

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Financial assets measured at fair value through profit or loss				
Listed investments	**42,730**	*41,691*	**42,730**	*41,691*
Financial Assets measured at amortised cost				
Trade debtors	**5,060**	*5,456*	**4,946**	*5,456*
Other debtors	**93**	*113*	**70**	*113*
Accrued Income	**3,850**	*4,323*	**3,850**	*4,323*
Financial liabilities measured at fair value through profit or loss				
Pension liability	**(9,323)**	*(7,185)*	**(9,323)**	*(7,185)*
Financial liabilities measured at amortised cost				
Loans : Due in more than 1 year	**(555)**	*(802)*	**(555)**	*(802)*
Loans : Due within 1 year	**(247)**	*(247)*	**(247)**	*(247)*
Trade creditors	**(2,501)**	*(3,645)*	**(2,464)**	*(3,645)*
Other Creditors	**(3,204)**	*(2,083)*	**(3,168)**	*(2,083)*
Accruals	**(2,510)**	*(3,563)*	**(2,477)*	*(3,563)*

24. Financial Risk Management

The Group considers it faces four main areas of financial risk: stock market exposure, liquidity risk, customer credit exposure and interest rate risk.

Stock Market Exposure
The Group is exposed to significant movements in the stock market in both the short and long term in relation to investments held as an asset on the balance sheet, and also the defined benefit pension scheme liability.

The performance of the group's investments in relation to the stock market is managed on a day-to-day basis by a corporate fund manager, with governance of that performance being overseen by a specifically formed Finance and Investment Committee.

The performance of investments within the context of the defined benefit scheme is managed on a day-to-day basis by investment fund managers with governance of that performance being overseen by an independent board of trustees.

Liquidity risk
The objective of the Groupin managing liquidity risk is to ensure that it can meet its financial obligations as and when they fall due. The Group expects to meet its financial obligations through operating cash flows. In the event that the operating cash flows would not cover all the financial obligations, the Group has the ability to draw down on equity investments or utilise bank related credit facilities. The Group is, however, in a position to meet its commitments and obligations as they fall due.

Customer credit exposure
The Group may offer credit terms to its customers that allow payment of the debt after delivery of the services. The Group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by embedding strong customer relationship management throughout the Group.

Interest rate risk
The Group includes on its balance sheet its defined benefit pension scheme, which is revalued every year in accordance with FRS 102. The valuation is influenced by several factors including interest rates which affect future funding requirements to meet future liabilities. Whilst the Group cannot control interest rates, the pension scheme Trustees monitor investment performance within the fund to ensure that any risk is mitigated as far as possible.

25. Deferred taxation

Group

	2024 £000
Arising on subsidiary acquisition	(4)
At end of year	**(4)**

25. Deferred taxation (continued)

Company

	2024
At end of year	-

The deferred taxation balance is made up as follows:

	Group 2024 £000	*Group 2023 £000*	Company 2024 £000	*Company 2023 £000*
Accelerated capital allowances	**(4)**	*-*	**-**	*-*
Profit and loss account	**825**	*3,248*	**825**	*3,248*
Taxation on components of other comprehensive income	**(825)**	*(3,248)*	**(825)**	*(3,248)*
	(4)	*-*	**-**	*-*

The timing of any resulting tax payments is not known.

A reduction of a deferred tax liability has been recognised in other comprehensive income on the remeasurement of the pension scheme obligation in 2024 & 2023. An equal reduction in a deferred tax asset has been recognised in the profit and loss account with the deferred tax asset representing sufficient tax losses available for use by the Company.

26. Provisions

Group and Company

	Dilapidation £000	Onerous Lease £000	Other provisions £000	Total £000
At 1 January 2024	**85**	**155**	**120**	**360**
Utilised in year	**(85)**	**(155)**	**(85)**	**(325)**
At 31 December 2024	**-**	**-**	**35**	**35**

In 2022 the Company vacated its St James's House property and adjacent conference centre situated in Edgbaston, Birmingham. At the time of finalising the 2023 financial statements, the company had agreed heads of terms to sell the lease for this property and recognised a provision for an onerous lease. The provision was an estimate of unavoidable costs to be incurred until June 2024 when the transaction was expected to conclude. The transaction concluded in September 2024 and any running costs in excess of this provision have been recognised in the profit & loss account.

In 2021 the company announced the closure of the EEF Technical Training Centre (TTC) in Aston, Birmingham and exited the lease in August 2023. A final dilapidation provision of £0.1m was raised in the 2023 financial statements based on final exit negotiations with the landlord and this was fully utilised in 2024.

Other provisions consists of a £35k holiday pay provision. This is based on the judgment in the Chief Constable of the Police Service of Northern Ireland and another v Agnew and others case ("Agnew"). The ruling stated that employers that provide overtime, commission and other similar additional payments should complete a review of their holiday pay calculations and ensure that they factor in these additions on top of the basic salary. The provision factors how holiday pay has been calculated historically by the Company and is an estimate of the liability based on the Agnew case ruling. The provision was calculated with reference to the relevant employees' earnings for the last 1 year.

All of the Group's provisions are held in the Parent Company.

27. Company status

The Company is a private company limited by guarantee and consequently does not have share capital.

The subscribers to the memorandum of association of the Company (Limited by Guarantee and not having Share Capital) are the members. Each member's liability is limited to £1.00.

28. Business combinations

On 22 October 2024, EEF Ltd acquired 100% of the share capital of Bhayani Law Ltd, a small employment law firm, regulated by the Solicitors Regulation Authority. The purchase consideration was £2.55m.

The following table summarises the consideration paid by the group, the fair value of assets acquired and liabilities assumed at the acquisition date.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £000	Fair value £000
Fixed Assets		
Tangible	**17**	**17**
Intangible	**11**	**11**
	28	**28**
Current Assets		
Debtors	**313**	**313**
Cash at bank and in hand	**1,054**	**1,054**
Total Assets	**1,395**	**1,395**
Creditors		
Due within one year	**(396)**	**(396)**
Deferred taxation	**(4)**	**(4)**
Total Identifiable net assets	**995**	**995**
Goodwill		**1,557**
Total purchase consideration		**2,552**

Consideration

	£000
Cash	**2,552**
Total purchase consideration	**2,552**

28. Business combinations (continued)

Cash outflow on acquisition

	£000
Purchase consideration settled in cash, as above	2,552
	2,552
Less: Cash and cash equivalents acquired	(1,054)
Net cash outflow on acquisition	**1,498**

As a result of the acquisition, the group expects to enhance its presence in Sheffield and surrounding areas. The goodwill of £1.56m arising from the acquisition is attributable to the synergies and efficiencies expected by combining the operations of the 2 copmanies. Management have estimated the useful life of the goodwill to be 5 years, which relates to the expected payback period on the investment in Bhayani Law Ltd.

The results of Bhayani Law Limited since acquisition are as follows:

	Current period since acquisition £000
Turnover	201
Profit after taxation for the period since acquisition	36

29. Pension commitments

The group operates a multi-employer defined benefit scheme which is held in the Parent Company. The Company provides pensions for its employees through participation in the Engineering Employers' Federation Staff Pension Fund (the Fund), which is administered by a Trustee and maintained independently of the Company's finances for defined benefit members and a separate Master Trust for defined contribution members. The Fund was established to enable several autonomous but related employers to operate a scheme through the sharing of risk within a wider membership base. The Company is liable for its own funding obligations and is also liable for those of the other sponsoring employers, should those sponsoring employers default on their obligations. It should be noted that the defined benefit scheme was closed to all future accruals during 2011.

Since 1 January 2021, the Company has been able to identify its share of the underlying assets and liabilities of the pension scheme and as such has since accounted for it as a Defined Benefit Scheme under FRS 102, paragraphs 28.11B and 28.11C.

The FRS 102 valuation is undertaken annually and is based upon a best estimate of the liabilities rather than the more prudent actuarial basis. The actuarial valuation of the scheme is done triennially, and the company finalised the most recent valuation using a spot point date of 31 March 2023 in December 2023 which showed an actuarial deficit as at 31 December 2023. The FRS 102 valuation also shows a deficit position since 2023.

The growth in the pension deficit from 2023 to 2024 is due to a general weakening in discount rates & inflation assumptions and prevailing interest rates remaining higher than expected causing assets to fall more than the increase in FRS102 liabilities.

The Company renegotiated its deficit repair contributions when the 2023 actuarial valuation was finalsied and is paying £2m per annum from 2024, increasing by 5% annually. Deficit repair contributions are now envisaged to cease in 2031.

The Company has continued to grant the pension Trustee uncapped security over freehold buildings as referenced in note 16, as well as additional contingent payments based upon achieving certain profit levels in future years. The Company has granted a charge to the Trustee of the Fund, over freehold properties included in the Balance Sheet at 31st December 2024 at £11.0m, and a floating charge of £15m over the Company's investments.

	2024	*2023*
	£000	*£000*
Amounts recognised in the Balance Sheet:		
Fair value of plan assets	**107,197**	*121,657*
Present value of plan liabilities	**(116,520)**	*(128,842)*
Net pension scheme liability	**(9,323)**	*(7,185)*

29. Pension commitments (continued)

The amounts recognised in profit or loss are as follows:

	2024 £000	2023 £000
Net interest on the defined benefit liability/(asset)	297	(248)
Past service cost	-	298
Scheme administration expenses	640	710
Total cost/(credit)	**937**	760

The amounts recognised in the statement of comprehensive income are as follows:

	2024 £000	2023 £000
Return on plan assets in excess of interest income	13,504	261
Actuarial loss/(gain) on demographic assumptions	(1,096)	(1,765)
Actuarial loss/(gain) on financial assumptions	(8,767)	4,886
Actuarial loss/(gain) on experience adjustment	(342)	9,608
Total loss/(gain)	**3,299**	12,990

Reconciliation of fair value of plan liabilities were as follows:

	2024 £000	2023 £000
Opening defined benefit obligation	128,842	117,149
Interest Cost	5,748	5,629
Past service costs	-	298
Actuarial loss/(gain) on demographic assumptions	(1,096)	(1,765)
Actuarial loss/(gain) on financial assumptions	(8,767)	4,886
Actuarial loss/(gain) on experience adjustment	(342)	9,608
Benefits paid	(7,865)	(6,963)
Closing defined benefit obligation	**116,520**	128,842

29. Pension commitments (continued)

Reconciliation of fair value of plan assets were as follows:

	2024 £000	2023 £000
Opening fair value of scheme assets	**121,657**	*121,333*
Contributions by employer	**2,098**	*2,381*
Expenses Paid	**(640)**	*(710)*
Return on plan assets in excess of interest income	**(13,504)**	*(261)*
Interest Income	**5,451**	*5,877*
Benefits paid	**(7,865)**	*(6,963)*
	107,197	*121,657*

The Group expects to contribute £2m to its Defined Benefit Pension Scheme in 2025.

Fair value of scheme assets in each category:

	2024 £000	2023 £000
Absolute Return Bonds	**27,166**	*32,188*
Liability Driven Investment	**33,130**	*59,998*
Private Market Credit	**6,642**	*12,668*
Direct Lending	**10,428**	*13,698*
Cash	**9,513**	*3,105*
Short dated credit	**20,318**	-
Total	**107,197**	*121,657*

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

	2024 %	2023 %
Discount rate	**5.35%**	*4.60%*
RPI Inflation	**3.20%**	*3.10%*
CPI Inflation	**2.65%**	*2.50%*
Pension Increases:		
Fixed 3%	**3.00%**	*3.00%*
RPI max 5%	**3.00%**	*2.90%*
RPI min 3%, max 5%	**3.75%**	*3.75%*

29. Pension commitments (continued)

CPI max 2.5%	**1.85%**	*1.80%*
CPI max 5%	**2.60%**	*2.50%*
Mortality (Years)		
- life expectancy for a male aged 63 now	**86.0**	*86.0*
- life expectancy at 63 for a male aged 43 now	**87.0**	*87.0*
- life expectancy for a female aged 63 now	**88.8**	*88.7*
- life expectancy at 63 for a female member aged 43 now	**89.9**	*89.8*

	Effect on defined benefit obligation - 2024	Effect on defined benefit obligation - 2023
Discount Rate +0.25%	**-£2.9m**	**+£3.3m**
RPI Inflation +0.25%	**+£1.4m**	**+£1.4m**
CPI Inflation +0.25%	**+£1.4m**	**+£1.4m**
Mortality all increased by 1 year	**+£4.9m**	**+£5.7m**

Market values of the Plan's assets, which are not intended to be realised in the short-term, may be subject to significant changes before they are realised. The Fund assets include no assets from the Company's own financial instruments, no property occupied by, or other assets used by, the Company.

At the reporting date, reasonable possible changes to one of the relevant actuarial assumptions, with the other assumptions held constant, would have affected the defined benefit obligation by the amounts shown above. The change to the inflation sensitivity allow for changes to pension increases in deferment and in payment. Although the analysis does not take account of the full distribution of cash flows expected, it does provide an approximation of the sensitivity of the assumptions shown.

30. Commitments under operating leases

At 31 December 2024 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Not later than 1 year	**494**	*461*	**457**	*461*
Later than 1 year and not later than 5 years	**1,808**	*1,814*	**1,793**	*1,814*
Later than 5 years	**1,468**	*1,962*	**1,468**	*1,962*
	3,770	*4,237*	**3,718**	*4,237*

At 31 December 2024 the future aggregate minimum rentals receivable under non-cancellable operating leases are as follows:

	Group 2024 £000	*Group 2023 £000*	**Company 2024 £000**	*Company 2023 £000*
Not later than 1 year	**115**	*112*	**115**	*112*
Later than 1 year and not later than 5 years	**156**	*272*	**156**	*272*
	271	*384*	**271**	*384*

31. Related party transactions

During 2024, Bhayani Law Ltd paid rent of £6,000 for the lease of the company's office premises in Sheffield. The building is owned by Juthika Bhayani in a personal capacity. Juthika Bhayani is also a director of Bhayani Law Ltd.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the EEF Ltd Group.

32. Post balance sheet events

There are no post balance sheet events.