TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales · Charity number 1061605

Details

Other names	TYNESIDE MARITIME AND ENGINEERING LIMITED, TDR LTD
Status	Registered
Legal form	Charitable company
Company number	03163754
Registered	1997-03-27
Register	View on the Charity Commission register

Contact

Address	T D R Training Ltd Q1 Quorum Business Park Benton Lane Newcastle Upon Tyne NE12 8EX
Phone	01914911505
Email	information@tdrtraining.co.uk
Website	www.tdrtraining.co.uk

Activities

Objects: TO PROMOTE AND PROVIDE LEARNING, VOCATIONAL EDUCATION AND TRAINING TO, AND RETRAINING OF, EMPLOYEES AND INDIVIDUALS IN PURSUIT OF EMPLOYMENT IN THE FIELDS OF SCIENCE, TECHNOLOGY, ENGINEERING, MANUFACTURING,COMMERCE, ENTERPRISE AND PROFESSIONAL SERVICES IN INDUSTRY AND COMMERCE.

Activities: TDR delivers activities regionally in the science, engineering, manufacturing and technology sectors by co-ordinating schools, students and employers to provide seamless opportunities for progression from school to fully trained status, focussing on enhanced work experience and providing jobs with planned training. TDR also works with employers to enhance the regional industrial skills.

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Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Economic/community Development/employment
- **Who:** Children/young People, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£3,306,726	£2,763,897	£2,965,323	34
2024-07-31	£2,908,024	£2,373,521	£2,422,496	31
2023-07-31	£2,271,927	£2,068,337	£1,887,993	36
2022-07-31	£2,091,745	£1,748,029	£1,684,403	45
2021-07-31	£1,790,933	£1,801,320	£1,237,065	0
2020-07-31	£2,326,806	£2,343,164	£1,351,074	51

Trustees

Name	Role	Appointed
Marjorie Olivia Grant	Chair	2018-11-25
Carl Peter Buckley		2024-04-22
Eric Dodd		2026-02-06
John Edward Riddell		2024-04-26
John Sinclair Smith		2020-11-16
Jonathan Charles Lamb		2024-04-22
Katie O'Brien		2021-07-31
Li Xue		2024-07-19
Martyn Collins		2020-11-16
RONALD DODD MBE		2016-12-12

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TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales - Charity number 1061605

Accounts

Charity Number: 1061605
Company Number: 03163754

Training and Development Resource Limited

(a company limited by guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 July 2025

Training and Development Resource Limited

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Training and Development Resource Limited

Board of Trustees Reporting
For the year ended 31 July 2025

REFERENCE AND ADMINISTRATION DETAILS

Company Registration Number:	03163754 Registered in England and Wales
Charity Registration Number:	1061605
Registered Office:	Q1 Quorum Business Park Benton Lane Newcastle upon Tyne NE12 8EX

Trustees
The trustees who served the charity during the period and up to the date of signing this report were as follows;

M O Grant OBE DL	Chair
R Dodd MBE	
E Dodd	Appointed on 6 February 2026
J Smith	
M Collins	
K O'Brien	
D Heaney	Resigned on 31 December 2025
C Buckley	
J Lamb	
J Riddell	
Li Xue	Appointed on 19 July 2024

Company secretary:	Li Xue
Bankers:	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL
Auditors:	S&W Audit 17 Queens Lane Newcastle upon Tyne NE1 1RN

Key Management Personnel

L Xue	Chief Executive Officer	
S Atkinson	Business Development Director	Resigned October 2024

Auditors
In accordance with the company's Articles, a resolution proposing that S&W Audit be reappointed as auditor of the company will be put at a General Meeting.

The trustees are pleased to present their annual report together with the consolidated financial statements of the charitable company for the year ended 31 July 2025.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) (effective 1 January 2015).

ENSURING TDR DELIVERS THE OBJECTIVES

The Trustees meet quarterly as a Board and review outcomes, strategy and plans. The review looks at what was achieved along with outcomes compared to the plan. The overall strategic direction is therefore considered and amended in the light of current and expected circumstances. TDR have referred to the suggestions contained in the Charities Commission guidance on Public Benefit when reviewing the aims and objectives.

GOVERNING DOCUMENT

Training and Development Resource Limited is a registered charity (No. 1061605). It is governed by Articles of Association that were last revised on 21 February 2018.

TRUSTEE INDUCTION AND TRAINING

On appointment, each Trustee receives a full briefing and induction on the extensive activities of the Charity and subsidiary. This includes strategy, finance, organisation and systems. In addition, meetings are arranged with all key staff executing the day-to-day activities of TDR and its subsidiary company TDR Training Ltd. There is a particular focus on:-

- Obligations of Trustees,
- The governing documents,
- The operational framework,
- Reserves and current financial position, Future plans and objectives.

ACHIEVEMENTS & PERFORMANCE

In 2024/25 TDR's training intake exceeded the financial budget. In order to help support the future growth plans by maximising operational efficiencies, further developing training facilities in its head quarter on Quorum Business Park.

TDR has become the only independent training organisation in the region to deliver all aspects of engineering apprenticeship from Levels 2 – 4. This is a huge selling point for the business.

AIMS AND OBJECTIVES

TDR was originally set up by the business sector in the North East of England and was incorporated in 1998. The initial imperative was to resolve a major shortfall in young people considering a career as an apprentice in the regional engineering sector. TDR has evolved progressively into an independent, regional, not-for-profit charity that connects learners, their parents and education staff with the business marketplace. TDR Training Limited, the subsidiary company, provides high quality apprenticeships while promoting science and engineering technology as potential career options for young people.

TDR continuously strives for excellence and to act in the best interests of learners by providing opportunity for all to learn new skills and to develop marketable expertise. TDR recognises, promotes and benefits from inclusion and seeks to expand the skills development and progression of individuals to ensure sufficient resource of operators, technicians, engineers and scientists who are adequately equipped to keep pace with the latest technologies and standards. In parallel with this approach, TDR is totally committed to safeguarding its clients. Its procedures and outcomes are formally reviewed and updated at Trustee meetings, where directors are fully briefed and involved with the policy development and execution of this important issue.

TDR is committed to increasing its impact, influence and public benefit along with its scope and scale. The services provided by TDR are underpinned by core values that mandate professionalism, continuous improvement, a focus on excellence and progression. TDR aim to provide employers with imaginative, enthusiastic, ambitious, able and employable people who are ready to enter the technology-sector workforce and add value to their employers.

TDR's "Objects" as set out in the Articles of Association are to:-

- Promote and provide learning, vocational education and training to employees and individuals in pursuit of employment.
- Specialise in the fields of science, engineering, manufacturing, commerce, enterprise and professional services in industry.

FINANCIAL REVIEW

The financial position for the year shows a group surplus of £542,829 (2024 – £534,503). Overall apprenticeship and training revenue increased, with particularly strong growth in upskilling and workforce development provision.

At the year end the overall fund balance of the group stood at £ 2,965,323 (2024 - £2,422,496) represented in a large part by fixed assets, with net current assets of £476,756 (2024 - £54,842). The trustees have prepared income and expenditure, balance sheet and cash flow forecasts and have a reasonable expectation that the company has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Further detail is given in the going concern accounting policy on page 15.

The charity does not actively fundraise and does not work with any third-party fundraisers. TDR complies with relevant fundraising standards and there have been no fundraising complaints in the year.

The financial statements, which have been prepared in accordance with the Charity SORP (FRS102) 2019, conform to current statutory requirements and comply with the Charity's governing documents.

RESERVES POLICY

The Trustees have reviewed the reserves of the Group. This review encompassed the nature of the income and expenditure streams, the needs to match variable income and fixed commitments and the nature of the reserves to enable the Group to effectively deliver its two key objectives.

The Trustees have concluded that the Group requires a general reserve fund equating to approximately three months of unrestricted fund expenditure which equates to approx. £600k.

Unrestricted funds amounts to £2,860,122 (2024 - £2,317,295) for the group at the end of the year. Restricted funds totalled £105,201 (2024 - £105,201). Of the unrestricted reserves £3,048,084 is represented by fixed assets and £525,673 is an associated secured bank loan. The free reserves are in a surplus of £371,555 (2024 deficit of £50,359). Forecasts show surpluses for the coming period for the group and the board intend to retain these to strengthen the balance sheet and to increase the working capital, building the reserves up to the desired level.

INVESTMENTS POWERS AND RESTRICTIONS

The Trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change to others of a like nature.

PLANS FOR THE FUTURE

TDR's future plans are to continue to make a difference by creating a world-class skills pool to sustain the people's needs of the Science, Technology, Engineering and Manufacturing (STEM) industries, whilst strategically enhancing the engagement with local schools and authorities and offering advice and guidance on STEM activities.

TDR Training has continued to improve its performance. An increased focus on raising the company's profile by utilising social media, attending networking events and engaging with organisations, all with the vision of engaging with new stakeholders in the region.

TDR continues to engage with new and existing organisations, with negotiations ongoing with significant North East employers to set up training partnerships that will secure TDR's position as the leading independent training organisation in the region.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- To provide the best independent training facility in the North East for Science, Technology, Engineering and Manufacturing (STEM) industries and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs.

STRUCTURE, GOVERNANCE & MANAGEMENT

Training and Development Resource Limited (TDR) is governed by a Board of up to ten Trustees. There are specific selection criteria laid down regarding the qualities required for a person to be considered suitable. The nomination and selection process involves all Trustees and is democratic and transparent. Appointments are made at the quarterly meetings of the Board.

TDR Training Limited is the wholly owned subsidiary Company of TDR, The TDR Training executive team is led by a Chief Executive Officer, along with a senior management team, which has delegated operational responsibility. TDR Training Ltd employees participate in an annual Performance Management process to reinforce Company ethos and culture and set objectives and targets for the coming year. Detailed operational budgets are established, monitored and formally reviewed by the Trustees and Chief Executive Officer supported by the Senior Management Team. Training Management meetings were organised 4 times per year.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Nominated Trustees are appointed at a Trustees meeting. Election is by majority vote, including any proxy votes tendered. Trustees are appointed for a three-year term. Prior to inviting nominees, the Chair review the experience base of the existing Trustees in order to then attract members with relevant and complementary skills, along with sector knowledge, to the Board.

PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider that key management comprise the charity's Trustees and the senior management team who are in charge of directing and controlling, running and operating the charity on a day to day basis.
All Trustees give their time freely and no Trustee received remuneration in the year in their role as Trustee. Details of Trustees' expenses and related party transactions are disclosed in note 12 to the accounts.

RISK MANAGEMENT

As part of the business planning process the Trustees consider risk at all quarterly meetings. As a result there is a continued focus on highlighting any evolving risk, clarifying the key elements to mitigate and then taking the necessary steps to maximise the impact of the actions agreed.

Maintaining a strong financial base is a key ongoing factor in minimising risk.
The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

The challenges facing TDR are:

- The perception that university offers the best career option for all high achieving school leavers.
- Adapting to changes in funding as a result of the government apprenticeship reform.
- Keeping abreast of developments, changes and contents of apprenticeships and consequent learning requirements.
- Retaining high calibre staff to ensure the Charity can continue to manage its affairs to meet the levels of support to the learner.
- The impact of skills shortage and continuing to deliver training amidst the challenges of apprentice recruitment.
- Maximising other income streams.
- Effective use of facilities and space.

Trustees are confident from regular review that these risks are managed effectively.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the charities auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 24/4/26 and signed on its behalf, by:

Olivia Grant

M O Grant OBE DL
Chair

Independent Auditors' Report to the members of Training and Development Resource Limited For the year ended 31 July 2025

Opinion

We have audited the financial statements of Training and Development Resource Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 July 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on pages 5 and 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management concerning their understanding of relevant laws and regulations, the entity's policies and procedures regarding compliance, and how they identify, evaluate and account for litigation claims. We also drew on our existing understanding of the company's industry and regulation.

We understand that the charitable company complies with the framework through:

- Engaging external legal professionals as required and making changes to internal procedures and controls as necessary.
- The directors' close involvement in the day-to-day running of the business, meaning that any litigation or claims would come to their attention directly.
- Monitoring of updates made by regulatory bodies.

In the context of the audit, we considered those laws and regulations which determine the form and content of the financial statements, which are central to the company's ability to conduct its business, and where there is a risk that failure to comply could result in material penalties. We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.
- The Charities Act 2011 and the Charities: Statement of Recommended Practice in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Making enquires of directors as to where they consider there to be a susceptibility to fraud and whether they have any knowledge or suspicion of fraud;
- Obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- Obtaining copies of regulatory inspection reports
- Reviewing the minutes of meetings of those charged with governance

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the group and the charitable company's financial statements to material misstatement, including how fraud might occur. The areas identified in this discussion were:

- Manipulation of the financial statements via management overriding controls.
- The risk that income may be fraudulently recognised in the accounting period.
- The risk that the assumptions adopted in the valuation of the land and building tangible fixed assets are inappropriate, resulting in an inappropriate valuation being adopted.

The procedures we carried out to gain evidence in the above areas included:

- Assessing the risk of management override including identifying and testing a sample of journal entries using data analytics on the general ledger against client specific risk criteria;
- Selected a sample of ESFA claims, agreeing the revenue to supporting documentation and through to the bank statements to ensure that they are correct to be recognised.
- Obtaining the third party valuation undertaken for the investment properties, and corroborating the key assumptions used to market data.

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 this report

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

C Henderson

29 April 2026

Craig Henderson (Senior Statutory Auditor)
For and on behalf of S&W Audit

Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Training and Development Resource Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
For the year ended 31 July 2025

	Notes	Unrestricted General Fund	Restricted Funds	Total 2025	Total 2024
Income from:					
Donations and legacies	4	-	-	-	104,800
Charitable activities	5	3,292,053	-	3,292,053	2,791,025
Other income	6	-	-	-	3,420
Investment income	7	14,673	-	14,673	8,779
Total income		3,306,727	-	3,306,727	2,908,024
Expenditure on:					
Charitable activities	9	2,763,897	-	2,763,897	2,373,521
Total expenditure		2,763,897	-	2,763,897	2,373,521
Net movement in funds before transfers		542,829	-	542,829	534,503
Transfers		-	-	-	-
Net movement in funds		542,829	-	542,829	534,503
Reconciliation of funds:					
Total funds brought forward		2,317,295	105,201	2,422,496	1,887,993
Total funds carried forward		2,860,122	105,201	2,965,323	2,422,496

There were no unrecognised gains or losses other than the surplus for the year.

Training and Development Resource Limited

Consolidated Balance Sheet
As at 31 July 2025

	Notes	2025		2024
Fixed assets				
Tangible assets	14	3,048,084		2,922,936
		3,048,084		2,922,936
Current assets				
Debtors	16	357,976	234,233	
Cash at bank and in hand		1,039,374	573,189	
		1,397,349	807,422	
Creditors: amounts falling due within one year	17	(920,593)	(752,580)	
Net current assets		476,756		54,842
Total assets less current liabilities		3,524,840		2,977,778
Creditors: amounts falling due after more than one year	18	(455,784)		(555,282)
Provisions for liabilities	19	(103,733)		-
Net assets		2,965,323		2,422,496
Charity Funds				
Restricted funds	21	105,201		105,201
Unrestricted funds	21	2,860,122		2,317,295
Total funds		2,965,323		2,422,496

The financial statements were approved and authorised for issue by the Trustees on 24/4/26 and signed on their behalf by:

Olivia Grant
.....
M O Grant OBE DL
Chair

The notes on pages 15 to 31 form part of these financial statements.

Training and Development Resource Limited

Charity Balance Sheet
As at 31 July 2025

	Notes	£	2025 £	£	2024 £
Fixed assets					
Tangible assets	14		2,415,492		2,449,413
Investments	15		1		1
			2,415,493		2,449,414
Current assets					
Debtors	16	48,293		25,820	
Cash at bank and in hand		117,207		60,633	
		165,500		86,453	
Creditors: amounts falling due within one year	17	(255,682)		(223,115)	
Net current liabilities			(90,182)		(136,662)
Total assets less current liabilities			2,325,311		2,312,752
Creditors: amounts falling due in more than one year	18		(455,784)		(555,282)
Net assets			1,869,527		1,757,470
The funds of the charity:					
Restricted funds	21		105,201		105,201
Unrestricted funds	21		1,764,326		1,652,269
Total charity funds			1,869,527		1,757,470

These financial statements were approved by the Board of Trustees 24/4/26 and are signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 15 to 31 form part of these financial statements.

Training and Development Resource Limited

Consolidated Cash flow statement
For the year ended 31 July 2025

	Notes	2025 £	2024 £
Cash flows from operating activities			
Net cash provided by operating activities	27	765,530	834,415
Cash flows from investing activities			
Purchase of tangible fixed assets		(204,636)	(565,158)
Interest received		14,673	8,779
Net cash provided by investing activities		(189,963)	(556,379)
Cash flows from financing activities			
Interest paid		(9,884)	(64,578)
Repayment of borrowings		(99,498)	(19,217)
Net cash used in financing activities		(109,381)	(83,795)
Change in cash and cash equivalents		466,185	194,241
Cash and cash equivalents at the beginning of the year		573,189	378,948
Cash and cash equivalents at the end of the year		1,039,374	573,189
Breakdown of cash and cash equivalents			
Cash at bank and in hand		1,039,374	573,189

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Training and Development Resource Limited meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In the year ending 31 July 2025, a group surplus of £542,829 was achieved. The group has a net asset position of £2,965,323 (2024 - £2,422,496). This includes net current assets of £476,756 (2024- £54,842).

The financial statements have been prepared on a going concern basis. The directors have assessed the group and Company's ability to continue to trade for a period of at least twelve months from the date of approval of these financial statements.

As part of this assessment, the directors have prepared a base case financial forecast covering the period to July 2028. This forecast indicates that the group is expected to maintain sufficient cash resources to meet its liabilities as they fall due and to continue trading throughout the forecast period.

In making their assessment, the directors have also considered the group's current financial position, cash flow requirements, and any potential risks or uncertainties. Based on this review, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the going concern basis of preparation remains appropriate.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking, TDR Training Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Charitable funds

Unrestricted funds donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	See Below
Plant and equipment	Straight line over 4 - 5 years
Fixtures & fittings	Straight line over 2 - 20 years
Computer equipment	Straight line over 3 - 4 years

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to income or expenditure. Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are the derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at the revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated equity, except to the extent that a revaluation gain reserves a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluations gains recognised in equity, such gains and losses are recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cos ad subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.11 Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities is recognised as earned, as the related services are provided.

Income from donations and legacies includes core funding and funding of a general nature and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future years and is released to incoming resources in the year for which it is entitled.

Income from trading activities and investment income is recognised on a receivable basis.

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where the grant does not specify performance conditions it is recognised in income when proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.13 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Resources expended are included in the Statement of Financial Activities on an accrual basis, exclusive of VAT with irrecoverable VAT shown as a separate cost line. They include:

Charitable activities include all the costs relating to activities where the primary aim is part of the objects of the charity along with the associated indirect costs.

Governance costs relate to costs incurred in compliance with the constitutional and statutory requirements of the group.

1.14 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back off costs, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the support costs note.

1.15 Operating leases

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

Operating leases – the group as a lessee

The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

Rent free periods or incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Operating leases – the group as a lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the lease.

1.16 Critical accounting estimates and areas of judgement

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees consider that the valuation of land and buildings to be the principal judgemental areas in these accounts. Long leasehold land and buildings are carried on the balance sheet at fair value. The Trustees periodically engage with external valuation specialists to ensure that valuations used are up to date and in cases where they consider market factors may indicate material changes in value.

The key assumption in determining the fair value of land and buildings is the market value of comparable properties, including the assessment of recent transactions for similar assets, adjusted for location, condition, and market trends.

2. Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1.

3. Comparative Statement of Financial Activities

	Notes	Unrestricted General Fund	Restricted Funds	Total 2024	Total 2023
Income from:					
Donations and legacies	4	104,800	-	104,800	-
Charitable activities	5	2,791,025	-	2,791,025	2,268,608
Other income	6	3,420	-	3,420	2,658
Investment income	7	8,779	-	8,779	661
Total income		2,908,024	-	2,908,024	2,271,927
Expenditure on:					
Charitable activities	9	2,373,521	-	2,373,521	2,068,337
Total expenditure		2,373,521	-	2,373,521	2,068,337
Net movement in funds before transfers		534,503	-	534,503	203,590
Transfers		12,418	(12,418)	-	-
Net movement in funds		546,921	(12,418)	534,503	203,590
Reconciliation of funds:					
Total funds brought forward		1,770,374	117,619	1,887,993	1,684,403
Total funds carried forward		2,317,295	105,201	2,422,496	1,887,993

There were no unrecognised gains or losses other than the surplus for the year.

4. Donations

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and gifts	-	-	-	104,800
	-	-	-	104,800

5. Charitable activities income analysis

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Provision of engineering and manufacturing training	3,142,688	-	3,142,688	2,625,743
Government grants	149,365	-	149,365	165,282
	3,292,053	-	3,292,053	2,791,025

6. Other income

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Commercial income	-	-	-	3,420
	-	-	-	3,420

7. Investment income

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Bank Interest received	14,673	-	14,673	8,779
	14,673	-	14,673	8,779

8. Net income from trading activity of subsidiary companies and associate company

The charity has a wholly owned subsidiary which is registered in England and Wales; TDR Training Limited.

TDR Training Limited
A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

Profit & loss account	**2025**	**2024**
	£	**£**
Turnover and other income	3,406,445	3,073,483
Cost of sales and administration expenses	(2,863,300)	(2,616,152)
Net profit	543,145	457,331
A summary of the Balance Sheet is shown below:		
Fixed assets	582,025	461,282
Current assets	1,351,383	838,812
Current liabilities	(784,445)	(647,309)
Deferred tax	(103,733)	-
Net assets	1,045,232	652,785

9. Expenditure on charitable activities

9.1 Direct costs

	Total 2025 £	Total 2024 £
Staff costs	1,462,670	1,310,680
Delivery costs	302,635	307,341
Direct course costs	-	-
Travel and subsistence	-	11,385
Premises costs	24,023	12,188
Office expenses	35,082	23,958
IT costs	114,591	54,657
Marketing	14,256	18,247
Finance costs	2,537	-
Other expenses	196,728	119,906
	2,152,521	1,858,362

9.2 Support costs

	2025 £	2024 £
Depreciation	79,488	36,917
Premises costs	250,858	175,226
Interest payable	9,884	64,578
Governance costs	64,204	15,090
Taxation	66,948	78,000
Irrecoverable VAT	139,995	145,348
	611,376	515,159
Total charitable expenditure	2,763,897	2,373,521

9.3 Governance

	2025 £	2024 £
Audit fees	18,000	15,000
Legal & professional fees	46,204	90
	64,204	15,090

10. Net income/expenditure for the year

The group surplus/(deficit) is stated after charging/(crediting)

	2025	2024
	£	£
Depreciation – owned assets	79,488	36,917

11. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £18,000 (2024 - £15,000) and fees for non-audit services of £23,630 (2024 - £20,114).

12. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Total salary costs analysed by:

	2025	2024
	£	£
Wages and salaries	1,198,550	1,089,513
National insurance contributions	123,418	107,816
Pension contributions	138,791	113,350
	1,460,760	1,310,679

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2025	2024
	No.	No.
£70,001 - £80,000		1
£80,001 - £90,000	1	

Trustees received remuneration of £90,650 (2024- £nil).

The key management personnel of the parent charity are detailed in the legal and administrative information. The total employee benefits of the key management personnel of the parent charity were £90,650 (2024 - £90,102).

The average headcount of persons employed by the group (including casual and part time) during the year was:

	2025	2024
	No.	No.
Directors of the Charity or trading subsidiary (paid)	1	1
Directors of the Charity (unpaid)	9	9
Staff	33	31
	42	41

13. Intangible fixed assets

Group

	Negative goodwill
	£
Cost or valuation	
At 1 August 2024 and 31 July 2025	39,999
Amortisation and impairment	
At 1 August 2024	(39,999)
Charge for the year	-
At 31 July 2025	(39,999)
Net book value	
At 31 July 2025	-
At 31 July 2024	-

The charity had no intangible assets in the current or prior year.

Amounts recognised in net income and expenditure for the year in respect of negative goodwill comprise the amortisation charge and are included in support costs.

14. Tangible fixed assets

Group

	Long leasehold Land & Buildings	Plant & Equipment	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2024	2,445,618	9,250	653,418	3,720	3,112,006
Additions	-	-	204,636	-	204,636
At 31 July 2025	2,445,618	9,250	858,054	3,720	3,316,642
Depreciation					
At 1 August 2024	-	9,250	176,100	3,720	189,070
Charge for the year	-	-	79,488	-	79,488
At 31 July 2025	-	9,250	255,588	3,720	268,558
Net book value					
At 31 July 2025	2,445,618	-	602,466	-	3,048,084
At 31 July 2024	2,445,618	-	477,318	-	2,922,936

14. Tangible fixed assets

Charity

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2024	2,200,000	9,250	397,812	3,720	2,610,782
Additions	-	-		-	-
At 31 July 2025	2,200,000	9,250	397,812	3,720	2,610,782
Depreciation					
At 1 August 2024	-	9,250	148,399	3,720	161,369
Charge for the year	-	-	33,921	-	33,921
At 31 July 2025	-	9,250	182,320	3,720	195,290
Net book value					
At 31 July 2025	2,200,000	-	215,492	-	2,415,492
At 31 July 2024	2,200,000	-	249,413	-	2,449,413

All tangible fixed assets are held for charitable purposes.

The long leasehold land and buildings were formally valued in March 2025 by Cluttons at an open market value of £2,200,000. Trustees have assessed at the 31 July 2025 and considered that this valuation remains appropriate.

If the property was held under historical cost, it would be included at a net book value of £949,130 (2024 - £1,101,130).

15. Investments

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Investment in wholly owned subsidiary companies				
TDR Training Limited	-	-	1	1
Total investments	-	-	1	1

16. Debtors

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Trade debtors	307,388	190,843	18,900	180
Prepayments and accrued income	27,652	22,833	13,857	10,081
Other debtors	22,936	20,557	15,536	15,559
	357,976	234,233	48,293	25,820

17. Creditors: amounts falling due within one year

		Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans	20	69,889	69,889	69,889	69,889
Trade creditors		148,312	144,471	5,573	8,543
Amounts due to fellow group undertakings		-	-	119,533	117,843
Corporation tax payable		41,217	78,000	-	-
Other taxation and social security		33,950	25,954	-	-
Other creditors		37,919	74,997	10,456	-
Accruals and deferred income		589,306	359,269	50,230	26,840
		920,593	752,580	255,682	223,115

18. Creditors: amounts falling due after one year

		Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans	20	455,784	555,282	455,784	555,282
		455,784	555,282	455,784	555,282

19. Provisions for liabilities

Provisions for liabilities relate to deferred tax recognised in the corporation tax computation prepared for the year for the fully owned trading subsidiary.

20. Borrowings

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans	525,673	625,171	525,673	625,171
	525,673	625,171	525,673	625,171
Payable within one year	69,889	69,889	69,889	69,889
Payable after one year	455,784	555,282	455,784	555,282
Amounts included above which fall due after five years:				
Payable by instalments	176,228	202,847	176,228	202,847

The bank loans are secured by a first legal charge on the charity's long leasehold land and buildings at Q1 Quorum Business Park. They are also secured on an unlimited debenture from the charity and an unlimited debenture and unlimited guarantee from TDR Training Limited, the charity's subsidiary undertaking.

The bank loans bear interest at rates 4.19% and 4.25% and are repayable over 20 years in monthly instalments.

21. Statement of funds

For the year ended 31 July 2025

	Balance at 1 August 2024 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2025 £
Unrestricted funds					
General fund	2,317,295	3,306,727	(2,763,899)	-	2,860,122
Total unrestricted funds	2,317,295	3,306,727	(2,763,899)	-	2,860,122
Restricted funds					
The Dodd Innovation and Development Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	7,282	-	-	-	7,282
Total restricted funds	105,201	-	-	-	105,201
Total funds	2,422,496	3,306,727	(2,763,899)	-	2,965,323

For the year ended 31 July 2024

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024
Unrestricted funds					
General fund	1,770,374	2,908,024	(2,373,521)	12,418	2,317,295
Total unrestricted funds	1,770,374	2,908,024	(2,373,521)	12,418	2,317,295
Restricted funds					
The Dodd Innovation and Development Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	(12,418)	7,282
Total restricted funds	117,619	-	-	(12,418)	105,201
Total funds	1,887,993	2,908,024	(2,373,521)	-	2,422,496

Restricted funds
The Dodd Innovation and Development Fund– Funds held to purchase new machinery to aid innovation and development of the training program.

Sponsored Trust activities – Funds given to support Charities objectives.

22. Analysis of net assets between funds

For the year ended 31 July 2025

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,048,084	-	3,048,084
Net current assets	371,555	105,201	476,756
Creditors: amounts falling due after more than one year	(455,784)	-	(455,784)
Provisions for liabilities	(103,733)	-	(103,733)
	2,860,122	105,201	2,965,323

For the year ended 31 July 2024

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	2,922,936	-	2,922,936
Net current assets	(50,359)	105,201	54,842
Creditors: amounts falling due after more than one year	(555,282)	-	(555,282)
	2,317,295	105,201	2,422,496

23. Pension

Defined contribution scheme
The group operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £138,791 (2024 - £113,350).

The defined contribution liability is allocated to unrestricted funds.

24. Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its 100% owned subsidiary.

R Dodd MBE, a trustee, has donated to the charity in previous years. The amount carried forward at 31 July 2025 is £97,919 (2024 - £97,919).

Trustees received remuneration of £90,650 (2024- £nil).

25. Taxation

The charity is exempt from tax on income and gains failing within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

26. Control

The charity is controlled by the Board of Trustees.

27. Reconciliation of net movement in funds to net cash flow from operating activities

	2025	2024
	£	£
Net income/(expenditure) for the reporting period	542,827	534,503
Adjustments for:		
Interest payable	9,884	64,578
Interest receivable	(14,673)	(8,779)
Tax payable	66,948	-
Depreciation	79,488	36,917
Decrease/(increase) in debtors	(123,744)	(6,435)
Increase/(Decrease) in creditors	204,799	213,631
Net cash (used in)/provided by operating activities	765,530	834,415

28. Analysis of changes in net debt

	1 Aug 2024	Cash flows	31 July 2025
	£	£	£
Long term cash borrowings	(625,171)	99,498	(525,673)
Total liabilities	(625,171)	99,498	(525,673)
Cash and cash equivalents	573,189	466,185	1,039,374
Total net debt	(51,982)	565,684	513,701

TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales - Charity number 1061605

Accounts

Charity Number: 1061605
Company Number: 03163754

Training and Development Resource Ltd

(a company limited by guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 July 2024

Training and Development Resource Limited

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Training and Development Resource Limited

Board of Trustees Reporting
For the year ended 31 July 2024

Company Registration Number:	03163754 Registered in England and Wales	
Charity Registration Number:	1061605	
Registered Office:	Q1 Quorum Business Park Benton Lane Newcastle upon Tyne NE12 8EX	
Board of Trustees:	M O Grant OBE DL	Chair
	R Dodd MBE	
	I Young	
	D Kilkenny	Resigned 19 December 2023
	J Smith	
	M Collins	
	K O'Brien	
	D Heaney	
	C Buckley	Appointed 22 April 2024
	J Lamb	Appointed 22 April 2024
	J Riddell	Appointed 22 April 2024
Company secretary:	Li Xue	
Bankers:	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL	
Auditors:	CLA Evelyn Partners Limited 17 Queens Lane Newcastle upon Tyne NE1 1RN	

The trustees are pleased to present their annual report together with the consolidated financial statements of the charitable company for the year ended 31 July 2024.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) (effective 1 January 2015).

PUBLIC BENEFIT STATEMENT

The Trustees have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the year's aims and objectives and in planning future activities. The charity's aims and objectives above are reported clearly below to provide clear and demonstrable public benefit.

GOVERNING DOCUMENT

Training and Development Resource Limited is a registered charity (No. 1061605). It is governed by Articles of Association that were last revised on 21 February 2018.

TRUSTEE INDUCTION AND TRAINING

On appointment, each Trustee receives a full briefing and induction on the extensive activities of the Charity and subsidiary. This includes strategy, finance, organisation and systems. In addition, meetings are arranged with all key staff executing the day-to-day activities of Training and Development Resource Limited and its subsidiary company TDR Training Ltd. There is a particular focus on:

- Obligations of Trustees,
- The governing documents,
- The operational framework,
- Reserves and current financial position, Future plans and objectives.

ACHIEVEMENTS & PERFORMANCE

In 2023/24 TDR's training intake exceeded the financial budget. In order to help support the future growth plans by maximising operational efficiencies, further developing training facilities in its head quarter on Quorum Business Park.

TDR has become the only independent training organisation in the region to deliver all aspects of engineering apprenticeship from Levels 2 – 4. This is a huge selling point for the business.

AIMS AND OBJECTIVES

TDR was originally set up by the business sector in the North East of England and was incorporated in 1998. The initial imperative was to resolve a major shortfall in young people considering a career as an apprentice in the regional engineering sector. TDR has evolved progressively into an independent, regional, not-for-profit charity that connects learners, their parents and education staff with the business marketplace. TDR Training Limited, the subsidiary company, provides high quality apprenticeships while promoting science and engineering technology as potential career options for young people.

TDR continuously strives for excellence and to act in the best interests of learners by providing opportunity for all to learn new skills and to develop marketable expertise. TDR recognises, promotes and benefits from inclusion and seeks to expand the skills development and progression of individuals to ensure sufficient resource of operators, technicians, engineers and scientists who are adequately equipped to keep pace with the latest technologies and standards. In parallel with this approach, TDR is totally committed to safeguarding its clients. Its procedures and outcomes are formally reviewed and updated at Trustee meetings, where directors are fully briefed and involved with the policy development and execution of this important issue.

TDR is committed to increasing its impact, influence and public benefit along with its scope and scale. The services provided by TDR are underpinned by core values that mandate professionalism, continuous improvement, a focus on excellence and progression. TDR aim to provide employers with imaginative, enthusiastic, ambitious, able and employable people who are ready to enter the technology-sector workforce and add value to their employers.

TDR's "Objects" as set out in the Articles of Association are to:-

Promote and provide learning, vocational education and training to employees and individuals in pursuit of employment. Specialise in the fields of science, engineering, manufacturing, commerce, enterprise and professional services in industry.

ENSURING TDR DELIVERS THE OBJECTIVES

The Trustees meet quarterly as a Board and review outcomes, strategy and plans. The review looks at what was achieved along with outcomes compared to the plan. The overall strategic direction is therefore considered and amended in the light of current and expected circumstances. TDR have referred to the suggestions contained in the Charities Commission guidance on Public Benefit when reviewing the aims and objectives.

FINANCIAL REVIEW

The financial position for the year shows a group surplus of £534,503 (2023 – £203,590). The outturn was largely as a result of increased apprenticeship and training revenue.

At the year end the overall fund balance of the group stood at £2,422,496 (2023 - £1,887,993) represented in a large part by fixed assets, with net current assets of £54,842 (2023 - £87,797). The trustees have prepared income and expenditure, balance sheet and cash flow forecasts and have a reasonable expectation that the company has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Further detail is given in the going concern accounting policy on page 18.

The charity does not actively fundraise and does not work with any third party fundraisers. TDR complies with relevant fundraising standards and there have been no fundraising complaints in the year.

The financial statements, which have been prepared in accordance with the Charity SORP (FRS102) 2019, conform to current statutory requirements and comply with the Charity's governing documents.

RESERVES POLICY

The Trustees have reviewed the reserves of the Group. This review encompassed the nature of the income and expenditure streams, the needs to match variable income and fixed commitments and the nature of the reserves to enable the Group to effectively deliver its two key objectives.

The Trustees have concluded that the Group requires a general reserve fund equating to approximately three months of unrestricted fund expenditure which equates to approx. £600k.

Unrestricted funds amounts to £2,317,295 (2023 - £1,770,374) for the group at the end of the year. Restricted funds totalled £105,201 (2023 - £117,619). Of the unrestricted reserves £2,922,936 is represented by fixed assets and £625,171 is an associated secured bank loan. The free reserves are in a deficit of £50,359 (2023 £29,822). Forecasts show surpluses for the coming period for the group and the board intend to retain these to strengthen the balance sheet and to increase the working capital, building the reserves up to the desired level.

INVESTMENTS POWERS AND RESTRICTIONS

The Trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change to others of a like nature.

PLANS FOR THE FUTURE

TDR's future plans are to continue to make a difference by creating a world-class skills pool to sustain the people's needs of the Science, Technology, Engineering and Manufacturing (STEM) industries, whilst strategically enhancing the engagement with local schools and authorities and offering advice and guidance on STEM activities.

TDR Training has continued to improve its performance. An increased focus on raising the company's profile by utilising social media, attending networking events and engaging with organisations, all with the vision of engaging with new stakeholders in the region.

TDR continues to engage with new and existing organisations, with negotiations ongoing with significant North East employers to set up training partnerships that will secure TDR's position as the leading independent training organisation in the region.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- To provide the best independent training facility in the North East for Science, Technology, Engineering and Manufacturing (STEM) industries and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- Combine the two operational sites in order to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- Better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs.

REFERENCE AND ADMINISTRATION DETAILS

Registered Charity Number	1061605
Company Number	03163754
Registered Office	Q1 Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8EX

Trustees

The trustees who served the charity during the period and up to the date of signing this report were as follows;

M O Grant OBE DL	Chair
R Dodd MBE	
I Young	Resigned 25 April 2024
D Kilkenny	Resigned 19 December 2023
J Smith	
M Collins	
K O'Brien	
D Heaney	
C Buckley	Appointed 22 April 2024
J Lamb	Appointed 22 April 2024
J Riddell	Appointed 26 April 2024

Key Management Personnel

L Xue	Chief Executive Officer	
S Atkinson	Business Development Director	Resigned October 2024

Auditors

In accordance with the company's Articles, a resolution proposing that CLA Evelyn Partners Limited be reappointed as auditor of the company will be put at a General Meeting.

STRUCTURE, GOVERNANCE & MANAGEMENT

Training and Development Resource Limited (TDR) is governed by a Board of up to eight Trustees. There are specific selection criteria laid down regarding the qualities required for a person to be considered suitable. The nomination and selection process involves all Trustees and is democratic and transparent. Appointments are made at the quarterly meetings of the Board.

TDR Training Limited is the wholly owned subsidiary Company of TDR, The TDR Training executive team is led by a Chief Executive Officer, along with a senior management team, which has delegated operational responsibility. TDR Training Ltd employees participate in an annual Performance Management process to reinforce Company ethos and culture and set objectives and targets for the coming year. Detailed operational budgets are established, monitored and formally reviewed by the Trustees and Chief Executive Officer supported by the Senior Management Team. During the year the Chief Executive Officer and senior management team relocated the Training and Development Centre to the Head Quarter Q1 on Quorum Business Park. Training Board meetings were organised 6 times per year.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Nominated Trustees are appointed at a Trustees meeting. Election is by majority vote, including any proxy votes tendered. Trustees are appointed for a three-year term. Prior to inviting nominees, the Chair review the experience base of the existing Trustees in order to then attract members with relevant and complementary skills, along with sector knowledge, to the Board.

PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider that key management comprise the charity's Trustees and the senior management team who are in charge of directing and controlling, running and operating the charity on a day to day basis.
All Trustees give their time freely and no Trustee received remuneration in the year in their role as Trustee. Details of Trustees' expenses and related party transactions are disclosed in note 12 to the accounts.
Salary levels of the senior management team are reviewed annually by the Trustees based on sector benchmarking.

RISK MANAGEMENT

As part of the business planning process the Trustees consider risk at all quarterly meetings. As a result there is a continued focus on highlighting any evolving risk, clarifying the key elements to mitigate and then taking the necessary steps to maximise the impact of the actions agreed.

Maintaining a strong financial base is a key ongoing factor in minimising risk.
The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

The challenges facing TDR are:

- The perception that university offers the best career option for all high achieving school leavers.
- Adapting to changes in funding as a result of the apprenticeship levy.
- Keeping abreast of developments, changes and contents of apprenticeships and consequent learning requirements.
- Retaining high calibre staff to ensure the Charity can continue to manage its affairs to meet the levels of support to the learner.
- The impact of skills shortage and continuing to deliver training amidst the challenges of apprentice recruitment..
- Maximising other income streams.
- Effective use of facilities and space.

Trustees are confident from regular review that these risks are managed effectively.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the charities auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 28/2/2025 and signed on its behalf, by:

Olivia Grant

M O Grant OBE DL
Chair

Independent Auditors' Report to the members of Training and Development Resource Limited For the year ended 31 July 2024

Opinion

We have audited the financial statements of Training and Development Resource Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 July 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2024, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 this report

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

C. Henderson

Craig Henderson (Senior Statutory Auditor)
For and on behalf of CLA Evelyn Partners Limited

13 March 2025

Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Training and Development Resource Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
For the year ended 31 July 2024

	Notes	Unrestricted General Fund	Restricted Funds	Total 2024	Total 2023
Income from:					
Donations and legacies	4	104,800	-	104,800	-
Charitable activities	5	2,791,025	-	2,791,025	2,268,608
Other income	6	3,420	-	3,420	2,658
Investment income	7	8,779	-	8,779	661
Total income		2,908,024	-	2,908,024	2,271,927
Expenditure on:					
Charitable activities	9	2,373,521	-	2,373,521	2,068,337
Total expenditure		2,373,521	-	2,373,521	2,068,337
Net movement in funds before transfers		534,503	-	534,503	203,590
Transfers		12,418	(12,418)	-	-
Net movement in funds		546,921	(12,418)	534,503	203,590
Reconciliation of funds:					
Total funds brought forward		1,770,374	117,619	1,887,993	1,684,403
Total funds carried forward		2,317,295	105,201	2,422,496	1,887,993

There were no unrecognised gains or losses other than the surplus for the year.

Training and Development Resource Limited

Consolidated Balance Sheet
As at 31 July 2024

	Notes		2024		2023
Fixed assets					
Tangible assets	14		2,922,936		2,394,695
			2,922,936		2,394,695
Current assets					
Debtors	16	234,233		227,799	
Cash at bank and in hand		573,189		378,948	
		807,422		606,747	
Creditors: amounts falling due within one year	17	(752,580)		(518,950)	
Net current assets			54,842		87,797
Total assets less current liabilities			2,977,778		2,482,492
Creditors: amounts falling due after more than one year	18		(555,282)		(574,499)
Provisions for liabilities	19		-		(20,000)
Net assets			2,422,496		1,887,993
Charity Funds					
Restricted funds	21		105,201		117,619
Unrestricted funds	21		2,317,295		1,770,374
Total funds			2,422,496		1,887,993

The financial statements were approved and authorised for issue by the Trustees on 28/2/25 and signed on their behalf by:

Olivia Grant

M O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Charity Balance Sheet
As at 31 July 2024

	Notes	£	2024 £	£	2023 £
Fixed assets					
Tangible assets	14		2,449,413		2,363,532
Investments	15		1		1
			2,449,414		2,363,533
Current assets					
Debtors	16	25,820		20,252	
Cash at bank and in hand		60,633		9,355	
		86,453		29,607	
Creditors: amounts falling due within one year	17	(223,115)		(226,102)	
Net current liabilities			(136,662)		(196,495)
Total assets less current liabilities			2,312,752		2,167,038
Creditors: amounts falling due in more than one year	18		(555,282)		(574,499)
Net assets			1,757,470		1,592,539
The funds of the charity:					
Restricted funds	21		105,201		117,619
Unrestricted funds	21		1,652,269		1,474,920
Total charity funds			1,757,470		1,592,539

These financial statements were approved by the Board of Trustees 28/2/2025 and are signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Consolidated Cash flow statement
For the year ended 31 July 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Net cash provided by operating activities	27	834,415	527,612
Cash flows from investing activities			
Purchase of tangible fixed assets		(565,158)	(22,371)
Interest received		8,779	661
Net cash provided by investing activities		(556,379)	(21,709)
Cash flows from financing activities			
Interest paid		(64,578)	(33,609)
Repayment of borrowings		(19,217)	(47,682)
Net cash used in financing activities		(83,795)	(81,291)
Change in cash and cash equivalents		194,241	424,612
Cash and cash equivalents at the beginning of the year		378,948	(45,664)
Cash and cash equivalents at the end of the year		573,189	378,948
Breakdown of cash and cash equivalents			
Cash at bank and in hand		573,189	378,948

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Training and Development Resource Limited meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In the year ending 31 July 2024, a group surplus of £534,503 was achieved. The group has a net asset position of £2,422,496 (2023 - £1,887,993). This includes net current assets of £54,842 (2023- £87,797).

The financial statements have been prepared on a going concern basis, which means that the group and entity is able to operate for the foreseeable future on the basis of known and projected resources. The group has an overdraft facility of £100,000 in place with Lloyds Bank until July 2026, together with a bank loan/mortgage of £625,171 as at 31 July 2024. Based on discussions with the bank, the Directors have a reasonable expectation that the overdraft facility will be reviewed on an equivalent basis at the renewal date.

The senior management team have prepared a case cash glow forecast for the period ending August 2026. This has been used to establish and assure the validity of the business as a going concern. The senior management team have also prepared a severe downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following:

- Only contracted commercial income has been recognised i.e no new commercial income despite the business continuing to seek additional source of income.
- No external rental income in the period to July 2025.
- Under performance in certain aspects of other income activities.
- Cost mitigation savings as a result of the above.

Both the base case forecast, and the severe downside forecast show that the group and the company are expected to operate within the current overdraft facility and will maintain sufficient cash funds to continue to trade.

Consequently, the Trustees are confident that the group and the company will have sufficient funds to continue to meet their liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking, TDR Training Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Charitable funds

Unrestricted funds donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	See Below
Plant and equipment	Straight line over 4 - 5 years
Fixtures & fittings	Straight line over 2 - 20 years
Computer equipment	Straight line over 3 - 4 years

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to income or expenditure. Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are the derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at the revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated equity, except to the extent that a revaluation gain reserves a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluations gains recognised in equity, such gains and losses are recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cos ad subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.11 Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities is recognised as earned, as the related services are provided.

Income from donations and legacies includes core funding and funding of a general nature and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future years and is released to incoming resources in the year for which it is entitled.

Income from trading activities and investment income is recognised on a receivable basis.

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where the grant does not specify performance conditions it is recognised in income when proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Resources expended are included in the Statement of Financial Activities on an accrual basis, exclusive of VAT with irrecoverable VAT shown as a separate cost line. They include:

Charitable activities include all the costs relating to activities where the primary aim is part of the objects of the charity along with the associated indirect costs.

Governance costs relate to costs incurred in compliance with the constitutional and statutory requirements of the group.

1.17 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back off costs, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the support costs note.

1.18 Operating leases

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

Operating leases – the group as a lessee

The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

Rent free periods or incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Operating leases – the group as a lessor

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

1.19 Critical accounting estimates and areas of judgement

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The Trustees consider that the valuation of land and buildings to be the principal judgemental areas in these accounts. Long leasehold land and buildings are carried on the balance sheet at fair value. The Trustees periodically engage with external valuation specialists to ensure that valuations used are up to date and in cases where they consider market factors may indicate material changes in value.

2. Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1.

3. Comparative Statement of Financial Activities

	Notes	Unrestricted General Fund	Restricted Funds	Total 2023	Total 2022
Income from:					
Donations and legacies	4	-	-	-	211,344
Charitable activities	5	2,268,608	-	2,268,608	1,866,845
Other income	6	2,658	-	2,658	13,556
Investment income	7	661	-	661	-
Total income		2,271,927	-	2,271,927	2,091,745
Expenditure on:					
Charitable activities	9	2,068,337	-	2,068,337	1,748,029
Total expenditure		2,068,337	-	2,068,337	1,748,029
Net movement in funds before transfers		203,590	-	203,590	343,716
Transfers		-	-	-	-
Net movement in funds		203,590	-	203,590	343,716
Reconciliation of funds:					
Total funds brought forward		1,566,784	117,619	1,684,403	1,340,687
Total funds carried forward		1,770,374	117,619	1,887,993	1,684,403

4. Donations

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and gifts	104,800	-	104,800	-
	104,800	-	104,800	-

5. Charitable activities income analysis

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Provision of engineering and manufacturing training	2,625,743	-	2,625,743	2,268,608
Government grants	165,282	-	165,282	-
	2,791,025	-	2,791,025	2,268,608

6. Other income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Commercial income	3,420	-	3,420	2,658
	3,420	-	3,420	2,658

7. Investment income

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Bank Interest received	8,779	-	8,779	661
	8,779	-	8,779	661

8. Net income from trading activity of subsidiary companies and associate company

The charity has a wholly owned subsidiary which is registered in England and Wales; TDR Training Limited.

TDR Training Limited
A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

Profit & loss account

	2024	2023
	£	£
Turnover and other income	3,073,483	2,271,926
Cost of sales and administration expenses	(2,616,152)	(2,132,511)
Net profit	457,331	139,415

A summary of the Balance Sheet is shown below:

Fixed assets	461,282	31,163
Current assets	838,812	697,640
Current liabilities	(647,309)	(413,349)
Net assets	652,785	315,454

9. Expenditure on charitable activities

9.1 Direct costs

	Total 2024	Total 2023
	£	£
Staff costs	1,310,680	1,130,794
College costs	307,341	326,139
Direct course costs	-	5,982
Travel and subsistence	11,385	12,406
Premises costs	12,188	9,352
Office expenses	23,958	25,559
IT costs	54,657	69,329
Marketing	18,247	8,026
Irrecoverable VAT	-	39,491
Finance costs	-	4,647
Other expenses	119,906	101,297
	1,858,362	1,733,022

9.2 Support costs

	2024	2023
	£	£
Depreciation	36,917	48,859
Premises costs	175,226	180,016
Irrecoverable VAT	145,348	32,311
Interest payable	64,578	33,309
Taxation	78,000	22,644
Governance costs (note 9.3)	15,090	18,176
	515,159	335,315
Total charitable expenditure	2,373,521	2,068,337

9.3 Governance

	2024	2023
	£	£
Audit fees	15,000	15,000
Legal & professional fees	90	3,176
	15,090	18,176

10. Net income/expenditure for the year

The group surplus/(deficit) is stated after charging/(crediting)

	2024	2023
	£	£
Depreciation – owned assets	36,917	48,859

11. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £15,000 (2023 - £14,500) and fees for non-audit services of £20,114 (2023 - £18,888).

12. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Total salary costs analysed by:

	2024	2023
	£	£
Wages and salaries	1,089,513	963,324
National insurance contributions	107,816	96,450
Pension contributions	113,350	92,920
	1,310,679	1,152,694

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024	2023
	No.	No.
£60,001 - £70,000	1	1

No trustee received any remuneration or reimbursement of expenses (20223- £nil).

The key management personnel of the parent charity are detailed in the legal and administrative information. The total employee benefits of the key management personnel of the parent charity were £90,102 (2023 - £131,683).

The average headcount of persons employed by the group (including casual and part time) during the year was:

	2024	2023
	No.	No.
Directors of the Charity or trading subsidiar	1	2
(paid) Directors of the Charity (unpaid)	9	7
Staff	31	36
	41	45

13. Intangible fixed assets

Group

	Negative goodwill
	£
Cost or valuation	
At 1 August 2023 and 31 July 2024	(39,999)
Amortisation and impairment	
At 1 August 2023	(39,999)
Charge for the year	-
At 31 July 2024	(39,999)
Net book value	
At 31 July 2024	-
At 31 July 2023	-

The charity had no intangible assets in the current or prior year.

Amounts recognised in net income and expenditure for the year in respect of negative goodwill comprise the amortisation charge and are included in support costs.

14. Tangible fixed assets

Group

	Long leasehold Land & Buildings	Plant & Equipment	Fixtures & Fittings	Computer Equipment	Total
	£	£	£	£	£
Cost					
At 1 August 2023	2,200,000	9,250	333,878	3,720	2,546,848
Additions	245,618	-	319,540	-	565,158
At 31 July 2023	2,445,618	9,250	653,418	3,720	3,112,006
Depreciation					
At 1 August 2023	-	9,250	139,183	3,720	152,153
Charge for the year	-	-	36,917	-	39,917
At 31 July 2024	-	9,250	176,100	3,720	201,311
Net book value					
At 31 July 2024	2,445,618	-	477,318	-	2,922,936
At 31 July 2023	2,200,000	-	194,695	-	2,394,695

14. Tangible fixed assets

Charity

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2023	2,200,000	9,250	287,594	3,720	2,500,564
Additions	-	-	110,218	-	110,218
At 31 July 2023	2,200,000	9,250	397,812	3,720	2,610,782
Depreciation					
At 1 August 2022	-	9,250	124,062	3,720	137,032
Charge for the year	-	-	24,337	-	24,337
At 31 July 2024	-	9,250	148,399	3,720	161,369
Net book value					
At 31 July 2024	2,200,000	-	249,413	-	2,449,413
At 31 July 2023	2,200,000	-	163,532	-	2,363,532

All tangible fixed assets are held for charitable purposes.

The long leasehold land and buildings were formally valued in January 2023 by Avison Young at an open market value of £2,200,000. Trustees have assessed at the 31 July 2024 and considered that this valuation remains appropriate.

If the property was held under historical cost, it would be included at a net book value of £1,001,130 (2023 - £1,105,130).

15. Investments

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Investment in wholly owned subsidiary companies				
TDR Training Limited	-	-	1	1
Total investments	-	-	1	1

16. Debtors

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade debtors	190,843	185,570	180	-
Prepayments and accrued income	22,833	26,271	10,081	8,409
Other debtors	20,557	15,958	15,559	11,843
	234,233	227,799	25,820	20,252

17. Creditors: amounts falling due within one year

		Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	20	69,889	69,889	69,889	69,889
Trade creditors		144,471	84,260	8,543	9,473
Amounts due to fellow group undertakings		-	-	117,843	120,500
Corporation tax payable		78,000	22,644	-	-
Other taxation and social security		25,954	29,275	-	-
Other creditors		74,997	64,764	-	-
Accruals and deferred income		359,269	248,118	26,840	26,240
		752,580	518,950	223,115	226,102

18. Creditors: amounts falling due after one year

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	555,282	574,499	555,282	574,499
	555,282	574,499	555,282	574,499

19. Provisions for liabilities

A provision was in place for the year ended 31 July 2023 and related to potential amounts owed back to HMRC with respect to CJRS amounts received in previous years. As at 31 July 2024 this matter had been resolved.

20. Borrowings

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Bank loans	625,171	644,388	625,171	644,388
	625,171	644,388	625,171	644,388
Payable within one year	69,889	69,889	69,889	69,889
Payable after one year	555,282	574,499	555,282	574,499
Amounts included above which fall due after five years:				
Payable by instalments	202,847	272,736	202,847	272,736

The bank loans are secured by a first legal charge on the charity's long leasehold land and buildings at Q1 Quorum Business Park. They are also secured on an unlimited debenture from the charity and an unlimited debenture and unlimited guarantee from TDR Training Limited, the charity's subsidiary undertaking.

The bank loans bear interest at rates 4.19% and 4.25% and are repayable over 20 years in monthly instalments.

21. Statement of funds

For the year ended 31 July 2024

	Balance at 1 August 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2024 £
Unrestricted funds					
General fund	1,770,374	2,908,024	(2,373,521)	12,418	2,317,295
Total unrestricted funds	1,770,374	2,908,024	(2,373,521)	12,418	2,317,295
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	(12,418)	7,282
Total restricted funds	117,619	-	-	(12,418)	105,201
Total funds	1,887,993	2,908,024	(2,373,521)	-	2,422,496

For the year ended 31 July 2023

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Unrestricted funds					
General fund	1,566,784	2,271,927	(2,068,337)	-	1,770,374
Total unrestricted funds	1,566,784	2,271,927	(2,068,337)	-	1,770,374
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
Total restricted funds	117,619	-	-	-	117,619
Total funds	1,684,403	2,271,927	(2,068,337)	-	1,887,993

Restricted funds
The Ron Dodd MBE Scholarship Fund – Funds held to provide grants to deserving students facing barriers to either entry or progression.

Sponsored Trust activities – Funds given to support Charities objectives.

Transfers
The transfers relate to spend on capital assets, restrictions lift once the purchase is made.

22. Analysis of net assets between funds

For the year ended 31 July 2024

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,922,936	-	2,922,936
Net current assets	(50,359)	105,201	54,842
Creditors: amounts falling due after more than one year	(555,282)	-	(555,282)
	2,317,295	105,201	2,422,496

For the year ended 31 July 2023

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,394,695	-	2,394,695
Net current assets	(29,822)	117,619	87,797
Creditors: amounts falling due after more than one year	(574,499)	-	(574,499)
Provisions for liabilities	(20,000)	-	(20,000)
	1,770,374	117,619	1,887,993

23. Pension

Defined contribution scheme
The group operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £113,350 (2023 - £92,920).

The defined contribution liability is allocated to unrestricted funds.

24. Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its 100% owned subsidiary.

R Dodd MBE, a trustee, donated £nil (2023 - £nil) to the charity during the year. The amount carried forward at 31 July 2024 is £97,919 (2023 - £97,919).

During the year, E Dodd, brother of trustee R Dodd MBE donated £97,800.

25. Taxation

The charity is exempt from tax on income and gains failing within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

26. Control

The charity is controlled by the Board of Trustees.

27. Reconciliation of net movement in funds to net cash flow from operating activities

	2024	2023
	£	£
Net income/(expenditure) for the reporting period	534,503	203,590
Adjustments for:		
Interest payable	64,578	33,609
Interest receivable	(8,779)	(661)
Depreciation	36,917	48,859
Decrease/(increase) in debtors	(6,435)	48,761
Increase/(Decrease) in creditors	213,631	193,454
Net cash (used in)/provided by operating activities	834,415	527,612

28. Analysis of changes in net debt

	1 Aug 2023	Cash flows	31 July 2024
	£	£	£
Long term cash borrowings	(644,388)	19,217	(625,171)
Total liabilities	(644,388)	19,217	(625,171)
Cash and cash equivalents	378,948	194,241	573,189
Total net debt	(265,440)	213,458	(51,982)

TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales - Charity number 1061605

Accounts

Charity Number: 1061605
Company Number: 03163754

Training and Development Resource Ltd

(a company limited by guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 July 2023

Training and Development Resource Limited

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Training and Development Resource Limited

Board of Trustees Reporting
For the year ended 31 July 2023

Company Registration Number:	03163754 Registered in England and Wales	
Charity Registration Number:	1061605	
Registered Office:	Q1 Quorum Business Park Benton Lane Newcastle upon Tyne NE12 8EX	
Board of Trustees:	O Grant OBE DL	Chair
	R Dodd MBE	
	I Young	
	D Kilkenny	Resigned 19 December 2023
	J Smith	
	M Collins	
	K O'Brien	
	D Heaney	
Company secretary:	Li Xue	
Bankers:	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL	
Auditors:	Haines Watts North East Audit LLP 17 Queens Lane Newcastle upon Tyne NE1 1RN	

The trustees are pleased to present their annual report together with the consolidated financial statements of the charitable company for the year ended 31 July 2023.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) (effective 1 January 2015).

PUBLIC BENEFIT STATEMENT

The Trustees have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the year's aims and objectives and in planning future activities. The charity's aims and objectives above are reported clearly below to provide clear and demonstrable public benefit.

GOVERNING DOCUMENT

Training and Development Resource Limited is a registered charity (No. 1061605). It is governed by Articles of Association that were last revised on 21 February 2018.

TRUSTEE INDUCTION AND TRAINING

On appointment, each Trustee receives a full briefing and induction on the extensive activities of the Charity and subsidiary. This includes strategy, finance, organisation and systems. In addition, meetings are arranged with all key staff executing the day-to-day activities of Training and Development Resource Limited and its subsidiary company TDR Training Ltd. There is a particular focus on:

- Obligations of Trustees,
- The governing documents,
- The operational framework,
- Reserves and current financial position, Future plans and objectives.

ACHIEVEMENTS & PERFORMANCE

In 2022/23 TDR's training intake exceeded the financial budget. In order to help support the future growth plans by maximising operational efficiencies, further developing training facilities in its head quarter on Quorum Business Park.

TDR delivered the first year of its Higher National Certificate (HNC) in September 2022. This is a huge growth area, as we currently outsource this provision to a local college. Many of our stakeholders are keen for TDR to start this delivery. TDR has become the only independent training organisation in the region to deliver all aspects of engineering apprenticeship from Levels 2 – 4. This is a huge selling point for the business.

As part of the consortium with the North East Workforce Skills group, TDR successfully delivered skills development courses to over 1,200 participants in the North East.

AIMS AND OBJECTIVES

TDR was originally set up by the business sector in the North East of England and was incorporated in 1998. The initial imperative was to resolve a major shortfall in young people considering a career as an apprentice in the regional engineering sector. TDR has evolved progressively into an independent, regional, not-for-profit charity that connects learners, their parents and education staff with the business marketplace. TDR Training Limited, the subsidiary company, provides high quality apprenticeships while promoting science and engineering technology as potential career options for young people.

TDR continuously strives for excellence and to act in the best interests of learners by providing opportunity for all to learn new skills and to develop marketable expertise. TDR recognises, promotes and benefits from inclusion and seeks to expand the skills development and progression of individuals to ensure sufficient resource of operators, technicians, engineers and scientists who are adequately equipped to keep pace with the latest technologies and standards. In parallel with this approach, TDR is totally committed to safeguarding its clients. Its procedures and outcomes are formally reviewed and updated at Trustee meetings, where directors are fully briefed and involved with the policy development and execution of this important issue.

TDR is committed to increasing its impact, influence and public benefit along with its scope and scale. The services provided by TDR are underpinned by core values that mandate professionalism, continuous improvement, a focus on excellence and progression. TDR aim to provide employers with imaginative, enthusiastic, ambitious, able and employable people who are ready to enter the technology-sector workforce and add value to their employers.

TDR's "Objects" as set out in the Articles of Association are to:-

- Promote and provide learning, vocational education and training to employees and individuals in pursuit of employment.
- Specialise in the fields of science, engineering, manufacturing, commerce, enterprise and professional services in industry.

ENSURING TDR DELIVERS THE OBJECTIVES

The Trustees meet quarterly as a Board and review outcomes, strategy and plans. The review looks at what was achieved along with outcomes compared to the plan. The overall strategic direction is therefore considered and amended in the light of current and expected circumstances. TDR have referred to the suggestions contained in the Charities Commission guidance on Public Benefit when reviewing the aims and objectives.

FINANCIAL REVIEW

The financial position for the year shows a group surplus of £203,590 (2022 – £343,716). The outturn was largely as a result of increased apprenticeship and training revenue.

At the year end the overall fund balance of the group stood at £1,887,993 (2022 - £1,684,404) represented in a large part by fixed assets, with net current assets of £87,797 (2021 net current liabilities - £114,600). The trustees have prepared income and expenditure, balance sheet and cash flow forecasts and have a reasonable expectation that the company has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Further detail is given in the going concern accounting policy on page 18.

The charity does not actively fundraise and does not work with any third party fundraisers. TDR complies with relevant fundraising standards and there have been no fundraising complaints in the year.

The financial statements, which have been prepared in accordance with the Charity SORP (FRS102) 2019, conform to current statutory requirements and comply with the Charity's governing documents.

RESERVES POLICY

The Trustees have reviewed the reserves of the Group. This review encompassed the nature of the income and expenditure streams, the needs to match variable income and fixed commitments and the nature of the reserves to enable the Group to effectively deliver its two key objectives.

The Trustees have concluded that the Group requires a general reserve fund equating to approximately three months of unrestricted fund expenditure which equates to approx. £600k.

Unrestricted funds amounts to £1,770,374 (2022 - £1,566,784) for the group at the end of the year. Restricted funds totalled £117,619 (2022 - £117,619). Of the unrestricted reserves £2,394,695 is represented by fixed assets and £644,388 is an associated secured bank loan. The free reserves are in a deficit of £29,822 (2022 - £232,218). Forecasts show surpluses for the coming period for the group and the board intend to retain these to strengthen the balance sheet and to increase the working capital, building the reserves up to the desired level.

INVESTMENTS POWERS AND RESTRICTIONS

The Trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change to others of a like nature.

PLANS FOR THE FUTURE

TDR's future plans are to continue to make a difference by creating a world-class skills pool to sustain the people's needs of the Science, Technology, Engineering and Manufacturing (STEM) industries, whilst strategically enhancing the engagement with local schools and authorities and offering advice and guidance on STEM activities.

TDR Training has continued to improve its performance since the Covid Pandemic influenced apprenticeship recruitment and training course numbers. An increased focus on raising the company's profile utilising social media, attending networking events and engaging with organisations such as North East Local Enterprise, North East Ambition and The North East of England Chamber of Commerce, North East Workforce Skills Partner Group, all with the vision of engaging with new stakeholders in the region.

TDR continue to engage with new and existing organisations, with negotiations ongoing with significant North East employers to set up training partnerships which will secure TDR's position as the leading Independent Training Organisation in the region.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- The consolidation of the two operational sites into Quorum Q1 facilitates our aim to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- The Consolidation into "One Site" allows for better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs.
- TDR has a vision to continually invest in our training facilities as and when resources permits.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- Combine the two operational sites in order to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- Better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs. Additionally responding to the COVID-19 pandemic feature in our plans for the future.

REFERENCE AND ADMINISTRATION DETAILS

Registered Charity Number	1061605
Company Number	03163754
Registered Office	Q1 Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8EX

Trustees

The trustees who served the charity during the period and up to the date of signing this report were as follows;

O Grant OBE DL	
T Bowman	
D Trotter	
R Dodd MBE	
I Young	
D Kilkenny	Resigned 19 December 2023
J Smith	
M Collins	
D Heaney	

Key Management Personnel

L Xue	Chief Executive Officer
S Atkinson	Business Development Director

Auditors

In accordance with the company's Articles, a resolution proposing that Haines Watts North East Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

STRUCTURE, GOVERNANCE & MANAGEMENT

Training and Development Resource Limited (TDR) is governed by a Board of up to eight Trustees. There are specific selection criteria laid down regarding the qualities required for a person to be considered suitable. The nomination and selection process involves all Trustees and is democratic and transparent. Appointments are made at the quarterly meetings of the Board.

TDR Training Limited is the wholly owned subsidiary Company of TDR, The TDR Training executive team is led by a Chief Executive Officer, along with a senior management team, which has delegated operational responsibility. TDR Training Ltd employees participate in an annual Performance Management process to reinforce Company ethos and culture and set objectives and targets for the coming year. Detailed operational budgets are established, monitored and formally reviewed by the Trustees and Chief Executive Officer supported by the Senior Management Team. During the year the Chief Executive Officer and senior management team relocated the Training and Development Centre to the Head Quarter Q1 on Quorum Business Park. Training Board meetings were organised 6 times per year.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Nominated Trustees are appointed at a Trustees meeting. Election is by majority vote, including any proxy votes tendered. Trustees are appointed for a three-year term. Prior to inviting nominees, the Chair review the experience base of the existing Trustees in order to then attract members with relevant and complementary skills, along with sector knowledge, to the Board.

PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider that key management comprise the charity's Trustees and the senior management team who are in charge of directing and controlling, running and operating the charity on a day to day basis.
All Trustees give their time freely and no Trustee received remuneration in the year in their role as Trustee. Details of Trustees' expenses and related party transactions are disclosed in note 12 to the accounts.
Salary levels of the senior management team are reviewed annually by the Trustees based on sector benchmarking.

RISK MANAGEMENT

As part of the business planning process the Trustees consider risk at all quarterly meetings. As a result there is a continued focus on highlighting any evolving risk, clarifying the key elements to mitigate and then taking the necessary steps to maximise the impact of the actions agreed.

Maintaining a strong financial base is a key ongoing factor in minimising risk.
The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

The challenges facing TDR are:

- The perception that university offers the best career option for all high achieving school leavers.
- Adapting to changes in funding as a result of the apprenticeship levy.
- Keeping abreast of developments, changes and contents of apprenticeships and consequent learning requirements.
- Retaining high calibre staff to ensure the Charity can continue to manage its affairs to meet the levels of support to the learner.
- The impact of skills shortage and continuing to deliver training amidst the challenges of apprentice recruitment..
- Maximising other income streams.
- Effective use of facilities and space.

Trustees are confident from regular review that these risks are managed effectively.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the charities auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 6 Feb 24 and signed on its behalf, by:

Olivia Grant

O Grant OBE DL
Chair

Independent Auditors' Report to the members of Training and Development Resource Limited For the year ended 31 July 2023

Opinion

We have audited the financial statements of Training and Development Resource Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 July 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2023, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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

C. Henderson

Craig Henderson (Senior Statutory Auditor)
For and on behalf of Haines Watts North East Audit LLP

12 February 2024

Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Training and Development Resource Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
For the year ended 31 July 2023

	Notes	Unrestricted General Fund	Restricted Funds	Total 2023	Total 2022
Income from:					
Donations and legacies	4	-	-	-	211,344
Charitable activities	5	2,268,608	-	2,268,608	1,866,845
Other income	6	2,658	-	2,658	13,556
Investment income	7	661	-	661	-
Total income		2,271,927	-	2,271,927	2,091,745
Expenditure on:					
Charitable activities	9	2,068,337	-	2,068,337	1,748,029
Total expenditure		2,068,337	-	2,068,337	1,748,029
Net movement in funds before transfers		203,590	-	203,590	343,716
Transfers		-	-	-	-
Net movement in funds		203,590	-	203,590	343,716
Reconciliation of funds:					
Total funds brought forward		1,566,784	117,619	1,684,403	1,340,687
Total funds carried forward		1,770,374	117,619	1,887,993	1,684,403

There were no unrecognised gains or losses other than the surplus for the year.

Training and Development Resource Limited

Consolidated Balance Sheet
As at 31 July 2023

	Notes		2023		2022
Fixed assets					
Tangible assets	14		2,394,695		2,421,184
			2,394,695		2,421,184
Current assets					
Debtors	16	227,799		276,560	
Cash at bank and in hand		378,948		897	
		606,747		277,457	
Creditors: amounts falling due within one year	17	(518,950)		(392,057)	
Net current assets/(liabilities)			87,797		(114,600)
Total assets less current liabilities			2,482,492		2,306,584
Creditors: amounts falling due after more than one year	18		(574,499)		(622,181)
Provisions for liabilities	19		(20,000)		-
Net assets			1,887,993		1,684,403
Charity Funds					
Restricted funds	21		117,619		117,619
Unrestricted funds	21		1,770,374		1,566,784
Total funds			1,887,993		1,684,403

The financial statements were approved and authorised for issue by the Trustees on 6 Feb 24 and signed on their behalf by:

Olivia Grant

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O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Charity Balance Sheet
As at 31 July 2023

	Notes	£	2023 £	£	2022 £
Fixed assets					
Tangible assets	14		2,363,532		2,397,008
Investments	15		1		1
			2,363,533		2,397,009
Current assets					
Debtors	16	20,252		21,267	
Cash at bank and in hand		9,355		762	
		29,607		22,029	
Creditors: amounts falling due within one year	17	(226,102)		(318,492)	
Net current liabilities			(196,495)		(296,463)
Total assets less current liabilities			2,167,038		2,100,546
Creditors: amounts falling due in more than one year	18		(574,499)		(622,181)
Net assets			1,592,539		1,478,365
The funds of the charity:					
Restricted funds	21		117,619		117,619
Unrestricted funds	21		1,474,920		1,360,746
Total charity funds			1,592,539		1,478,365

These financial statements were approved by the Board of Trustees 6 Feb 24 and are signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Consolidated Cash flow statement
For the year ended 31 July 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Net cash provided by operating activities	27	527,612	348,893
Cash flows from investing activities			
Purchase of tangible fixed assets		(22,370)	(217,931)
Interest receivable		661	-
Net cash provided by investing activities		(21,709)	(217,931)
Cash flows from financing activities			
Interest paid		(33,609)	(9,092)
Repayment of borrowings		(47,682)	(72,403)
Net cash used in financing activities		(81,291)	(81,495)
Change in cash and cash equivalents		424,612	49,467
Cash and cash equivalents at the beginning of the year		(45,664)	(95,131)
Cash and cash equivalents at the end of the year		378,948	(45,664)
Breakdown of cash and cash equivalents			
Cash at bank and in hand		378,948	897
Bank overdrafts		-	(46,561)

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Training and Development Resource Limited meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In the year ending 31 July 2023, a group surplus of £203,590 was achieved. The group has a net asset position of £1,887,993 (2022 - £1,684,403). This includes net current assets of £87,797 (2022 – net current liabilities £114,599).

The financial statements have been prepared on a going concern basis, which means that the group and entity is able to operate for the foreseeable future on the basis of known and projected resources. The group has an overdraft facility of £175,000 in place with Lloyds Bank until August 2024, together with a bank loan of £644,388 as at 31 July 2023. The bank loans bear interest at rates 4.191% and 4.25% and are repayable over 20 years in monthly instalments. Based on discussions with the bank, the Directors have a reasonable expectation that the overdraft facility will be reviewed on an equivalent basis at the renewal date.

The senior management team have prepared a base case cash flow forecast for the period ending August 2025. This has been used to establish and assure the validity of the business as a going concern. The senior management team have also prepared a severe downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following:

- Only contracted commercial income has been recognised i.e no new commercial income despite the business continuing to seek additional source of income.
- No external rental income in the period to July 2024.
- Under performance in certain aspects of other income activities.
- Cost mitigation savings as a result of the above.

Both the base case forecast, and the severe downside forecast show that the group and the company are expected to operate within the current overdraft facility and will maintain sufficient cash funds to continue to trade.

Consequently, the Trustees are confident that the group and the company will have sufficient funds to continue to meet their liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking, TDR Training Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Charitable funds

Unrestricted funds donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	See Below
Plant and equipment	Straight line over 4 - 5 years
Fixtures & fittings	Straight line over 2 - 20 years
Computer equipment	Straight line over 3 - 4 years

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to income or expenditure. Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are the derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at the revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated equity, except to the extent that a revaluation gain reserves a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluations gains recognised in equity, such gains and losses are recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cos ad subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.11 Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities is recognised as earned, as the related services are provided.

Income from donations and legacies includes core funding and funding of a general nature and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future years and is released to incoming resources in the year for which it is entitled.

Income from trading activities and investment income is recognised on a receivable basis.

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where the grant does not specify performance conditions it is recognised in income when proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Resources expended are included in the Statement of Financial Activities on an accrual basis, exclusive of VAT with irrecoverable VAT shown as a separate cost line. They include:

Charitable activities include all the costs relating to activities where the primary aim is part of the objects of the charity along with the associated indirect costs.

Governance costs relate to costs incurred in compliance with the constitutional and statutory requirements of the group.

1.17 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back off costs, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the support costs note.

1.18 Operating leases

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

Operating leases – the group as a lessee

The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

Rent free periods or incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Operating leases – the group as a lessor

Rental income from operating leases is recognised on a straight line basis over the term of the lease.

1.19 Critical accounting estimates and areas of judgement

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The trustees consider that there are no significant estimates or judgements in the preparation of the financial statements.

2. Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1.

3. Comparative Statement of Financial Activities

	Notes	Unrestricted General Fund	Restricted Funds	Total 2022	Total 2021
Income from:					
Donations and legacies	4	31,344	180,000	211,344	13,700
Charitable activities	5	1,866,845	-	1,866,845	1,635,273
Other income	6	13,556	-	13,556	141,960
Total income		1,911,745	180,000	2,091,745	1,790,933
Expenditure on:					
Charitable activities	9	1,748,029	-	1,748,029	1,801,320
Total expenditure		1,748,029	-	1,748,029	1,801,320
Net movement in funds before transfers		163,716	180,000	343,716	(10,387)
Transfers		180,000	(180,000)	-	-
Net movement in funds		343,716	-	343,716	(10,387)
Reconciliation of funds:					
Total funds brought forward		1,223,068	117,619	1,340,687	1,351,074
Total funds carried forward		1,566,784	117,619	1,684,403	1,340,687

4. Donations

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and gifts	-	-	-	211,344
	-	-	-	211,344

5. Charitable activities income analysis

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Provision of engineering and manufacturing training	2,268,608	-	2,268,608	1,866,845
	2,268,608	-	2,268,608	1,866,845

6. Other income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Commercial income	2,658	-	2,658	13,556
	2,658	-	2,658	13,556

7. Investment income

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Bank Interest received	661	-	661	-
	661	-	661	-

8. Net income from trading activity of subsidiary companies and associate company

The charity has a wholly owned subsidiary which is registered in England and Wales; TDR Training Limited.

TDR Training Limited
A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

Profit & loss account	**2023**	**2022**
	£	**£**
Turnover and other income	2,271,926	1,980,401
Cost of sales and administration expenses	(2,132,511)	(1,877,984)
Net profit	139,415	102,417
A summary of the Balance Sheet is shown below:		
Fixed assets	31,163	24,176
Current assets	697,640	458,172
Current liabilities	(413,349)	(276,309)
Net assets	315,454	206,039

9. Expenditure on charitable activities

9.1 Direct costs

	Total 2023 £	Total 2022 £
Staff costs	1,130,794	1,025,443
College costs	326,139	263,333
Direct course costs	5,982	25,797
Travel and subsistence	12,406	10,736
Premises costs	9,352	2,276
Office expenses	25,559	14,624
IT costs	69,329	65,810
Marketing	8,026	44,269
Irrecoverable VAT	39,491	32,705
Finance costs	4,647	535
Other expenses	101,297	34,227
	1,733,022	1,519,755

9.2 Support costs

	2023 £	2022 £
Depreciation	48,859	4,915
Premises costs	180,016	144,584
Irrecoverable VAT	32,311	26,758
Interest payable	33,309	15,320
Taxation	22,644	18,651
Governance costs (note 9.3)	18,176	18,046
	335,315	228,274
Total charitable expenditure	2,068,337	1,748,029

9.3 Governance

	2023 £	2022 £
Audit fees	15,000	14,200
Legal & professional fees	3,176	3,846
	18,176	18,046

10. Net income/expenditure for the year

The group surplus/(deficit) is stated after charging/(crediting)

	2023	2023
	£	£
Depreciation – owned assets	48,859	4,915

11. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £15,000 (2022 - £14,200) and fees for non-audit services of £18,888 (2022 - £18,888).

12. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Total salary costs analysed by:

	2023	2022
	£	£
Wages and salaries	963,324	856,946
National insurance contributions	96,450	84,397
Pension contributions	92,920	84,100
	1,152,694	1,025,443

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2023	2022
	No.	No.
£60,001 - £70,000	1	-

No trustee received any remuneration or reimbursement of expenses (2022 - £nil).

The key management personnel of the parent charity are detailed in the legal and administrative information. The total employee benefits of the key management personnel of the parent charity were £131,683 (2022 - £72,448).

The average headcount of persons employed by the group (including casual and part time) during the year was:

	2023	2022
	No.	No.
Directors of the Charity or trading subsidiary (paid)	2	4
Directors of the Charity (unpaid)	7	7
Apprentices	-	-
Staff	36	34
	45	45

13. Intangible fixed assets
Group

	Negative goodwill
	£
Cost or valuation	
At 1 August 2022 and 31 July 2023	(39,999)
Amortisation and impairment	
At 1 August 2022	(39,999)
Charge for the year	-
At 31 July 2023	(39,999)
Net book value	
At 31 July 2022	-
At 31 July 2023	-

The charity had no intangible assets in the current or prior year.

Amounts recognised in net income and expenditure for the year in respect of negative goodwill comprise the amortisation charge and are included in support costs.

14. Tangible fixed assets
Group

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2022	2,200,000	9,250	311,508	3,720	2,524,478
Additions	-	-	22,370	-	22,370
Disposals	-	-	-	-	-
At 31 July 2023	2,200,000	9,250	333,878	3,720	2,546,848
Depreciation					
At 1 August 2022	-	9,250	90,324	3,720	103,294
Charge for the year	-	-	48,859	-	48,859
Disposals	-	-	-	-	-
At 31 July 2023	-	9,250	139,183	3,720	152,153
Net book value					
At 31 July 2023	2,200,000	-	194,695	-	2,394,695
At 31 July 2022	2,200,000	-	221,184	-	2,421,184

14. Tangible fixed assets

Charity

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2022	2,200,000	9,250	279,321	3,720	2,492,291
Additions	-	-	8,273	-	8,273
Disposals	-	-	-	-	-
At 31 July 2023	2,200,000	9,250	287,594	3,720	2,500,564
Depreciation					
At 1 August 2022	-	9,250	82,313	3,720	95,283
Charge for the year	-	-	41,749	-	41,749
At 31 July 2023	-	9,250	124,062	3,720	137,032
Net book value					
At 31 July 2023	2,200,000	-	163,532	-	2,363,532
At 31 July 2022	2,200,000	-	197,008	-	2,397,008

All tangible fixed assets are held for charitable purposes.

The long leasehold land and buildings were formally valued in January 2022 by Avison Young at an open market value of £2,200,000. Trustees have assessed at the 31 July 2023 and considered that this valuation remains appropriate.

If the property was held under historical cost, it would be included at a net book value of £1,053,130 (2022 - £1,105,130).

15. Investments

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Investment in wholly owned subsidiary companies				
TDR Training Limited	-	-	1	1
Total investments	-	-	1	1

16. Debtors

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade debtors	185,570	175,125	-	893
Prepayments and accrued income	26,271	21,206	8,409	8,764
Other debtors	15,958	80,229	11,843	11,610
	227,799	276,560	20,252	21,267

17. Creditors: amounts falling due within one year

		Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans and overdrafts	20	69,889	116,450	69,889	69,889
Trade creditors		84,260	65,235	9,473	17,318
Amounts due to fellow group undertakings		-	-	120,500	202,744
Corporation tax payable		22,644	18,651	-	-
Other taxation and social security		29,275	51,392	-	-
Other creditors		64,764	19,595	-	-
Accruals and deferred income		248,118	120,734	26,240	28,541
		518,950	392,057	226,102	318,492

18. Creditors: amounts falling due after one year

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Bank loans and overdrafts	574,499	622,181	574,499	622,181
	574,499	622,181	574,499	622,181

19. Provisions for liabilities

A provision has been put in place and relates to potential amounts owed back to HMRC with respect to CJRS amounts received in previous years.

20. Borrowings

	Group 2023	Group 2022	Charity 2023	Charity 2022
	£	£	£	£
Bank overdrafts	-	46,561	-	-
Bank loans	644,388	692,070	644,388	692,070
	644,388	738,631	644,388	692,070
Payable within one year	69,889	116,450	69,889	69,889
Payable after one year	574,499	622,181	574,499	622,181
Amounts included above which fall due after five years:				
Payable by instalments	272,736	342,625	272,736	342,625

The bank loans are secured by a first legal charge on the charity's long leasehold land and buildings at Q1 Quorum Business Park. They are also secured on an unlimited debenture from the charity and an unlimited debenture and unlimited guarantee from TDR Training Limited, the charity's subsidiary undertaking.

The bank loans bear interest at rates 4.191% and 4.25% and are repayable over 20 years in monthly instalments.

21. Statement of funds

For the year ended 31 July 2023

	Balance at 1 August 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2023 £
Unrestricted funds					
General fund	1,566,784	2,271,927	(2,068,337)	-	1,770,374
Total unrestricted funds	1,566,784	2,271,927	(2,068,337)	-	1,770,374
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
Total restricted funds	117,619	-	-	-	117,619
Total funds	1,684,403	2,271,927	(2,068,337)	-	1,887,993

For the year ended 31 July 2022

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Unrestricted funds					
General fund	1,223,068	1,911,745	(1,748,029)	180,000	1,566,784
Total unrestricted funds	1,223,068	1,911,745	(1,748,029)	180,000	1,566,784
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	180,000	-	(180,000)	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
Total restricted funds	117,619	180,000	-	(180,000)	117,619
Total funds	1,340,687	2,091,745	(1,748,029)	-	1,684,403

Restricted funds
The Ron Dodd MBE Scholarship Fund – Funds held to provide grants to deserving students facing barriers to either entry or progression.

Sponsored Trust activities – Funds given to support Charities objectives.

Transfers
The transfers relate to spend on capital assets, restrictions lift once the purchase is made.

22. Analysis of net assets between funds

For the year ended 31 July 2023

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,394,695	-	2,394,695
Net current assets	(29,822)	117,619	87,797
Creditors: amounts falling due after more than one year	(574,499)	-	(574,499)
Provisions for liabilities	(20,000)	-	(20,000)
	1,770,374	117,619	1,887,993

For the year ended 31 July 2022

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,421,184	-	2,421,184
Net current liabilities	(232,219)	117,619	(114,600)
Creditors: amounts falling due after more than one year	(622,181)	-	(622,181)
	1,566,784	117,619	1,684,403

23. Pension

Defined contribution scheme
The group operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £92,920 (2022 - £84,100).

The defined contribution liability is allocated to unrestricted funds.

24. Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its 100% owned subsidiary.

R Dodd MBE, a trustee, donated £nil (2022 - £180,000) to the charity during the year. The amount carried forward at 31 July 2023 is £97,919. (2022 - £97,919).

25. Taxation

The charity is exempt from tax on income and gains failing within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

26. Control

The charity is controlled by the Board of Trustees.

27. Reconciliation of net movement in funds to net cash flow from operating activities

	2023	2022
	£	£
Net income/(expenditure) for the reporting period	203,590	343,717
Adjustments for:		
Interest payable	33,609	9,091
Interest receivable	(661)	-
Depreciation	48,859	4,915
Loss on disposal of fixed asset	-	12,118
Decrease/(increase) in debtors	48,761	(8,556)
Increase/(Decrease) in creditors	193,454	(12,392)
Net cash (used in)/provided by operating activities	527,612	348,893

28. Analysis of changes in net debt

	1 Aug 2022	Cash flows	31 July 2023
	£	£	£
Short term cash borrowings	(46,561)	46,561	-
Long term cash borrowings	(692,070)	47,682	(644,388)
Total liabilities	(738,631)	94,243	(644,388)
Cash and cash equivalents	897	378,051	378,948
Total net debt	(737,734)	472,294	(265,440)

TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales - Charity number 1061605

Accounts

Charity Number: 1061605
Company Number: 03163754

Training and Development Resource Ltd

(a company limited by guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 July 2022

Training and Development Resource Limited

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Training and Development Resource Limited

Board of Trustees Reporting
For the year ended 31 July 2022

Company Registration Number:	03163754 Registered in England and Wales
Charity Registration Number:	1061605
Registered Office:	Q1 Quorum Business Park Benton Lane Newcastle upon Tyne NE12 8EX
Board of Trustees:	O Grant OBE DL — Chair R Dodd MBE I Young D Kilkenny J Smith M Collins K O'Brien D Heaney — Appointed 13 December 2022
Company secretary:	Li Xue
Bankers:	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL
Auditors:	Haines Watts North East Audit LLP 17 Queens Lane Newcastle upon Tyne NE1 1RN

The trustees are pleased to present their annual report together with the consolidated financial statements of the charitable company for the year ended 31 July 2022.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) (effective 1 January 2015).

PUBLIC BENEFIT STATEMENT

The Trustees have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the year's aims and objectives and in planning future activities. The charity's aims and objectives above are reported clearly below to provide clear and demonstrable public benefit.

GOVERNING DOCUMENT

Training and Development Resource Limited is a registered charity (No. 1061605). It is governed by Articles of Association that were last revised on 21 February 2018.

TRUSTEE INDUCTION AND TRAINING

On appointment, each Trustee receives a full briefing and induction on the extensive activities of the Charity and subsidiary. This includes strategy, finance, organisation and systems. In addition, meetings are arranged with all key staff executing the day-to-day activities of TDR and its subsidiary company TDR Training Ltd. There is a particular focus on:

- Obligations of Trustees,
- The governing documents,
- The operational framework,
- Reserves and current financial position, Future plans and objectives.

ACHIEVEMENTS & PERFORMANCE

In 2021/22 TDR's training intake exceeded the financial budget. In order to help support the future growth plans by maximising operational efficiencies, developing improved training facilities and a pleasant training environmental TDR relocated its Training and Development Centre from the Scotswood Road to the company head quarter on Quorum Business Park. Substantial donations and technical support by TDR's long standing partner British Engines have been used to support the move and provide enhanced Training Facilities at Quorum Q1.

A new Teaching and Learning Suite has been created on the second floor of the Q1 premises, which consist of 8 purpose-built classrooms, student canteen and breakout area as well as a 6,000 square feet conference facility which can be used for STEM education activities.

The ground floor has been renovated to accept the practical machines, such as Milling, Turning, Mechanical, Welding and Electrical delivery, this project created a practical delivery workshop designed to deliver to not only apprenticeships but ongoing upskilling for the people of the North East.

In 2021 TDR Training became part of a consortium headed by Sunderland University. The University won a large European Social Fund contract, which allowed independent training organisations, such as TDR Training the opportunity to deliver upskilling, and retraining of the Northeast workforce. The contract runs from January 2022 until September 2023. The training is fully funded by the ESF contract, which, means employers do not have to pay for their employees to attend. TDR will deliver the following disciplines.

- 15 Engineering Courses
- 3 Health & Safety Courses
- 4 Science & Process Courses

The delivery started in February 2022 and courses are released monthly, we are seeing high interest with places being fully booked very quickly.

AIMS AND OBJECTIVES

TDR was originally set up by the business sector in the North East of England and was incorporated in 1998. The initial imperative was to resolve a major shortfall in young people considering a career as an apprentice in the regional engineering sector. TDR has evolved progressively into an independent, regional, not-for-profit charity that connects learners, their parents and education staff with the business marketplace. TDR Training Limited, the subsidiary company, provides high quality apprenticeships while promoting science and engineering technology as potential career options for young people.

TDR continuously strives for excellence and to act in the best interests of learners by providing opportunity for all to learn new skills and to develop marketable expertise. TDR recognises, promotes and benefits from inclusion and seeks to expand the skills development and progression of individuals to ensure sufficient resource of operators, technicians, engineers and scientists who are adequately equipped to keep pace with the latest technologies and standards. In parallel with this approach, TDR is totally committed to safeguarding its clients. Its procedures and outcomes are formally reviewed and updated at Trustee meetings, where directors are fully briefed and involved with the policy development and execution of this important issue.

TDR is committed to increasing its impact, influence and public benefit along with its scope and scale. The services provided by TDR are underpinned by core values that mandate professionalism, continuous improvement, a focus on excellence and progression. TDR aim to provide employers with imaginative, enthusiastic, ambitious, able and employable people who are ready to enter the technology-sector workforce and add value to their employers.

TDR's "Objects" as set out in the Articles of Association are to:-

- Promote and provide learning, vocational education and training to employees and individuals in pursuit of employment.
- Specialise in the fields of science, engineering, manufacturing, commerce, enterprise and professional services in industry.

ENSURING TDR DELIVERS THE OBJECTIVES

The Trustees meet quarterly as a Board and review outcomes, strategy and plans. The review looks at what was achieved along with outcomes compared to the plan. The overall strategic direction is therefore considered and amended in the light of current and expected circumstances. TDR have referred to the suggestions contained in the Charities Commission guidance on Public Benefit when reviewing the aims and objectives.

FINANCIAL REVIEW

The financial position for the year shows a group surplus of £343,717 (2021 – deficit £10,387). The outturn was largely as a result of increased apprenticeship and training revenue and donation received for the training centre relocation project.

At the year end the overall fund balance of the group stood at £1,684,404 (2021 - £1,340,687) represented in a large part by fixed assets, with net current liabilities of £114,599 (2021 - £139,106). The trustees have prepared income and expenditure, balance sheet and cash flow forecasts and have a reasonable expectation that the company has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Further detail is given in the going concern accounting policy on page 18.

The charity does not actively fundraise and does not work with any third party fundraisers. TDR complies with relevant fundraising standards and there have been no fundraising complaints in the year.

The financial statements, which have been prepared in accordance with the Charity SORP (FRS102) 2019, conform to current statutory requirements and comply with the Charity's governing documents.

RESERVES POLICY

The Trustees have reviewed the reserves of the Group. This review encompassed the nature of the income and expenditure streams, the needs to match variable income and fixed commitments and the nature of the reserves to enable the Group to effectively deliver its two key objectives.

The Trustees have concluded that the Group requires a general reserve fund equating to approximately three months of unrestricted fund expenditure which equates to approx. £600k.

Unrestricted funds amounts to £1,566,784 (2021 - £1,223,068) for the group at the end of the year. Restricted funds totalled £117,619 (2021 - £117,619). Of the unrestricted reserves £2,421,184 is represented by fixed assets and £692,070 is an associated secured bank loan. The free reserves are in a deficit of £232,218 (2021 - £256,725). Forecasts show surpluses for the coming period for the group and the board intend to retain these to strengthen the balance sheet and to increase the working capital, building the reserves up to the desired level.

INVESTMENTS POWERS AND RESTRICTIONS

The Trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change to others of a like nature.

PLANS FOR THE FUTURE

TDR's future plans are to continue to make a difference by creating a world-class skills pool to sustain the people's needs of the Science, Technology, Engineering and Manufacturing (STEM) industries, whilst strategically enhancing the engagement with local schools and authorities and offering advice and guidance on STEM activities.

TDR Training has continued to improve its performance since the Covid Pandemic influenced apprenticeship recruitment and training course numbers. An increased focus on raising the company's profile utilising social media, attending networking events and engaging with organisations such as North East Local Enterprise, North East Ambition and The North East of England Chamber of Commerce, North East Workforce Skills Partner Group, all with the vision of engaging with new stakeholders in the region.

TDR continue to engage with new and existing organisations, with negotiations ongoing with significant North East employers to set up training partnerships which will secure TDR's position as the leading Independent Training Organisation in the region.

TDR will start to deliver Higher National Certificate (HNC) from September 2022. This is a huge growth area, as we currently outsource this provision to a local college. Many of our stakeholders are keen for TDR to start this delivery.

By delivering HNC, TDR will become the only independent training organisation in the region to deliver all aspects of engineering apprenticeship from Level 2 – 4. This is a huge selling point for the business.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- The consolidation of the two operational sites into Quorum Q1 facilitates our aim to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- The Consolidation into "One Site" allows for better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs.
- TDR has a vision to continually invest in our training facilities as and when resources permits.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- Combine the two operational sites in order to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- Better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs. Additionally responding to the COVID-19 pandemic feature in our plans for the future.

REFERENCE AND ADMINISTRATION DETAILS

Registered Charity Number	1061605
Company Number	03163754
Registered Office	Q1 Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8EX

Trustees

The trustees who served the charity during the period and up to the date of signing this report were as follows;

O Grant OBE DL
T Bowman
D Trotter
R Dodd MBE
I Young
D Kilkenny
J Smith
M Collins
D Heaney

Key Management Personnel

A Wilson	Chief Executive Officer
L Xue	HR and Finance Director
A Proud	Business Development Director

Auditors

In accordance with the company's Articles, a resolution proposing that Haines Watts North East Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

STRUCTURE, GOVERNANCE & MANAGEMENT

Training and Development Resource Limited (TDR) is governed by a Board of up to eight Trustees. There are specific selection criteria laid down regarding the qualities required for a person to be considered suitable. The nomination and selection process involves all Trustees and is democratic and transparent. Appointments are made at the quarterly meetings of the Board.

TDR Training Limited is the wholly owned subsidiary Company of TDR, The TDR Training executive team is led by a Chief Executive Officer, along with a senior management team, which has delegated operational responsibility. TDR Training Ltd employees participate in an annual Performance Management process to reinforce Company ethos and culture and set objectives and targets for the coming year. Detailed operational budgets are established, monitored and formally reviewed by the Trustees and Chief Executive Officer supported by the Senior Management Team. During the year the Chief Executive Officer and senior management team relocated the Training and Development Centre to the Head Quarter Q1 on Quorum Business Park. Training Board meetings were organised 6 times per year.

The Chief Executive Officer's contract ended in May 2022, the decision was made to seek to appoint a new head of the executive team from within the senior team, Li Xue was appointed as the Chief Executive.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Nominated Trustees are appointed at a Trustees meeting. Election is by majority vote, including any proxy votes tendered. Trustees are appointed for a three-year term. Prior to inviting nominees, the Chair review the experience base of the existing Trustees in order to then attract members with relevant and complementary skills, along with sector knowledge, to the Board.

PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider that key management comprise the charity's Trustees and the senior management team who are in charge of directing and controlling, running and operating the charity on a day to day basis.
All Trustees give their time freely and no Trustee received remuneration in the year in their role as Trustee. Details of Trustees' expenses and related party transactions are disclosed in note 12 to the accounts.
Salary levels of the senior management team are reviewed annually by the Trustees based on sector benchmarking.

RISK MANAGEMENT

As part of the business planning process the Trustees consider risk at all quarterly meetings. As a result there is a continued focus on highlighting any evolving risk, clarifying the key elements to mitigate and then taking the necessary steps to maximise the impact of the actions agreed.

Maintaining a strong financial base is a key ongoing factor in minimising risk.
The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

The challenges facing TDR are:

- The perception that university offers the best career option for all high achieving school leavers.
- Adapting to changes in funding as a result of the apprenticeship levy.
- Keeping abreast of developments, changes and contents of apprenticeships and consequent learning requirements.
- Retaining high calibre staff to ensure the Charity can continue to manage its affairs to meet the levels of support to the learner.
- The impact of skills shortage and continuing to deliver training amidst the challenges of apprentice recruitment..
- Maximising other income streams.
- Effective use of facilities and space.

Trustees are confident from regular review that these risks are managed effectively.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the charities auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on ..10/02/23.. and signed on its behalf, by:

Olivia Grant
.....
O Grant OBE DL
Chair

Independent Auditors' Report to the members of Training and Development Resource Limited For the year ended 31 July 2022

Opinion

We have audited the financial statements of Training and Development Resource Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 July 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Charity Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2022, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 this report

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

Donna Bulmer BA (Hons) ACA (Senior Statutory Auditor)
For and on behalf of Haines Watts North East Audit LLP

3 March 2023

Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Training and Development Resource Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
For the year ended 31 July 2022

	Notes	Unrestricted General Fund	Restricted Funds	Total 2022	Total 2021
Income from:					
Donations and legacies	4	31,344	180,000	211,344	13,700
Charitable activities	5	1,866,845	-	1,866,845	1,635,273
Other income	6	13,556	-	13,556	141,960
Total income		1,911,745	180,000	2,091,745	1,790,933
Expenditure on:					
Charitable activities	9	1,748,029	-	1,748,029	1,801,320
Total expenditure		1,748,029	-	1,748,029	1,801,320
Net movement in funds before transfers		163,716	180,000	343,716	(10,387)
Transfers		180,000	(180,000)	-	-
Net movement in funds		343,716	-	343,716	(10,387)
Reconciliation of funds:					
Total funds brought forward		1,223,068	117,619	1,340,687	1,351,074
Total funds carried forward		1,566,784	117,619	1,684,403	1,340,687

There were no unrecognised gains or losses other than the surplus for the year.

Consolidated Balance Sheet
As at 31 July 2022

	Notes		2022		2021
Fixed assets					
Tangible assets	14		2,421,184		2,220,287
			2,421,184		2,220,287
Current assets					
Debtors	16	276,560		268,004	
Cash at bank and in hand		897		477	
		277,457		268,481	
Creditors: amounts falling due within one year	17	(392,057)		(407,587)	
Net current liabilities			(114,600)		(139,106)
Total assets less current liabilities			2,306,584		2,081,181
Creditors: amounts falling due after more than one year	18		(622,181)		(740,494)
			1,684,403		1,340,687
Charity Funds					
Restricted funds	21		117,619		117,619
Unrestricted funds	21		1,566,784		1,223,068
Total funds			1,684,403		1,340,687

The financial statements were approved and authorised for issue by the Trustees on 19/2/23 and signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Charity Balance Sheet
As at 31 July 2022

	Notes	£	2022 £	£	2021 £
Fixed assets					
Tangible assets	14		2,397,008		2,216,910
Investments	15		1		1
			2,397,009		2,216,911
Current assets					
Debtors	16	21,267		29,753	
Cash at bank and in hand		762		442	
		22,029		30,195	
Creditors: amounts falling due within one year	17	(318,492)		(269,547)	
Net current liabilities		(296,463)			(239,352)
Total assets less current liabilities			2,100,546		1,977,559
Creditors: amounts falling due in more than one year	18		(622,181)		(740,494)
Net assets			1,478,365		1,237,065
The funds of the charity:					
Restricted funds	21		117,619		117,619
Unrestricted funds	21		1,360,746		1,119,446
Total charity funds			1,478,365		1,237,065

These financial statements were approved by the Board of Trustees 19/2/23. and are signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Cash flow statement
For the year ended 31 July 2022

	Notes	2022	2021
		£	£
Cash flows from operating activities			
Net cash provided by operating activities	29	348,893	111,415
Cash flows from investing activities			
Purchase of tangible fixed assets		(217,931)	(12,118)
Net cash provided by investing activities		(217,931)	(12,118)
Cash flows from financing activities			
Interest paid		(9,092)	(35,054)
Repayment of borrowings		(72,403)	(25,567)
Net cash used in financing activities		(81,495)	(60,621)
Change in cash and cash equivalents		49,467	38,676
Cash and cash equivalents at the beginning of the year		(95,131)	(133,807)
Cash and cash equivalents at the end of the year		(45,664)	(95,131)
Breakdown of cash and cash equivalents			
Cash at bank and in hand		897	477
Bank overdrafts		(46,561)	(95,608)

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Training and Development Resource Limited meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In the year ending 31 July 2022, a group surplus of £343,716 was achieved. The group has a net asset position of £1,684,403 (2021 - £1,340,687). This includes net current liabilities of £114,599. (2021 - £139,106).

The financial statements have been prepared on a going concern basis, which means that the group and entity is able to operate for the foreseeable future on the basis of known and projected resources. The group has an overdraft facility of £175,000 in place with Lloyds Bank until August 2023, together with a bank loan of £692,070 as at 31 July 2022. Based on discussions with the bank, the Directors have a reasonable expectation that the overdraft facility will be reviewed on an equivalent basis at the renewal date.

The senior management team have prepared a base case cash flow forecast for the period ending August 2024. This has been used to establish and assure the validity of the business as a going concern. The senior management team have also prepared a severe downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following:

- Only contracted commercial income has been recognised i.e no new commercial income despite the business continuing to seek additional source of income.
- No external rental income in the period to July 2023.
- Under performance in certain aspects of other income activities.
- Cost mitigation savings as a result of the above.

Both the base case forecast, and the severe downside forecast show that the group and the company are expected to operate within the current overdraft facility and will maintain sufficient cash funds to continue to trade.

Consequently, the Trustees are confident that the group and the company will have sufficient funds to continue to meet their liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking, TDR Training Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Charitable funds

Unrestricted funds donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	See Below
Plant and equipment	Straight line over 4 - 5 years
Fixtures & fittings	Straight line over 2 - 20 years
Computer equipment	Straight line over 3 - 4 years

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to income or expenditure. Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are the derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at the revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated equity, except to the extent that a revaluation gain reserves a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluations gains recognised in equity, such gains and losses are recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cos ad subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.11 Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities is recognised as earned, as the related services are provided.

Income from donations and legacies includes core funding and funding of a general nature and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future years and is released to incoming resources in the year for which it is entitled.

Income from trading activities and investment income is recognised on a receivable basis.

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where the grant does not specify performance conditions it is recognised in income when proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Resources expended are included in the Statement of Financial Activities on an accrual basis, exclusive of VAT with irrecoverable VAT shown as a separate cost line. They include:

Charitable activities include all the costs relating to activities where the primary aim is part of the objects of the charity along with the associated indirect costs.

Governance costs relate to costs incurred in compliance with the constitutional and statutory requirements of the group.

1.17 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back off costs, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the support costs note.

1.18 Operating leases

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

Operating leases – the group as a lessee
The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

Rent free periods or incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Operating leases – the group as a lessor
Rental income from operating leases is recognised on a straight line basis over the term of the lease.

1.19 Critical accounting estimates and areas of judgement

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The following estimates are included within the financial statements;

- Impairment and valuation of the building

2. Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1.

3. Comparative Statement of Financial Activities

	Unrestricted General Fund	Restricted Funds	Total 2021	Total 2020
Income from:				
Donations and legacies	13,700	-	13,700	97,100
Charitable activities	1,635,273	-	1,635,273	2,027,894
Other trading activities	-	-	-	104,846
Other income	141,960	-	141,960	96,966
Total income	1,790,933	-	1,790,933	2,326,806
Expenditure on:				
Charitable activities	1,801,320	-	1,801,320	2,343,164
Total expenditure	1,801,320	-	1,801,320	2,343,164
Net movement in funds	(10,387)	-	(10,387)	(16,358)
Reconciliation of funds:				
Total funds brought forward	1,233,455	117,619	1,351,074	1,367,432
Total funds carried forward	1,233,068	117,619	1,340,687	1,351,074

4. Donations

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Donations and gifts	31,344	180,000	211,344	13,700
	31,344	180,000	211,344	13,700

5. Charitable activities income analysis

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Provision of engineering and manufacturing training	1,866,845	-	1,866,845	1,635,273
	1,866,845	-	1,866,845	1,635,273

6. Other income

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
JRS Government grant	-	-	-	95,305
Commercial income	13,556	-	13,556	46,655
	13,556	-	13,556	141,960

7. Net income from trading activity of subsidiary companies and associate company

The charity has a wholly owned subsidiary which is registered in England and Wales; TDR Training Limited.

TDR Training Limited
A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

Profit & loss account	**2022**	**2021**
	£	**£**
Turnover and other income	1,980,401	1,977,233
Cost of sales and administration expenses	(1,877,984)	(1,886,013)
Net profit	102,417	91,220
A summary of the Balance Sheet is shown below:		
Fixed assets	24,176	3,376
Current assets	458,172	432,881
Current liabilities	(276,309)	(332,635)
Net assets	206,039	103,622

9. Expenditure on charitable activities

9.1 Direct costs

	Unrestricted funds	Restricted fund	Total 2022	Total 2021
	£	£	£	£
Staff costs	1,025,443	-	1,025,443	1,096,893
College costs	263,333	-	263,333	173,381
Direct course costs	25,797	-	25,797	73,040
Travel and subsistence	10,736	-	10,736	5,414
Premises costs	2,276	-	2,276	12,327
Office expenses	14,624	-	14,624	47,871
IT costs	65,810	-	65,810	68,942
Marketing	44,269	-	44,269	29,046
Irrecoverable VAT	32,705	-	32,705	22,130
Finance costs	535	-	535	10,045
Other expenses	34,227	-	34,227	31,442
	1,517,556	-	1,519,755	1,570,531

9.2 Support costs

	2022	2021
	£	£
Depreciation	4,915	13,303
Premises costs	144,584	102,378
Irrecoverable VAT	26,758	27,047
Interest payable	15,320	35,054
Taxation	18,651	22,613
Governance costs (note 9.3)	18,046	30,394
	228,274	230,789
Total charitable expenditure	1,748,029	1,801,320

9.3 Governance

	2022	2021
	£	£
Audit fees	14,200	14,000
Legal & professional fees	3,846	16,394
	18,046	30,394

10. Net income/expenditure for the year

The group surplus/(deficit) is stated after charging/(crediting)

	2022	2021
	£	£
Depreciation – owned assets	4,915	13,303

11. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £14,200 (2021 - £14,000).

12. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Total salary costs analysed by:

	2022	2021
	£	£
Wages and salaries	856,946	892,817
National insurance contributions	84,397	94,680
Pension contributions	84,100	88,507
	1,025,443	1,076,004

The number of employee who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2022	2020
	No.	No.
£70,001 - £80,000	-	1

No trustee received any remuneration or reimbursement of expenses (2021 - £nil).

The key management personnel of the parent charity are detailed in the legal and administrative information. The total employee benefits of the key management personnel of the parent charity were £72,448 (2021 - £215,840).

The average headcount of persons employed by the group (including casual and part time) during the year was:

	2022	2021
	No.	No.
Directors of the Charity or trading subsidiary (paid)	4	4
Directors of the Charity (unpaid)	7	4
Apprentices	-	1
Staff	34	34
	45	43

13. Intangible fixed assets

Group

	Negative goodwill
	£
Cost or valuation	
At 1 August 2021 and 31 July 2022	(39,999)
Amortisation and impairment	
At 1 August 2021	(39,999)
Charge for the year	-
At 31 July 2022	(39,999)
Net book value	
At 31 July 2021	-
At 31 July 2022	-

The charity had no intangible assets in the current or prior year.

Amounts recognised in net income and expenditure for the year in respect of negative goodwill comprise the amortisation charge and are included in support costs.

14. Tangible fixed assets

Group

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2021	2,200,000	9,250	105,696	3,720	2,318,666
Additions	-	-	217,931	-	217,931
Disposals	-	-	(12,119)	-	(12,119)
At 31 July 2022	2,200,000	9,250	311,508	3,720	2,524,478
Depreciation					
At 1 August 2021	-	8,202	86,634	3,543	98,379
Charge for the year	-	1,048	3,690	177	4,915
Disposals	-	-	-	-	-
At 31 July 2022	-	9,250	90,324	3,720	103,294
Net book value					
At 31 July 2022	2,200,000	-	221,184	-	2,421,184
At 31 July 2021	2,200,000	1,048	19,062	177	2,220,287

14. Tangible fixed assets

Charity

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2021	2,200,000	9,250	96,406	3,720	2,309,376
Additions	-	-	195,034	-	195,034
Disposals	-	-	(12,119)	-	(12,119)
At 31 July 2022	2,200,000	9,250	279,321	3,720	2,492,291
Depreciation					
At 1 August 2021	-	8,202	80,721	3,543	92,466
Charge for the year	-	1,048	1,592	177	2,817
At 31 July 2022	-	9,250	82,313	3,720	95,283
Net book value					
At 31 July 2022	2,200,000	-	199,008	-	2,397,008
At 31 July 2021	2,200,000	1,048	15,685	177	2,216,910

All tangible fixed assets are held for charitable purposes.

The long leasehold land and buildings were formally valued in January 2022 by Avison Young at an open market value of £2,200,000. Trustees have assessed at the 31 July 2022 and considered that this valuation remains appropriate.

If the property was held under historical cost, it would be included at a net book value of £1,105,130 (2021 - £1,157,130).

15. Investments

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Investment in wholly owned subsidiary companies				
TDR Training Limited	-	-	1	1
Total investments	-	-	1	1

16. Debtors

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade debtors	175,125	229,826	893	12,000
Prepayments and accrued income	21,206	25,440	8,764	9,123
Other debtors	80,229	12,738	11,610	8,630
	276,560	268,004	21,267	29,753

17. Creditors: amounts falling due within one year

		Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans and overdrafts	19	116,450	137,597	69,889	19,620
Trade creditors		65,235	113,594	17,318	2,063
Obligations under finance lease		-	4,360	-	4,360
Amounts due to fellow group undertakings		-	-	202,744	194,595
Corporation tax payable		18,651	22,613	-	-
Other taxation and social security		51,392	35,492	-	-
Other creditors		19,595	2,125	-	-
Accruals		120,734	91,806	28,541	48,909
		392,057	407,587	318,492	269,547

18. Creditors: amounts falling due after one year

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Bank loans and overdrafts	622,181	740,494	622,181	740,494
	622,181	740,494	622,181	740,494

19. Borrowings

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Bank overdrafts	46,561	95,608	-	-
Bank loans	692,070	760,114	692,070	760,114
	738,631	855,722	692,070	760,114
Payable within one year	116,450	137,957	69,889	19,620
Payable after one year	622,181	717,765	622,181	740,494
Amounts included above which fall due after five years:				
Payable by instalments	342,625	446,693	342,625	516,195

The bank loans are secured by a first legal charge on the charity's long leasehold land and buildings at Q1 Quorum Business Park. They are also secured on an unlimited debenture from the charity and an unlimited debenture and unlimited guarantee from TDR Training Limited, the charity's subsidiary undertaking.

The bank loans bear interest at rates 4.191% and 4.25% and are repayable over 20 years in monthly instalments.

20. Finance lease commitments

	Group 2022	Group 2021	Charity 2022	Charity 2021
	£	£	£	£
Less than one year	-	4,360	-	4,360
Between one and five years	-	-	-	-
	-	4,360	-	4,360

21. Statement of funds

For the year ended 31 July 2022

	Balance at 1 August 2021 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2022 £
Unrestricted funds					
General fund	1,223,068	1,911,745	(1,748,029)	180,000	1,566,784
Total unrestricted funds	1,223,068	1,911,745	(1,748,029)	180,000	1,566,784
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	180,000	-	(180,000)	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
Total restricted funds	117,619	180,000	-	(180,000)	117,619
Total funds	1,340,687	2,091,745	(1,748,029)	-	1,684,403

For the year ended 31 July 2021

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Unrestricted funds					
General fund	1,233,455	1,790,933	(1,801,320)	-	1,223,068
Total unrestricted funds	1,233,455	1,790,933	(1,801,320)	-	1,223,068
Restricted funds					
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
Total restricted funds	117,619	-	-	-	117,619
Total funds	1,351,074	1,790,933	(1,801,320)	-	1,340,687

Restricted funds
The Ron Dodd MBE Scholarship Fund – Funds held to provide grants to deserving students facing barriers to either entry or progression.

Sponsored Trust activities – Funds given to support Charities objectives.

Transfers
The transfers relate to spend on capital assets, restrictions lift once the purchase is made.

22. Analysis of net assets between funds

For the year ended 31 July 2022

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,421,184	-	2,421,184
Net current liabilities	(232,219)	117,619	(114,600)
Creditors: amounts falling due after more than one year	(622,181)	-	(622,181)
	1,566,784	117,619	1,684,403

For the year ended 31 July 2021

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fixed assets	2,220,287	-	2,220,287
Net current liabilities	(256,725)	117,619	(139,106)
Creditors: amounts falling due after more than one year	(740,494)	-	(740,494)
	1,223,068	117,619	1,340,687

24. Pension

Defined contribution scheme
The group operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £11,090 (2021 - £12,726).

The defined contribution liability is allocated to unrestricted funds.

25. Commitments under operating leases

At 31 July 2022 the company had total commitments to the end of the lease under non-cancellable operating leases as set out below:

	2022	2021
	£	£
Within 1 year	-	9,279
More than 1 year and less than 5 years	-	-
	-	9,279

26. Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its 100% owned subsidiary.

R Dodd MBE, a trustee, donated £180,000 to the charity during the year. The amount carried forward at 31 July 2022 is £97,919. (2021 - £97,919).

27. Taxation

The charity is exempt from tax on income and gains failing within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

28. Control

The charity is controlled by the Board of Trustees.

29. Reconciliation of net movement in funds to net cash flow from operating activities

	2022	2021
	£	£
Net income/(expenditure) for the reporting period	343,717	(10,387)
Adjustments for:		
Interest paid	9,091	35,054
Depreciation	4,915	13,303
Amortisation	-	(2,499)
Loss on disposal of fixed asset	12,118	-
Decrease/(increase) in debtors	(8,556)	(40,887)
(Decrease)/increase in creditors	(12,392)	116,831
Net cash (used in)/provided by operating activities	348,893	111,415

30. Analysis of changes in net debt

	1 Aug 2021	Cash flows	31 July 2022
	£	£	£
Short term cash borrowings	(95,608)	49,047	(46,561)
Long term cash borrowings	(760,114)	67,930	(692,070)
Total liabilities	(855,722)	117,091	(738,631)
Cash and cash equivalents	477	420	897
Total net debt	(855,245)	117,511	(737,734)

TRAINING AND DEVELOPMENT RESOURCE LIMITED

England & Wales - Charity number 1061605

Accounts

Charity Number: 1061605
Company Number: 03163754

Training and Development Resource Ltd
(a company limited by guarantee)

Report of the Trustees and Financial Statements

For the year ended 31 July 2021

Training and Development Resource Limited

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Training and Development Resource Limited

Board of Trustees Reporting
For the year ended 31 July 2021

Company Registration Number:	03163754 Registered in England and Wales
Charity Registration Number:	1061605
Registered Office:	Q1 Quorum Business Park Benton Lane Newcastle upon Tyne NE12 8EX
Board of Trustees:	O Grant OBE DL — Chair T Bowman — Resigned 02 July 2021 D Trotter — Resigned 13 December 2020 R Dodd MBE I Young D Kilkenny J Smith M Collins K O'Brien
Company secretary:	LI Xue
Bankers:	Lloyds Bank Plc 102 Grey Street Newcastle upon Tyne NE99 1SL
Auditors:	Haines Watts North East Audit LLP 17 Queens Lane Newcastle upon Tyne NE1 1RN

The trustees are pleased to present their annual report together with the consolidated financial statements of the charitable company for the year ended 31 July 2021.

The financial statements comply with the Memorandum and Articles of Association and the requirements of the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS102) (effective 1 January 2015).

PUBLIC BENEFIT STATEMENT

The Trustees have referred to the guidelines contained in the Charity Commission's general guidance on public benefit when reviewing the year's aims and objectives and in planning future activities. The charity's aims and objectives above are reported clearly below to provide clear and demonstrable public benefit.

GOVERNING DOCUMENT

Training and Development Resource Limited is a registered charity (No. 1061605). It is governed by Articles of Association that were last revised on 21 February 2018.

TRUSTEE INDUCTION AND TRAINING

On appointment, each Trustee receives a full briefing and induction on the extensive activities of the Charity and subsidiary. This includes strategy, finance, organisation and systems. In addition, meetings are arranged with all key staff executing the day-to-day activities of TDR and its subsidiary company TDR Training Ltd. There is a particular focus on:

- Obligations of Trustees,
- The governing documents,
- The operational framework,
- Reserves and current financial position, Future plans and objectives.

ACHIEVEMENTS & PERFORMANCE

For the first part of 2020/21 TDR's training intake number was broadly in line with the business plan, budget and comparable to previous years. However, the onset on the COVID-19 pandemic and the introduction of National lockdowns in late March 2020 had a significant effect on planned income across a number of delivery streams between then and the remainder of the year.

TDR's aim in response to the pandemic was to deliver a seamless "Business as usual" service to clients, learners, employers, partners and stakeholders. TDR rapidly responded by developing and implementing new working practices and procedures, working closely with regulators to establish new and approved delivery methods. TDR achieved its aim of a "business as usual" service with no detriment to learners in completion of training provision.
In March 2020, TDR was Ofsted inspected; this was a short inspection with the mandatory 2 days' notice. TDR received an overall rating of "Good".

During the year, TDR broadened the range of expertise of the Board of Trustees with the appointment of highly experienced candidates from finance, manufacturing and property sectors. TDR has continued to build strong partnerships with local authorities, colleges, local Enterprise Partnership (LEP) and local Universities.

AIMS AND OBJECTIVES

TDR was originally set up by the business sector in the North East of England and was incorporated in 1998. The initial imperative was to resolve a major shortfall in young people considering a career as an apprentice in the regional engineering sector. TDR has evolved progressively into an independent, regional, not-for-profit charity that connects learners, their parents and education staff with the business marketplace. TDR Training Limited, the subsidiary company, provides high quality apprenticeships while promoting science and engineering technology as potential career options for young people.

TDR continuously strives for excellence and to act in the best interests of learners by providing opportunity for all to learn new skills and to develop marketable expertise. TDR recognises, promotes and benefits from inclusion and seeks to expand the skills development and progression of individuals to ensure sufficient resource of operators, technicians, engineers and scientists who are adequately equipped to keep pace with the latest technologies and standards. In parallel with this approach, TDR is totally committed to safeguarding its clients. Its procedures and outcomes are formally reviewed and updated at Trustee meetings, where directors are fully briefed and involved with the policy development and execution of this important issue.

TDR is committed to increasing its impact, influence and public benefit along with its scope and scale. The services provided by TDR are underpinned by core values that mandate professionalism, continuous improvement, a focus on excellence and progression. TDR aim to provide employers with imaginative, enthusiastic, ambitious, able and employable people who are ready to enter the technology-sector workforce and add value to their employers.

TDR's "Objects" as set out in the Articles of Association are to:-

- Promote and provide learning, vocational education and training to employees and individuals in pursuit of employment.
- Specialise in the fields of science, engineering, manufacturing, commerce, enterprise and professional services in industry.

ENSURING TDR DELIVERS THE OBJECTIVES

The Trustees meet quarterly as a Board and review outcomes, strategy and plans. The review looks at what was achieved along with outcomes compared to the plan. The overall strategic direction is therefore considered and amended in the light of current and expected circumstances. TDR have referred to the suggestions contained in the Charities Commission guidance on Public Benefit when reviewing the aims and objectives.

FINANCIAL REVIEW

The financial position for the year shows a group deficit of £10,387 (2020 – £16,358). The outturn was largely as a result of targets for commercial income and apprenticeship numbers and, therefore, income projections not being met in the trading subsidiary, TDR Training Ltd.

The trustees have supported a consolidation of activities in a challenging year for training generally. At the year end the overall fund balance of the group stood at £1,340,687 (2020 - £1,351,074) represented in a large part by fixed assets, with net current liabilities of £139,106 (2020 - £104,016). The trustees have prepared income and expenditure, balance sheet and cash flow forecasts for the period July 2023 and have a reasonable expectation that the company has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. Further detail is given in the going concern accounting policy on page 18.

The charity does not actively fundraise and does not work with any third party fundraisers. TDR complies with relevant fundraising standards and there have been no fundraising complaints in the year.

The financial statements, which have been prepared in accordance with the Charity SORP (FRS102) 2019, conform to current statutory requirements and comply with the Charity's governing documents.

RESERVES POLICY

The Trustees have reviewed the reserves of the Group. This review encompassed the nature of the income and expenditure streams, the needs to match variable income and fixed commitments and the nature of the reserves to enable the Group to effectively deliver its two key objectives.

The Trustees have concluded that the Group requires a general reserve fund equating to approximately three months of unrestricted fund expenditure which equates to approx. £600k.

Unrestricted funds amounts to £1,223,068 (2020 - £1,233,455) for the group at the end of the year. Restricted funds totalled £117,619 (2020 - £117,619). Of the unrestricted reserves £2,220,287 is represented by fixed assets and £760,114 is an associated secured bank loan. The free reserves are in a deficit of £256,725 (2020 - £205,284). Forecasts show surpluses for the coming period for the group and the board intend to retain these to strengthen the balance sheet and to increase the working capital, building the reserves up to the desired level..

INVESTMENTS POWERS AND RESTRICTIONS

The Trustees can invest any sums or investments received by them in investments in which they are by law authorised to invest money, with power from time to time to change to others of a like nature.

PLANS FOR THE FUTURE

TDR's future plans are to continue to make a difference by creating a world-class skills pool to sustain the people's needs of the Science, Technology, Engineering and Manufacturing (STEM) industries, whilst strategically enhancing the engagement with local schools and authorities and offering advice and guidance on STEM activities.

TDR Training has continued to improve its performance since the Covid Pandemic influenced apprenticeship recruitment and training course numbers. An increased focus on raising the company's profile utilising social media, attending networking events and engaging with organisations such as North East Local Enterprise, North East Ambition and The North East of England Chamber of Commerce, all with the vision of engaging with new stakeholders in the region.

TDR have employed a Business Development Manager with a team of people dedicated to engaging with our current and new employers.

During 2021 TDR Training became part of a consortium headed by Sunderland University. The University won a large European Social Fund contract, which allowed independent training organisations, such as TDR Training the opportunity to deliver upskilling, and retraining of the Northeast workforce. The contract runs from January 2022 until September 2023. The training is fully funded by the ESF contract, which, means employers do not have to pay for their employees to attend. TDR will deliver the following disciplines.

- 15 Engineering Courses
- 3 Health & Safety Courses
- 4 Science & Process Courses

The courses are released on a monthly basis, and we are already seeing high interest with places being snapped up very quickly.

TDR continue to engage with new and existing organisations, with negotiations ongoing with significant Northeast employers to set up training partnerships which will secure TDR's position as the leading Independent Training Organisation in the region.

To help support the future growth plans TDR have decided to relocate its practical training centre currently based on Scotswood Road in Newcastle to the company head office at Quorum Business Park. An incredible donation of £100k by TDR's long standing partner British Engines has been used to support the move.

A Teaching and Learning Suite is being created on the second floor of the Q1 premises, this will consist of 7 purpose-built classrooms, student canteen and breakout area as well as the potential of a 6,000 square feet conference facility which can be used for corporate events.

The ground floor is being renovated to accept the practical machines, such as Milling, Turning, Welding and Electrical delivery, this will create a practical delivery workshop designed to deliver to not only apprenticeships but ongoing upskilling for the people of the North East.

TDR will start to deliver Higher National Certificate (HNC) from September 2022. This is a huge growth area, as we currently outsource this provision to a local college. Many of our stakeholders are keen for TDR to start this delivery.

By delivering HNC, TDR will become the only independent training organisation in the region to deliver all aspects of engineering apprenticeship from Level 2 – 4. This is a huge selling point for the business.

The Trustees will continue to work on achieving its main objectives to:

- Engage with local school and authorities to provide STEM information, advice, and guidance to help people make informed choices about their further education and career progression;
- Generate a high-calibre pool of capable potential employees who are ready willing and able to contribute positively to the UK economy;
- Combine the two operational sites in order to offer one-stop-shop training facility for Science, Technology, Engineering and Manufacturing (STEM) industries;
- Better utilisation of the organisational resource and ensure maximum capitalise on future growth opportunities;
- Continually expand curriculum design and delivery model to meet employer and learner needs;
- Deliver TDR Trust Awards Ceremony to recognise apprentice achievement and employer contribution to training and development in the region.
- TDR will continue to actively promote Engineering & Science as a worthwhile career; develop Engineering & Science Apprenticeship opportunities, Scholarships and diversify the TDR Trust School Programs. Additionally responding to the COVID-19 pandemic feature in our plans for the future.

REFERENCE AND ADMINISTRATION DETAILS

Registered Charity Number	1061605
Company Number	03163754
Registered Office	Q1 Quorum Business Park, Benton Lane, Newcastle upon Tyne, NE12 8EX

Trustees

The trustees who served the charity during the period were as follows;

O Grant OBE DL
T Bowman
R Dodd MBE
I Young
D Kilkenny
J Smith
M Collins

Key Management Personnel

A Wilson	Chief Executive Officer
L Xue	HR and Finance Director
A Proud	Business Development Director

Auditors

In accordance with the company's Articles, a resolution proposing that Haines Watts North East Audit LLP be reappointed as auditor of the company will be put at a General Meeting.

STRUCTURE, GOVERNANCE & MANAGEMENT

Training and Development Resource Limited (TDR) is governed by a Board of up to eight Trustees. There are specific selection criteria laid down regarding the qualities required for a person to be considered suitable. The nomination and selection process involves all Trustees and is democratic and transparent. Appointments are made at the quarterly meetings of the Board.

TDR Training Limited is the wholly owned subsidiary Company of TDR, The TDR Training executive team is led by a Managing Director, along with a senior management team, which has delegated operational responsibility. TDR Training Ltd employees participate in an annual Performance Management process to reinforce Company ethos and culture and set objectives and targets for the coming year. Detailed operational budgets are established, monitored and formally reviewed by the Trustees and Managing Director supported by the Finance Department. During the year the Managing Director and senior management team undertook much of their work 'remotely' using Zoom for meetings as direct association was restricted because of Government guidelines regarding Health and safety and the effects of Covid. Training Board meetings were likewise remotely organised.

The Managing Director decided that he wished to retire at the end of March 2021. The decision was made to seek to appoint a new head of the executive team from within the senior team, only if that proved unsuccessful would a decision have been taken to recruit externally. After a due and proper process and following interviews, Alan Wilson was appointed as the Chief Executive. The Trustees determined that Chief Executive allowed for proper separation of duties in the early period of the appointment. This can be reviewed subsequently should that prove beneficial.

RECRUITMENT AND APPOINTMENT OF TRUSTEES

Nominated Trustees are appointed at a Trustees meeting. Election is by majority vote, including any proxy votes tendered. Trustees are appointed for a three-year term. Prior to inviting nominees, the Chair review the experience base of the existing Trustees in order to then attract members with relevant and complementary skills, along with sector knowledge, to the Board.

During the year several new Trustees recruitment took place:

David Kilkenny the Deputy Managing Director of Komatsu, an engineer of vast experience joined the Board, as did Martyn Collins an experienced Board member from education circles and also very experienced in property management issues joined as Trustees. In addition, John Smith joined as a Trustee, having been associated with TDR since its inception and latterly having been Finance Director then Deputy Chief Executive of a Further Education College. He brings both finance and education experience to the Board. During the year the trustees were saddened to know that a long standing and exceptional Trustee Board member, David Trotter, had extensive periods of illness. Sadly, David Trotter died in December 2020.

Tracey Bowman had been a long-standing Trustee and Board member, she resigned from the Board in June 2021 as she was leaving the area. The Board has been immensely grateful to her for her help and service. In June 2021 the Board agreed to the appointment of Katie O'Brien as a Trustee and board member. Katie brings substantial Human Resources expertise in several business sectors and was welcomed to the Trustee Board.

PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

The Trustees consider that key management comprise the charity's Trustees and the senior management team who are in charge of directing and controlling, running and operating the charity on a day to day basis.
All Trustees give their time freely and no Trustee received remuneration in the year in their role as Trustee. Details of Trustees' expenses and related party transactions are disclosed in note 12 to the accounts.
Salary levels of the senior management team are reviewed annually by the Trustees based on sector benchmarking.

RISK MANAGEMENT

As part of the business planning process the Trustees consider risk at all quarterly meetings. As a result there is a continued focus on highlighting any evolving risk, clarifying the key elements to mitigate and then taking the necessary steps to maximise the impact of the actions agreed.

Maintaining a strong financial base is a key ongoing factor in minimising risk.
The Trustees have assessed the major risks to which the Charity is exposed, in particular those relating to the operations and finances of the Charity and are satisfied that systems are in place to mitigate exposure to major risks.

The challenges facing TDR are:

- Adapting to changes in funding as a result of the apprenticeship levy.
- Keeping abreast of developments, changes and contents of apprenticeships and consequent learning requirements.
- Retaining high calibre staff to ensure the Charity can continue to manage its affairs to meet the levels of support to the learner.
- The impact of COVID-19 and continuing to deliver training amidst the challenges of apprentice recruitment.
- Maximising other income streams.
- Effective use of facilities and space.

Trustees are confident from regular review that these risks are managed effectively.

TRUSTEES' RESPONSIBILITIES STATEMENT

The trustees are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure of the charity. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

- there is no relevant audit information of which the charities auditors are unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report was approved by the trustees on 22 February 2022 and signed on its behalf, by;

Olivia Grant

O Grant OBE DL
Chair

Training and Development Resource Limited
(A company limited by guarantee)

Independent Auditors' Report to the members of Training and Development Resource Limited For the year ended 31 July 2021

Opinion

We have audited the financial statements of Training and Development Resource Limited (the 'charitable company') and its subsidiary (the 'group') for the year ended 31 July 2021 which comprise the Statement of Financial Activities, Group and Charitable Company, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 July 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

However, not all future events or conditions can be predicted. The Covid-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and wider economy. The Trustees' view on the impact of Covid-19 is disclosed in the accounting policies on page 18.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditors' Report to the members of Training and Development Resource Limited *(Continued)*
For the year ended 31 July 2021

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees
As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applicable to both the company itself and the industry in which it operates. We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors and other management. The most significant were identified as the Companies Act 2006, UK GAAP (FRS102) and relevant tax legislation. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements. Our audit procedures included:

- confirming with the trustees and management whether they have any knowledge or suspicion of fraud;
- obtaining an understanding of the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations;
- assessing the risk of management override including identifying and testing a sample of journal entries;
- confirmation received from the banks to verify the balance as on the last day of the accounting year;
- reviewing minutes of meetings of those charged with governance; and
- challenging the assumptions and judgements made by management in its significant accounting estimates.

Our audit did not identify any key audit matters relating to the detection of irregularities including fraud. However, despite the audit being planned and conducted in accordance with ISAs (UK) there remains an unavoidable risk that material misstatements in the financial statements may not be detected owing to inherent limitations of the audit, and that by their very nature, any such instances of fraud or irregularity likely involve collusion, forgery, intentional misrepresentations, or the override of internal controls.

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 this report

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

Donna Bulmer BA (Hons) ACA (Senior Statutory Auditor)
For and on behalf of Haines Watts North East Audit LLP

15 March 2022

Statutory Auditors & Chartered Accountants

17 Queens Lane
Newcastle upon Tyne
NE1 1RN

Training and Development Resource Limited
(A company limited by guarantee)

Consolidated Statement of Financial Activities
For the year ended 31 July 2021

	Notes	Unrestricted General Fund	Restricted Funds	Total 2021	Total 2020
Income from:					
Donations and legacies	4	13,700	-	13,700	97,100
Charitable activities	5	1,635,273	-	1,635,273	2,027,894
Other trading activities	6	-	-	-	104,846
Other income	7	141,960	-	141,960	96,966
Total income		1,790,933	-	1,790,933	2,326,806
Expenditure on:					
Charitable activities	9	1,801,320	-	1,801,320	2,343,164
Total expenditure		1,801,320	-	1,801,320	2,343,164
Net movement in funds		(10,387)	-	(10,387)	(16,358)
Reconciliation of funds:					
Total funds brought forward		1,233,455	117,619	1,351,074	1,367,432
Total funds carried forward		1,223,068	117,619	1,340,687	1,351,074

There were no unrecognised gains or losses other than the surplus for the year.

Training and Development Resource Limited

Consolidated Balance Sheet
As at 31 July 2021

	Notes		2021		2020
Fixed assets					
Negative goodwill	13		-		(2,499)
Tangible assets	14		2,220,287		2,221,471
			2,220,287		2,218,972
Current assets					
Debtors	16	268,004		227,117	
Cash at bank and in hand		477		2,708	
		268,481		229,825	
Creditors: amounts falling due within one year	17	(407,587)		(333,841)	
Net current liabilities			(139,106)		(104,016)
Total assets less current liabilities			2,081,181		2,114,956
Creditors: amounts falling due after more than one year	18		(740,494)		(763,882)
			1,340,687		1,351,074
Charity Funds					
Restricted funds	21		117,619		117,619
Unrestricted funds	22		1,223,068		1,233,455
Total funds			1,340,687		1,351,074

The financial statements were approved and authorised for issue by the Trustees on 22 February and signed on their behalf by:

Olivia Grant

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Charity Balance Sheet
As at 31 July 2021

	Notes		2021		2020
		£	£	£	£
Fixed assets					
Tangible assets	14		2,216,910		2,225,846
Investments	15		1		1
			2,216,911		2,225,847
Current assets					
Debtors	16	29,753		110,992	
Cash at bank and in hand		442		715	
		30,195		111,707	
Creditors: amounts falling due within one year	17	(269,547)		(93,218)	
Net current liabilities			(239,352)		18,489
Total assets less current liabilities			1,977,559		2,244,336
Creditors: amounts falling due in more than one year	18		(740,494)		(769,354)
Net assets			1,237,065		1,474,982
The funds of the charity:					
Restricted income funds	21		117,619		117,619
Unrestricted income funds	22		1,119,446		1,357,363
Total charity funds			1,237,065		1,474,982

These financial statements were approved by the Board of Trustees on 22 February and are signed on their behalf by:

Olivia Grant
.....

O Grant OBE DL
Chair

The notes on pages 18 to 34 form part of these financial statements.

Training and Development Resource Limited

Cash flow statement
For the year ended 31 July 2021

	Notes	2021	2020
		£	£
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	29	111,415	20,012
Cash flows from investing activities			
Purchase of tangible fixed assets		(12,118)	(302)
Net cash provided by investing activities		(12,118)	(302)
Cash flows from financing activities			
Interest paid		(35,054)	(38,952)
Repayment of borrowings		(25,567)	(40,906)
Net cash used in financing activities		(60,621)	(79,858)
Change in cash and cash equivalents		38,676	(60,148)
Cash and cash equivalents at the beginning of the year		(133,807)	(73,659)
Cash and cash equivalents at the end of the year		(95,131)	(133,807)
Breakdown of cash and cash equivalents			
Cash at bank and in hand		477	2,708
Bank overdrafts		(95,608)	(136,515)

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

Training and Development Resource Limited meets the definition of a public benefit under FRS 102. The financial statements are prepared under the historical cost convention or transaction value unless otherwise stated in the relevant accounting policy note(s). The financial statements are prepared in Sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

In the year ending 31 July 2021, a deficit of £10,387 was achieved. The group has a net asset position of £1,340,687 (2020 - £1,351,074). This includes net current liabilities of £139,106 (2020 - £104,016).

The financial statements have been prepared on a going concern basis, which means that the group and entity has a reasonable expectation that the entity has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approving these financial statements. The group has an overdraft facility of £200,000 in place with Lloyds Bank until August 2022, together with a bank loan/mortgage of £760,114 as at 31 July 2021. Based on discussions with the bank, the Trustees have a reasonable expectation that the overdraft facility will be reviewed on an equivalent basis at the renewal date.

The senior management team have prepared a case cash glow forecast for the period ending August 2023. This has been used to establish and assure the validity of the business as a going concern. The senior management team have also prepared a severe downside scenario forecast as part of this assessment. The assumptions in the downside scenario forecast include the following:

Only contracted commercial income has been recognised i.e no new commercial income despite the business continuing to seek additional source of income.
No external rental income in the period to July 2022.
Under performance in certain aspects of other income activities.
Staff cost mitigation savings as a result of the above.

Both the base case forecast, and the severe downside forecast show that the group and the company are expected to operate within the current overdraft facility and will maintain sufficient cash funds to continue to trade.

Consequently, the Trustees are confident that the group and the company will have sufficient funds to continue to meet their liabilities as they fall due and for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

1.3 Basis of consolidation

The group financial statements consolidate the financial statements of the charitable company and its subsidiary undertaking, TDR Training Limited, on a line-by-line basis. A separate Statement of Financial Activities for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

1.4 Charitable funds

Unrestricted funds donations and other incoming resources received or generated for the charitable purposes. Unrestricted funds are available to spend on activities that further any of the general objectives of the charity.

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund.

1.5 Fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Long leasehold land and buildings	See Below
Plant and equipment	Straight line over 4 - 5 years
Fixtures & fittings	Straight line over 2 - 20 years
Computer equipment	Straight line over 3 - 4 years

The gain or loss on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to income or expenditure. Subsequent costs, including replacement parts, are capitalised only when it is probable that such costs will generate future economic benefits. Any replaced parts or remaining carrying amounts are the derecognised. All other costs of repairs and maintenance are charged to the Statement of Financial Activities.
Properties whose fair value can be measured reliably are held under the revaluation model and are carried at the revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated equity, except to the extent that a revaluation gain reserves a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluations gains recognised in equity, such gains and losses are recognised in the Statement of Financial Activities.

1.6 Impairment of fixed assets

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

1.7 Fixed asset investments

In the separate accounts of the charity, interests in subsidiaries are initially measured at cos ad subsequently measured at cost less any accumulated impairment losses. Interests in subsidiaries are assessed for impairment at each reporting date. Any impairment losses are recognised immediately in expenditure.

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement after allowing for any trade discounts due.

1.11 Financial instruments

The charitable group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.12 Income

Income is recognised when the group has entitlement to the funds, any performance conditions attached to the item of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from charitable activities is recognised as earned, as the related services are provided.

Income from donations and legacies includes core funding and funding of a general nature and is recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Deferred income represents amounts received for future years and is released to incoming resources in the year for which it is entitled.

Income from trading activities and investment income is recognised on a receivable basis.

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where the grant does not specify performance conditions it is recognised in income when proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.16 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings:

Resources expended are included in the Statement of Financial Activities on an accrual basis, exclusive of VAT with irrecoverable VAT shown as a separate cost line. They include:

Charitable activities include all the costs relating to activities where the primary aim is part of the objects of the charity along with the associated indirect costs.

Governance costs relate to costs incurred in compliance with the constitutional and statutory requirements of the group.

1.17 Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back off costs, personnel, payroll and governance costs which support the charity's (and the group's) activities. These costs, which have not been directly apportioned, have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the support costs note.

1.18 Operating leases

An asset and corresponding liability are recognised for leasing agreements that transfer to the charity substantially all of the risks and rewards incidental to ownership ('Finance Leases'). All other leases are operating leases.

Operating leases – the group as a lessee
The group classifies the lease of properties and equipment as operating leases. Rental charges are charged to the statement of financial activities on a straight line basis over the period of the lease.

Rent free periods or incentives received for entering into an operating lease are accounted for as a reduction to the expense and are recognised on a straight line basis over the lease term.

Operating leases – the group as a lessor
Rental income from operating leases is recognised on a straight line basis over the term of the lease.

1.19 Critical accounting estimates and areas of judgement

In the application of the group's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. The following estimates are included within the financial statements;

- Bad debt provision
- Impairment and valuation of the building

2. Company structure

The company is limited by guarantee. Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member or within one year of ceasing to be a member, such amount as may be required not exceeding £1.

3. Comparative Statement of Financial Activities

	Unrestricted General Fund	Restricted Funds	Total 2020	Total 2019
Income from:				
Donations and legacies	97,100	-	97,100	35,467
Charitable activities	2,027,894	-	2,027,894	2,171,882
Other trading activities	104,846	-	104,846	141,059
Other income	96,966	-	96,966	-
Total income	2,326,806	-	2,326,806	2,348,408
Expenditure on:				
Charitable activities	2,234,164	-	2,343,164	2,542,265
Total expenditure	2,234,164	-	2,343,164	2,542,265
Net movement in funds	(16,538)	-	(16,358)	(193,857)
Reconciliation of funds:				
Total funds brought forward	1,240,813	117,619	1,367,462	1,561,289
Total funds carried forward	1,233,455	117,619	1,351,074	1,367,432

4. Donations

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Donations and gifts	13,700	-	13,700	97,100
	13,700	-	13,700	97,100

5. Charitable activities income analysis

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Provision of engineering and manufacturing training	1,635,273	-	1,635,273	2,027,894
	1,635,273	-	1,635,273	2,027,894

6. Other trading activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
Rent and other income	-	-	-	103,746
Business development income	-	-	-	1,100
	-	-	-	104,846

7. Other income

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	£	£	£	£
JRS Government grant	95,305	-	95,305	96,966
Commercial income	46,655	-	46,655	-
	141,960	-	141,960	96,966

8. Net income from trading activity of subsidiary companies and associate company

The charity has a wholly owned subsidiary which is registered in England and Wales; TDR Training Limited.

TDR Training Limited
A summary of the trading results is shown below. Audited financial statements will be filed with the Registrar of Companies.

Profit & loss account	**2021**	**2020**
	£	**£**
Turnover	1,977,233	2,305,723
Cost of sales and administration expenses	(1,886,013)	(2,182,852)
Net profit	91,220	122,871
A summary of the Balance Sheet is shown below:		
Fixed assets	3,376	(2,499)
Current assets	432,881	273,958
Current liabilities	(332,635)	(267,406)
Net assets	103,622	12,402

9. Expenditure on charitable activities

9.1 Direct costs

	Unrestricted funds	Restricted fund	Total 2021	Total 2020
	£	£	£	£
Staff costs	1,096,893	-	1,096,893	1,583,082
Apprentices	69,900	-	69,900	79,029
College costs	103,481	-	103,481	85,598
Direct course costs	48,305	-	48,305	70,447
Other direct costs	24,735	-	24,735	59,848
Travel and subsistence	5,414	-	5,414	21,980
Premises costs	12,327	-	12,327	52,944
Office expenses	47,871	-	47,871	53,661
IT costs	68,942	-	68,942	48,047
Marketing	29,046	-	29,046	16,800
Irrecoverable VAT	22,130	-	22,130	22,767
Finance costs	10,045	-	10,045	7,387
Other expenses	31,442	-	31,442	19,085
	1,570,531	-	1,570,531	2,120,965

9.2 Support costs

	2021	2020
	£	£
Depreciation	13,303	15,158
Other staff costs	-	1,348
Premises costs	102,378	107,115
Irrecoverable VAT	27,047	28,575
Interest payable	35,054	38,146
Taxation	22,613	2,921
Governance costs (note 9.3)	30,394	28,936
	230,789	222,199
Total charitable expenditure	1,801,320	2,343,164

9.3 Governance

	2021	2020
	£	£
Audit fees	14,000	14,000
Legal & professional fees	16,394	14,936
	30,394	28,936

10. Net income/expenditure for the year

The group surplus/(deficit) is stated after charging/(crediting)

	2021	2020
	£	£
Depreciation – owned assets	13,303	25,158

11. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £14,000 (2020 - £14,000).

12. Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Total salary costs analysed by:

	2021	2020
	£	£
Wages and salaries	931,385	1,377,874
National insurance contributions	94,680	127,553
Pension contributions	49,939	55,279
	1,076,004	1,560,705

The number of employee who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2021	2020
	No.	No.
£70,001 - £80,000	1	1

No trustee received any remuneration or reimbursement of expenses (2020 - £nil).

The key management personnel of the parent charity are detailed in the legal and audited information. The total employee benefits of the key management personnel of the parent charity were £215,840 (2020 - £221,397).

The average headcount of persons employed by the group (including casual and part time) during the year was:

	2021	2020
	No.	No.
Directors of the Charity or trading subsidiary (paid)	4	4
Directors of the Charity (unpaid)	4	4
Apprentices	1	1
Staff	34	42
	43	51

13. Intangible fixed assets

Group

	Negative goodwill
	£
Cost or valuation	
At 1 August 2020 and 31 July 2021	(39,999)
Amortisation and impairment	
At 1 August 2020	(37,500)
Charge for the year	(2,499)
At 31 July 2021	(39,999)
Net book value	
At 31 July 2020	(2,499)
At 31 July 2021	-

The charity had no intangible assets in the current or prior year.

Amounts recognised in net income and expenditure for the year in respect of negative goodwill comprise the amortisation charge and are included in support costs.

14. Tangible fixed assets

Group

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2020	2,200,000	9,250	133,578	3,720	2,346,548
Additions	-	-	12,118	-	12,118
Disposals	-	-	(40,000)	-	(40,000)
At 31 July 2021	2,200,000	9,250	105,696	3,720	2,318,666
Depreciation					
At 1 August 2020	-	4,824	117,950	2,303	125,077
Charge for the year	-	3,378	8,684	1,240	13,302
Disposals	-	-	(40,000)	-	(40,000)
At 31 July 2021	-	8,202	86,634	3,543	98,379
Net book value					
At 31 July 2021	2,200,000	1,048	19,062	177	2,220,287
At 31 July 2020	2,200,000	4,426	15,628	1,417	2,221,471

14. Tangible fixed assets

Charity

	Long leasehold land and buildings	Plant and equipment	Fixtures & fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 August 2020	2,200,000	9,250	84,288	3,720	2,297,258
Additions	-	-	12,118	-	12,118
At 31 July 2021	2,200,000	9,250	96,406	3,720	2,309,376
Depreciation					
At 1 August 2020	-	4,824	77,009	2,303	84,136
Charge for the year	-	3,378	3,712	1,240	8,330
At 31 July 2021	-	8,202	80,721	3,543	92,466
Net book value					
At 31 July 2021	2,200,000	1,048	15,685	177	2,216,910
At 31 July 2020	2,200,000	4,426	7,279	1,417	2,213,122

All tangible fixed assets are held for charitable purposes.

The property was formally valued in January 2022 by Avison Young at an open market value of £2,200,000 and will be reviewed by the trustees at each reporting date.

If the property was held under historical cost, it would be included at a net book value of £1,157,130 (2020 - £1,209,130).

15. Investments

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Investment in wholly owned subsidiary companies				
TDR Training Limited	-	-	1	1
Total investments	-	-	1	1

16. Debtors

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade debtors	229,826	42,814	12,000	1,600
Prepayments and accrued income	25,440	40,631	9,123	16,779
Other debtors	12,738	143,672	8,630	-
	268,004	227,117	29,753	18,379

17. Creditors: amounts falling due within one year

		Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans and overdrafts	19	137,597	156,135	19,620	19,620
Trade creditors		113,594	97,348	2,063	21,944
Obligations under finance lease		4,360	6,538	4,360	6,538
Amounts due to fellow group undertakings		-	-	194,595	65,185
Corporation tax payable		22,613	2,921	-	-
Other taxation and social security		35,492	40,686	-	-
Other creditors		2,125	9,397	-	-
Accruals		91,806	20,816	48,909	18.333
		407,587	333,841	269,547	131,620

18. Creditors: amounts falling due after one year

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Bank loans and overdrafts	740,494	760,613	740,494	760,613
Obligations under finance lease	-	3,269	-	3,269
	740,494	763,882	740,494	763,882

19. Borrowings

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Bank overdrafts	95,608	136,515	-	-
Bank loans	760,114	780,233	760,114	780,233
	855,722	916,748	760,114	780,233
Payable within one year	137,957	156,135	19,620	19,620
Payable after one year	717,765	760,613	740,494	107,102
Amounts included above which fall due after five years:				
Payable by instalments	446,693	446,693	516,195	516,195

The bank loans are secured by a first legal charge on the charity's long leasehold land and buildings at Q1 Quorum Business Park. They are also secured on an unlimited debenture from the charity and an unlimited debenture and unlimited guarantee from TDR Training Limited, the charity's subsidiary undertaking.

The bank loans bear interest at rates 4.191% and 4.25% and are repayable over 20 years in monthly instalments.

20. Finance lease commitments

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Less than one year	4,360	6,538	4,360	6,538
Between one and five years	-	3,269	-	8,717
	4,360	9,807	4,360	15,255

21. Restricted funds

For the year ended 31 July 2021

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
	117,619	-	-	-	117,619

21. Restricted funds *(Continued)*

For the year ended 31 July 2020

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
The Ron Dodd Scholarship Fund	97,919	-	-	-	97,919
Sponsorship Trust Activities	19,700	-	-	-	19,700
	117,619	-	-	-	117,619

22. Unrestricted funds

For the year ended 31 July 2021
Group

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Unrestricted funds					
General fund	1,233,455	1,790,933	(1,801,320)	-	1,223,068
Total unrestricted funds	1,233,455	1,790,933	(1,801,320)	-	1,223,068

For the year ended 31 July 2021
Charity

	Balance at 1 August 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2021 £
Unrestricted funds					
General fund	1,221,053	93,700	(195,307)	-	1,119,446
Total unrestricted funds	1,221,053	93,700	(195,307)	-	1,119,446

22. Unrestricted funds *(Continued)*

For the year ended 31 July 2020

Group	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Unrestricted funds					
General fund	1,249,813	2,326,806	(2,343,165)	-	1,233,455
Total unrestricted funds	1,249,813	2,326,806	(2,343,165)	-	1,233,455

For the year ended 31 July 2020

Charity	Balance at 1 August 2019 £	Income £	Expenditure £	Transfers £	Balance at 31 July 2020 £
Unrestricted funds					
General fund	1,357,363	251,946	(388,256)	-	1,221,053
Total unrestricted funds	1,357,363	251,946	(388,256)	-	1,221,053

Restricted funds
The Ron Dodd MBE Scholarship Fund – Funds held to provide grants to deserving students facing barriers to either entry or progression.

Sponsored Trust activities – Funds given to support Charities objectives.

23. Analysis of net assets between funds

For the year ended 31 July 2021

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	2,220,287	-	2,220,287
Net current liabilities	(256,725)	117,619	(139,106)
Creditors: amounts falling due after more than one year	(740,494)	-	(740,494)
	1,223,068	117,619	1,340,687

For the year ended 31 July 2020

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	2,218,972	-	2,218,972
Net current liabilities	(221,635)	117,619	(104,016)
Creditors: amounts falling due after more than one year	(763,882)	-	(763,882)
	1,233,455	117,619	1,351,074

24. Pension

Defined contribution scheme
The group operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £12,726 (2020 - £9,160).

The defined contribution liability is allocated to unrestricted funds.

25. Commitments under operating leases

At 31 July 2021 the company had total commitments to the end of the lease under non-cancellable operating leases as set out below:

	2021	2020
	£	£
Within 1 year	9,279	9,279
More than 1 year and less than 5 years	-	5,164
	9,279	14,443

26. Related party transactions

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its 100% owned subsidiary.

R Dodd MBE, a trustee, donated £100,000 to the charity in prior years to award grants to deserving students facing barriers to either entry or progression. The amount carried forward at 31 July 2021 is £97,919) (2020 - £97,919).

27. Taxation

The charity is exempt from tax on income and gains failing within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the charity.

28. Control

The charity is controlled by the Board of Trustees.

29. Reconciliation of net movement in funds to net cash flow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period	(10,387)	(16,358)
Adjustments for:		
Interest paid	35,054	38,952
Depreciation	13,303	25,158
Amortisation	(2,499)	(10,000)
Decrease/(increase) in debtors	(40,887)	9,130
(Decrease)/increase in creditors	116,831	(29,791)
Net cash (used in)/provided by operating activities	111,415	17,091

30. Analysis of changes in net debt

	1 Aug 2020	Cash flows	31 July 2021
	£	£	£
Short term cash borrowings	(136,515)	40,907	(95,608)
Long term cash borrowings	(790,040)	29,926	(760,114)
Total liabilities	(926,555)	70,833	(855,722)
Cash and cash equivalents	2,708	(2,231)	477
Total net debt	(923,847)	68,602	(855,245)