

**Charity Registration No. 526144**

**Company Registration No. 00897078 (England and Wales)**

**ROCHDALE TRAINING  
ASSOCIATION LIMITED**

**COMPANY LIMITED BY GUARANTEE**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2021**

# ROCHDALE TRAINING ASSOCIATION LIMITED

## COMPANY LIMITED BY GUARANTEE

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	N A Bradley R Beetham M McGrath A Wilding P Simkiss L Natale	(Appointed 9 December 2020) (Appointed 9 December 2020)
<b>Secretary</b>	J A Nagy	
<b>Charity number</b>	526144	
<b>Company number</b>	00897078 (England and Wales)	
<b>Principal address</b>	Fishwick Street Rochdale Lancashire OL16 5NA	
<b>Registered office</b>	Fishwick Street Rochdale Lancashire OL16 5NA	
<b>Auditor</b>	Ashworth Moulds 11 Nicholas Street Burnley Lancashire BB11 2AL	
<b>Bankers</b>	The Co-Operative Bank plc 110 Yorkshire Street Rochdale Lancashire OL16 1JY	
<b>Solicitors</b>	Molesworths Bright Clegg Octagon House 25/27 Yorkshire Street Rochdale Lancashire OL16 1RH	

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# ROCHDALE TRAINING ASSOCIATION LIMITED

## COMPANY LIMITED BY GUARANTEE

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The following pages do not form part of the Statutory Accounts:-

Detailed income and expenditure account	Appendix
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**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**  
***FOR THE YEAR ENDED 31 JULY 2021***

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The trustees present their report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's Memorandum and Articles of Association, 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 and Republic of Ireland (FRS 102) (effective 1 January 2019)".

**Objectives and activities**

The company is a charity and exists to maintain a training centre and to provide and support courses of study and training for students, with a view to securing appointments or promotion and obtaining other professional qualifications. To achieve this, the charitable company operates a variety of training projects.

Our mission is:

To benefit the public by maintaining a training centre and to provide and support courses and training for learners, with a view to them securing appointments or promotion and obtaining vocational qualifications.

It is also to provide a continuously improving range of lifelong learning, development and business support services to meet the needs of individuals and to contribute cost-effectively to improving the performance of its business clients.

For the period of the plan, which covers the period to 31st July, 2021, our strategic objectives were:

To maintain our non-levy contract value with the ESFA.

To increase apprenticeships, especially 16-18 and 19+ and Higher Level Apprenticeships to fit with government priorities.

To source other funding streams e.g. ESF, Princes Trust, GMCA.

To increase commercial training and income directly from employers by offering a more holistic service, in order to reduce dependency on ESFA funding.

To maximise participation, retention, success and timeliness and progression rates.

To raise the standards of the key learner experiences and further improve teaching and learning.

To achieve Outstanding Ofsted inspection grades.

To establish partnerships in order to extend provision and meet needs.

To improve our service and reputation within industry.

To broaden our market base.

To continue to build on the public services market and our relationship with the Local Authority.

To maintain long term financial viability and aim for an income of £2.2m.

To raise the standing of Technical Education and Skills.

To grow Traineeships, pre-employed and pre-apprenticeship / NEET provision.

To continue to promote apprenticeships and other learning opportunities to under-represented groups.

To improve our building and resources for learners and staff, including classroom and office space, ILT and web-based learning resources.

To deliver more new Apprenticeships Standards.

To continue to manage the changes with regards to Levy and non-Levy payers and the Apprenticeship Reforms i.e. SMES moving to the AS System.

To manage the loss of sub-contractors by bringing more delivery in-house i.e. pre-employed.

From March 2021 the ESFA started phasing out non-levy contracts and SMES will use the AS System like large employers.



**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
***FOR THE YEAR ENDED 31 JULY 2021***

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However, we wish to regrow Apprenticeship provision and have had some success with Levy Payers through winning tenders for local authorities and large employers' apprenticeship delivery.

Our apprenticeship starts are 215 for 2020/21, a decrease of 38% due to COVID-19 and the lockdowns.

This year we intend to grow traineeships and training for NEET learners via Prince's Trust funding.

Our tenders to source other funding streams generated £350K of ESF, AEB and other income. Our ESF and AEB sub-contract value for 2021/22 is £310K. The GMCA/ Prince's Trust contracts have a value of £157K spread over two financial years. However, this year the ESFA AEB contract has finished as has furlough. We will also not receive the GMCA grant to help with Covid or the £109K from Remploy related to the previous year's delivery. This amounts to a reduction in income of £266K in 21/22 in comparison to 20/21.

The commercial courses have increased this year as we started to deliver the IOSH Managing Safety course, which proved popular, and we would like to develop this further this year. We have reviewed our membership offer in order to increase our membership base. We have 20 members and we are aiming for 3 more in 2021/22.

In addition, we plan to build on our active involvement in partnerships e.g. The Rochdale Network, GMLPN and our strong links with the local authority.

We will also strive to increase participation, timely success rates, and progressions and further increase the quality of our provision, in order to achieve outstanding OFSTED grades.

The beneficial area of charitable expenditure is the United Kingdom, with preference for the Rochdale area. The trustees have reviewed the outcomes and achievements of the activities for the year to ensure that they remain focused on the charitable aims and continue to deliver benefits to the public. We have complied with the duty under the Charities Act to have due regard to the public benefit guidance published by the commission.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

**Achievements and performance**

This has been a challenging year for RTA both financially and in terms of continuing to manage the changes brought about by COVID-19. In January, we closed the Training Centre again and implemented remote learning for most learners except Engineering/ Manufacturing, where the workshop remained open for practical learning, but on a much-reduced occupancy. This was successful for most learners, allowing us to continue to draw down funding. However, Apprenticeship starts dropped significantly during this period and are struggling to recover i.e. at the start of 2019/20 i.e. August 2019 to February 2020 (pre-Covid), the average monthly number of Apprenticeship starts was 41. In 2020/21 this had fallen to 18. However, we achieved a surplus and did not access the reserves due to the successful change to online learning.

Our success rate on apprenticeships was 74% compared with the national average of 65% and on the adult workplace learning programmes it was 88%.

The new Apprenticeship Standards we began to deliver in 2017/18 are going well, with a 99% EPA pass rate in 2020/21 and 50% of Apprentices achieving a distinction and 19% a merit.

We have created an outside break area due to COVID-19 and intend to continue to upgrade our resources and IT equipment, e.g. pods, to enable us to continue our blended learning approach from the Training Centre.

We will continue to endeavour to grow the range of commercial services offered to companies and increase our membership.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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The investments have performed according to our expectations.

The investment policy and objective is to minimise the risk of holding all monies in one financial institution and they are reviewed annually. We ensure to the best of our knowledge that investments are placed in ethical organisations e.g. the Co-Operative Bank.

**Financial review**

The net incoming resources for the year amounted to £52,069 (2020 - £16,188) and details are shown in the statement of financial activities on page 12. Direct charitable expenditure accounted for 66% (2020 – 68%) of total expenditure.

We continued to furlough some staff during the lockdown period and received £56,789 (2020 - £53,164) of government support from this scheme.

**Reserves policy**

The Council of Management has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be approximately 3-6 months of the resources expended, which equates to £552,846 - £1,105,693 in general funds. At present the free reserves, which net of designated and restricted funds amount to £2,018,703, can continue to support this policy for the immediate future. Due to the successful change to remote learning the pandemic has not impacted on the reserves. Some of the 'free reserves' will be used to improve the premises and equipment e.g. engineering machinery and IT and ensure the Training Centre continues to be COVID safe. Also, year 2021/22 is a year of uncertainty with the impact of the pandemic on Apprenticeship starts and it is important that we continue to hold the 'free reserves' to mitigate against the risk of this uncertain landscape.

**Principle funding sources**

The principle funding sources for the charitable company are:

- direct income from the Education Skills Funding Agency and similar bodies
- levy-paying employers

Other sundry sources of income include:

- rental income for room hire
- corporate training sessions
- investment income.

**Principle risk and uncertainties**

The Council of Management has conducted its own review of the major risks to which the charity is exposed and are attempting to develop systems to mitigate those risks. They are aware that significant external risks to funding require a strategic plan which will allow for the diversification of funding and activities.

The main risk in 2021-22 is the impact of the pandemic which has caused a drop in Apprenticeship starts. We intend to deliver more Traineeships and pre-Apprenticeship courses to make up for the shortfall in Apprenticeships.

Another risk during 2021/22 are the changes to the Apprenticeship Programme. There are also changes to sub-contracting rules and some of our sub-contractors now have their own contracts. However, due to this we no longer subcontract. However, since the changes Rochdale Training has not undergone a financial audit i.e. the risk is our processes for these new initiatives have not yet been tested.

In order to mitigate these risks, the Management Team, through the networks, are well informed and up-to-date with the changes and plans are in place to enable the successful implementation of the changes.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
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**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
***FOR THE YEAR ENDED 31 JULY 2021***

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Another significant risk is not achieving the required grades/standards set by Ofsted. Ofsted introduced a new Inspection Framework in September 2019. We had a short inspection in February 2016 and maintained our Grade 2 – good – provision for overall effectiveness. We have a Quality Team and Quality Improvement Plan in place to ensure we continuously improve our provision in line with Ofsted's Education Inspection Framework.

Another risk is having funds clawed back due to an unsuccessful ESFA Audit. We were audited in July 2017 and the error rate was 0.66%. Funds are clawed back if the error rate is over 5%; therefore, our outcome was very good. We had a very small audit in July 2021 of Traineeships & AEB programmes and were deemed satisfactory. There is a Quality Compliance Manager and an Audit Schedule in place to maintain these standards and mitigate against any risk.

Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity.

**Financial risk management objectives and policies**

The charitable company finances its operations through retained funds. The management's objectives are to retain sufficient liquid funds to enable the company to meet its day to day obligations as they fall due.

The charitable company makes little use of financial instruments other than an operational sterling bank account and longer term sterling deposits and bonds, so its exposure to price risk, credit risk, liquidity risk and cash flow risk is not material for the assessment of the assets, liabilities, financial position and net incoming/outgoing resources.

**Plans for future periods**

The charitable company plans to continue its training activities for the foreseeable future, subject to satisfactory funding arrangements.

The plans described in Objectives and Activities above, continue to apply for the following 3 years.

We shall continue to develop our "one-stop shop" approach and continue broadening our market base. Although this year will be challenging due to the pandemic, growth is still a clear long term aim and to that end we shall maintain focus on both company needs and local and national government priorities. Over the coming year, recognising the changes over the last three years to the funding and qualifications, we need to continue to maintain focus on strengthening the systems which support delivery.

**Structure, governance and management**

The charitable company was incorporated on 31st January, 1967 and is governed by its Memorandum and Articles of Association, which established its objects and powers.

**Trustees**

The directors of the charitable company are its trustees for the purpose of charity Law and throughout the report are collectively referred to as the trustees.

The trustees of the charitable company who served during the year and up to the date of signature of the financial statements were:

N A Bradley

R Beetham

M McGrath

A Wilding

P Simkiss

L Natale

(Appointed 9 December 2020)

(Appointed 9 December 2020)

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**Appointment of Trustees**

Trustees, drawn from member companies of our wider networks (see below), are elected at the Annual General Meeting (AGM) to form a management committee of between 5 and 11. A third of the trustees retire each year and are eligible for re-election. All members are circulated with invitations to nominate trustees prior to the AGM, advising them of the retiring trustees and requesting nominations for the AGM. The trustees have the power to co-opt members to the committee when appropriate particularly with regard to the need for any specialist skills. The management committee elects the Chairman.

None of the trustees has any beneficial interest in the charitable company. All of the trustees are members of the charitable company and guarantee to contribute £1 in the event of a winding up.

Trustees meetings and staff meetings (both formal and informal) provide a satisfactory forum to ensure that all trustees are familiar with the charitable company's policies and procedures. All trustees are provided with the Charity Commission's "Responsibility of Trustees".

**Market value of land and buildings**

The trustees consider that the market value of land and buildings is in excess of their book value, but no professional valuation has been undertaken to quantify this.

**Organisation**

The Council of Management, the trustees detailed above, meet quarterly and at any other times to consider special issues or to enable future planning to be satisfactorily carried out.

The Chief Executive, Jill Nagy, is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, employment and performance related activity.

**Pay Policy for Senior Staff**

This is reviewed annually in November, after accounts are finalised and be paid from November.

There are four elements to the process.

**1. Cost of Living**

In most cases increase in line with cost of living should be automatic so long as they are sustainable for the business i.e. the business was in the black on previous year's performance and is broadly in line with budget projections for the current year. If a member of staff is under disciplinary or performance management procedure, the Chief Executive shall have the discretion to withhold this element of increase.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
***FOR THE YEAR ENDED 31 JULY 2021***

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**2. Merit Payment based on Performance**

This will be assessed on performance against objectives agreed at appraisal at the start of the year. Judgement against each objective will be based on the descriptors of:

Unsatisfactory - not achieved, no progress  
Satisfactory - met targets  
Good - exceeded targets by 10%  
Outstanding - exceeded targets by 20%

There is a fifth judgement of changed circumstances which would make the objective inappropriate. Senior staff will carry out a self-assessment and the Chief Executive shall also assess their performance. This will create the basis for discussion. The appraisal shall look at the balance of performance against the individual objectives, weighted in favour of the key objective, to arrive at an initial overall judgement. This should be balanced against initiative, team contribution, commitment, professionalism, developing Rochdale Training in order to arrive at final grading.

Unsatisfactory or satisfactory performance - no increase  
Good performance - up to 3% increase  
Outstanding performance - up to 6% increase

**3. Bonus Payment**

One-off bonus payments for one-off specific successes in moving RTA forward. This is payable at the Chief Executive's discretion up to £1,000.

**4. Mid-year Adjustments**

Structural job changes or increases based on defensive commercial decision shall be at the discretion of the Chief Executive.

**5. Company Wide Bonus**

Following an extremely successful year the Board may decide to award an across the board team bonus. This is at their discretion. If a member of staff is under Disciplinary or Performance Management procedure they are not entitled to the Company wide bonus.

**Wider Networks**

Rochdale Training Association Limited (RTA) are members of Greater Manchester Chamber of Commerce, The Association of Learning Providers and Greater Manchester Learning Provider Network. RTA chairs the Rochdale and District Association Managing Agents (The Rochdale Network).

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

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**Statement of trustees' responsibilities**

The trustees, who are also the directors of Rochdale Training Association Limited for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the 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 charitable company for that year.

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;
- 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; and
- 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditor**

In accordance with the charitable company's articles, a resolution proposing that Ashworth Moulds be reappointed as auditor of the charitable company will be put at a General Meeting.

**Small company provisions**

This report was been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

**Disclosure of information to auditor**

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

*N Bradley*

**N A Bradley**

Trustee

Dated: 8 February 2022

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**INDEPENDENT AUDITOR'S REPORT**  
**TO THE TRUSTEES OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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**Opinion**

We have audited the financial statements of Rochdale Training Association Limited (the "charitable company") for the year ended 31 July 2021 which comprise the statement of financial activities including income and expenditure account, the balance sheet, the statement of cash flows and the 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 charitable company's affairs as at 31 July 2021 and of its incoming resources and application of resources, 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 the provisions available for small entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

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

**Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



**ROCHDALE TRAINING ASSOCIATION LIMITED  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report, included within the trustees' report, has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' 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, 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 trustees' 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 trustees' report and from the requirement to prepare a strategic report.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, is 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 is responsible for assessing the 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.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.



**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**INDEPENDENT AUDITOR'S REPORT (CONTINUED)**  
**TO THE TRUSTEES OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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**Extent to which the audit was considered capable of detecting irregularities, including**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities including fraud and non-compliance with laws and regulations, was as follows:

- we identified the laws and regulations applicable to the charitable company through discussions with trustees and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Financial Reporting Standard (FRS 102), the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006, the Charities Act 2011 and taxation legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management; and
- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of the trustees and management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

**Audit response to risks identified**

We addressed detecting material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, as follows:

**Risks identified**

**Audit response**

Risk of fraud through management bias and override of controls

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- assessed whether judgements and assumptions made in determining the allocation of funds to the appropriate categories of Unrestricted, Designated and Restricted funds were indicative of potential bias.
- reviewed the controls relating to completeness of income including sample testing of income transactions to determine appropriate allocation to the correct accounting period, entitlement and categorisation; and
- investigated the rationale behind significant or unusual transactions.

**ROCHDALE TRAINING ASSOCIATION LIMITED  
COMPANY LIMITED BY GUARANTEE  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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**Risks identified**

**Audit response**

Risk of irregularities and non-compliance with laws and regulations

- agreeing financial statement disclosures to underlying supporting documentation

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the 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 auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ashworth Moulds*

**Mark Holmes BA FCA (Senior Statutory Auditor)  
for and on behalf of Ashworth Moulds**

8 February 2022

**Chartered Accountants  
Statutory Auditor**

11 Nicholas Street  
Burnley  
Lancashire  
BB11 2AL

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**INCLUDING INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 JULY 2021**

		Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
	Notes						
<b><u>Income from:</u></b>							
Donations and legacies	3	3,637	-	3,637	5,032	-	5,032
Charitable activities	4	2,173,042	82,975	2,256,017	2,705,126	-	2,705,126
Investment income	5	2,940	-	2,940	7,571	-	7,571
<b>Total income</b>		<b>2,179,619</b>	<b>82,975</b>	<b>2,262,594</b>	<b>2,717,729</b>	<b>-</b>	<b>2,717,729</b>
<b><u>Expenditure on:</u></b>							
Charitable activities	6	2,128,557	82,829	2,211,386	2,690,254	10,667	2,700,921
Net gains/(losses) on investments	9	861	-	861	(620)	-	(620)
<b>Net incoming resources before transfers</b>		<b>51,923</b>	<b>146</b>	<b>52,069</b>	<b>26,855</b>	<b>(10,667)</b>	<b>16,188</b>
Gross transfers between funds		386	(386)	-	-	-	-
<b>Net income/(expenditure) for the year/</b>							
<b>Net movement in funds</b>		<b>52,309</b>	<b>(240)</b>	<b>52,069</b>	<b>26,855</b>	<b>(10,667)</b>	<b>16,188</b>
Fund balances at 1 August 2020		2,880,371	202,664	3,083,035	2,853,516	213,331	3,066,847
<b>Fund balances at 31 July 2021</b>		<b>2,932,680</b>	<b>202,424</b>	<b>3,135,104</b>	<b>2,880,371</b>	<b>202,664</b>	<b>3,083,035</b>

The notes on pages 15 - 30 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**BALANCE SHEET**  
**AS AT 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Tangible assets	10	1,114,237		1,181,114	
Investments	11	2,009		1,148	
		<u>1,116,246</u>		<u>1,182,262</u>	
<b>Current assets</b>					
Stocks	13	3,500		3,500	
Debtors	14	245,995		238,228	
Investments	15	588,744		699,040	
Cash at bank and in hand		<u>1,345,631</u>		<u>1,156,360</u>	
		2,183,870		2,097,128	
<b>Creditors: amounts falling due within one year</b>	16	<u>(165,012)</u>		<u>(196,355)</u>	
Net current assets		2,018,858		1,900,773	
<b>Total assets less current liabilities</b>		<u>3,135,104</u>		<u>3,083,035</u>	
<b>Income funds</b>					
Restricted funds	18	202,424		202,664	
<u>Unrestricted funds - general</u>					
Designated funds	20	2,009		1,148	
General unrestricted funds	19	<u>2,930,671</u>		<u>2,879,223</u>	
		2,932,680		2,880,371	
		<u>3,135,104</u>		<u>3,083,035</u>	

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

The notes on pages 15 - 30 form an integral part of these financial statements.

The financial statements were approved by the Trustees on 8 February 2022

*N Bradley*  
N A Bradley  
Trustee

*Laura Natale*  
L Natale  
Trustee

Company Registration No. 00897078

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 JULY 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	27		110,928		196,118
<b>Investing activities</b>					
Purchase of tangible fixed assets		(34,893)		(83,121)	
Proceeds on disposal of investments		110,296		(7,054)	
Investment income received		2,940		7,571	
<b>Net cash generated from/(used in) investing activities</b>			78,343		(82,604)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			189,271		113,514
Cash and cash equivalents at beginning of year			1,156,360		1,042,846
<b>Cash and cash equivalents at end of year</b>			1,345,631		1,156,360

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
***FOR THE YEAR ENDED 31 JULY 2021***

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**1 Accounting policies**

**Charity information**

Rochdale Training Association Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Fishwick Street, Rochdale, Lancashire, OL16 5NA.

**1.1 Accounting convention**

The financial statements have been prepared in accordance with the charitable company's Memorandum and Articles of Association, 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 and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charitable company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

**1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The trustees have taken into account the impact of COVID-19 on their assessment of going concern. The charity has adequate cash reserves and available unrestricted funds. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. Unrestricted funds include designated funds where the trustees, at their discretion, have created a fund for a specific purpose.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

**1.4 Incoming resources**

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations and legacies income includes membership fees and levies for training from member companies for the year.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

---

**1 Accounting policies**

**(Continued)**

Income from charitable activities, which includes income received under contract where entitlement to grant funding is subject to specific performance conditions, is recognised as earned as the related support services are provided. Grant income included in this category provides funding to educational activities and is recognised where there is entitlement, probability of receipt and amounts can be measured with sufficient reliability. Income is deferred when performance related grants are received in advance of the education programme to which they relate.

Investment income is recognised on a receivable basis.

**1.5 Resources expended**

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied. Other grant payments are recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

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

- charitable activities include expenditure incurred when undertaking educational programmes and include both the direct costs and support costs relating to these activities.

- support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, e.g. staff costs by the time spent and other costs by their usage.

**1.6 Tangible 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:

Freehold land and buildings

Freehold land and buildings	4% straight line basis
Plumbing Centre	16 2/3% straight line basis

Plant and machinery

Plant and machinery	15% reducing balance basis
Fixtures and fittings	7 1/2% reducing balance basis
Computers	33 1/3% straight line basis
Motor vehicles	25% reducing balance basis
Office equipment	25% reducing balance basis

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

All fixed asset additions are capitalised at cost.

**1.7 Fixed asset investments**

Investments held as fixed assets are revalued at mid-market value at the value at the balance sheet date and the gain or loss taken to the statement of financial activities. The net cumulative gain or loss is reflected in the designated fund.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

---

**1 Accounting policies**

**(Continued)**

**1.8 Impairment of fixed assets**

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving items.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**1.10 Cash and cash equivalents**

Cash at bank and cash 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.

**1.11 Financial instruments**

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

A financial instrument is a contract giving rise to a financial asset (such as trade and other debtors, cash and bank balances) or a financial liability (such as trade and other creditors, bank and other loans, hire purchase and lease creditors).

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

All the charitable company financial instruments are basic financial instruments and are recognised at amortised cost using the effective interest method.

**Amortised cost:** the original transaction value, less amounts settled, less any adjustment for impairment.

**Effective interest method:** where a financial instrument falls due more than 12 months after the balance sheet date and is subject to a rate of interest which is below a market rate, the original transaction value is discounted using a market rate of interest to give the net present value of future cash flows.

**Derecognition of financial instruments**

Financial assets cease to be recognised only when the contractual rights to the cash flows expire, or when substantially all the risks and rewards of ownership are transferred to another entity.

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

**1.12 Taxation**

The company is a registered charity and is entitled to exemption from tax to the extent that income received falls within Part 11 of the Corporation Taxes Act 2010 and is applied to charitable purposes only.



**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**1 Accounting policies**

**(Continued)**

**1.13 Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

**1.14 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.15 Pensions**

Contributions in respect of the charitable company's personal pension scheme are charged to the income and expenditure account for the year in which they are payable to the scheme.

**2 Critical accounting estimates and judgements**

In the application of the charitable company'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.

**3 Donations and legacies**

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Membership training fees	3,637	5,032

All of these were unrestricted monies.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**4 Charitable activities**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Unrestricted funds 2020 £
Training course fees and consultancy	113,531	-	113,531	93,409
Skills Funding Agency and similar funding	1,940,866	42,975	1,983,841	2,517,600
Rental income and hire of assets	-	-	-	3,645
Other	118,645	40,000	158,645	90,472
	<u>2,173,042</u>	<u>82,975</u>	<u>2,256,017</u>	<u>2,705,126</u>
Analysis by fund				
Unrestricted funds - general	2,173,042	-	2,173,042	2,705,126
Restricted funds	-	82,975	82,975	-
	<u>2,173,042</u>	<u>82,975</u>	<u>2,256,017</u>	<u>2,705,126</u>

**5 Investment income**

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Dividends receivable	12	34
Interest receivable	2,928	7,537
	<u>2,940</u>	<u>7,571</u>

All of these were unrestricted monies.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

6 Charitable activities	Raising funds 2021 £	Direct training 2021 £	Support costs 2021 £	Total 2021 £	Raising funds 2020 £	Direct training 2020 £	Support costs 2020 £	Total 2020 £
Staff costs	-	787,957	577,367	1,365,324	-	893,275	637,798	1,531,073
Depreciation and impairment	-	68,594	33,177	101,771	-	68,617	33,188	101,805
Lecturers and course costs	-	436,309	-	436,309	-	679,805	-	679,805
Motor and travelling costs	-	-	5,365	5,365	-	-	17,757	17,757
Telephone and communications	-	-	9,770	9,770	-	-	9,911	9,911
Printing, postage and stationery	-	24,794	2,160	26,954	-	32,758	3,126	35,884
Bank charges	-	-	1,534	1,534	-	-	1,627	1,627
Health and safety	-	36,187	-	36,187	-	47,282	-	47,282
Repairs and renewals	-	24,628	52,783	77,411	-	35,993	62,909	98,902
Insurance	-	-	23,516	23,516	-	-	21,580	21,580
Subscriptions	-	40,107	-	40,107	-	38,355	-	38,355
Audit and accountancy	-	-	15,785	15,785	-	-	14,383	14,383
Legal and professional fees	-	-	8,282	8,282	-	-	17,634	17,634
Rent, rates, heat and light	-	20,188	12,844	33,032	-	28,886	16,784	45,670
Bad debts	-	1,431	-	1,431	-	-	-	-
General expenses	-	9,992	13,810	23,802	-	8,175	17,931	26,106
Other charitable expenditure	4,806	-	-	4,806	13,147	-	-	13,147
	4,806	1,450,187	756,393	2,211,386	13,147	1,833,146	854,628	2,700,921
	4,806	1,450,187	756,393	2,211,386	13,147	1,833,146	854,628	2,700,921

\* - governance costs

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

6 Charitable activities	(Continued)									
	Raising funds 2021	Direct training 2021	Support costs 2021	Total 2021	Raising funds 2020	Direct training 2020	Support costs 2020	Total 2020		
	£	£	£	£	£	£	£	£		
<b>Analysis by fund</b>										
Unrestricted funds - general	4,806	1,382,658	741,093	2,128,557	13,147	1,833,146	843,961	2,690,254		
Restricted funds	-	67,529	15,300	82,829	-	-	10,667	10,667		
	4,806	1,450,187	756,393	2,211,386	13,147	1,833,146	854,628	2,700,921		

The restricted expenditure in 2021 relates to:-

RTA restructuring grant fund - depreciation (£10,667)

GMCA capital grant fund - depreciation (£3,654), printing, postage and stationery (£6,099), health and safety (£1,043), subscriptions (£311) and general expenses (£336).

Reducing Barriers to Apprenticeships (RBA) - Engineering - staff costs (£29,019), lecturers and course costs (£4,243).

Reducing Barriers to Apprenticeships (RBA) - Administration - staff costs (£25,179), lecturers and course costs (£2,278).

The restricted fund expenditure in 2020 related to:-

RTA restructuring grant fund - depreciation £10,667.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**7 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

**8 Employees**

The average monthly number of employees during the year was:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
Training projects	30	32
Management and administration	20	27
	<hr/>	<hr/>
Total	50	59
	<hr/> <hr/>	<hr/> <hr/>

**Employment costs**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,194,937	1,344,366
Social security costs	105,370	113,570
Other pension costs	65,017	73,137
	<hr/>	<hr/>
	1,365,324	1,531,073
	<hr/> <hr/>	<hr/> <hr/>

The trustees neither received nor waived any remuneration during the year, nor received any reimbursement for any expenses incurred (2020: £NIL).

The key management personnel comprise the charity trustees, the Chief Executive Officer, the Finance Manager, the Business Department Manager, the Engineer Manager, the Commercial Manager, the Contracts Manager and the Quality Manager. The total employee benefits of the key management personnel of Rochdale Training Association Limited was £297,223 (2020: £312,902).

The number of employees whose annual remuneration was £60,000 or more were:

	<b>2021</b>	<b>2020</b>
	<b>Number</b>	<b>Number</b>
£80,000 - £90,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**9 Net gains/(losses) on investments**

	<b>Unrestricted funds general 2021 £</b>	<b>Unrestricted funds general 2020 £</b>
Gain/(loss) on sale of investments	861	(620)

**10 Tangible fixed assets**

	<b>Freehold land and buildings £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 August 2020	1,560,751	838,595	2,399,346
Additions	-	34,893	34,893
At 31 July 2021	1,560,751	873,488	2,434,239
<b>Depreciation and impairment</b>			
At 1 August 2020	580,649	637,583	1,218,232
Depreciation charged in the year	51,334	50,436	101,770
At 31 July 2021	631,983	688,019	1,320,002
<b>Carrying amount</b>			
At 31 July 2021	928,768	185,469	1,114,237
At 31 July 2020	980,102	201,012	1,181,114

Freehold land and buildings includes the Plumbing Centre.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**11 Fixed asset investments**

	<b>Listed investments £</b>
<b>Cost or valuation</b>	
At 1 August 2020	1,148
Valuation changes	861
	<hr/>
At 31 July 2021	2,009
	<hr/>
<b>Carrying amount</b>	
At 31 July 2021	2,009
	<hr/>
At 31 July 2020	1,148
	<hr/>

**12 Financial instruments**

	<b>2021 £</b>	<b>2020 £</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	190,949	184,603
Equity instruments measured at cost less impairment	2,009	1,148
Instruments measured at fair value through profit or loss	588,744	699,040
	<hr/>	<hr/>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	104,449	165,083
	<hr/>	<hr/>

**13 Stocks**

	<b>2021 £</b>	<b>2020 £</b>
Training materials	3,500	3,500
	<hr/>	<hr/>

**14 Debtors**

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	175,700	184,603
Other debtors	15,249	-
Prepayments and accrued income	55,046	53,625
	<hr/>	<hr/>
	245,995	238,228
	<hr/>	<hr/>

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**15 Current asset investments**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts held in fixed term deposit accounts and bonds	588,744	699,040
	<u>588,744</u>	<u>699,040</u>

The amounts held in fixed term deposit accounts and business bond accounts have varying notice periods.

**16 Creditors: amounts falling due within one year**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
	<b>Notes</b>	
Other taxation and social security	38,920	31,272
Deferred income	<b>17</b> 21,643	-
Trade creditors	49,927	39,668
Other creditors	8,773	26,454
Accruals	45,749	98,961
	<u>165,012</u>	<u>196,355</u>

**17 Deferred income**

Deferred income comprises grant income received for a specified future time period after 1 August 2020.

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
At 1 August 2020	-	-
Amount deferred in the year	21,643	-
	<u>21,643</u>	<u>-</u>
At 31 July 2021	<u>21,643</u>	<u>-</u>



**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 JULY 2021**

**18 Restricted funds**

The income funds of the charitable company include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	<b>Movement in funds</b>						
	Balance at 1 August 2019	Resources expended	Balance at 1 August 2020	Incoming resources	Resources expended	Transfers	Balance at 31 July 2021
	£	£	£	£	£	£	£
RTA Restructuring Grant	213,331	(10,667)	202,664	-	(10,667)	-	191,997
GMCA Capital Grant	-	-	-	40,000	(11,443)	(386)	28,171
RBA - Engineering	-	-	-	21,788	(33,262)	-	(11,474)
RBA - Administration	-	-	-	21,187	(27,457)	-	(6,270)
	<u>213,331</u>	<u>(10,667)</u>	<u>202,664</u>	<u>82,975</u>	<u>(82,829)</u>	<u>(386)</u>	<u>202,424</u>

The RTA Restructuring Grant fund relates to grant income receivable in relation to capital expenditure on land and buildings.

Depreciation is released over the life of the assets purchased.

The GMCA Capital Grant fund relates to grant income receivable to assist with the capital costs associated with adhering to the latest government guidance for the wider reopening of educational establishments.

Depreciation is released over the life of the assets purchased.

The RBA - Engineering fund relates to grant income receivable to be used towards funding the delivery of an engineering pre-apprenticeship programme which is targeted at BAME young people.

The RBA - Administration fund relates to grant income receivable to be used towards funding the delivery of a "teaching assistant" pre-apprenticeship programme which is targeted at single parents.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

**19 Unrestricted funds - general**

These are unrestricted funds which are material to the charitable company's activities made up as follows:

	Movement in funds			Movement in funds			Transfers	Balance at 1 August 2020	Movement in funds			Transfers	Balance at 31 July 2021
	Balance at 1 August 2019	Income including gains & losses	Resources expended	£	£	£			Income including gains & losses	Resources expended	£		
General funds	2,851,748	2,717,729	(2,690,254)			-		2,879,223	2,179,619	(2,128,557)		386	2,930,671

**20 Designated funds**

The income funds of the charitable company include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			Balance at 1 August 2020	Balance at 31 July 2021
	Balance at 1 August 2019	Income resources	£	Balance at 1 August 2020	Income resources	£		
Revaluation fund	1,768	(620)		1,148	861		2,009	
	1,768	(620)		1,148	861		2,009	

The revaluation fund is required by the Companies Act 2006 and represents the amount by which investments exceed their historical cost.

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
**COMPANY LIMITED BY GUARANTEE**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

**21 Analysis of net assets between funds**

Fund balances at 31 July 2021 are represented by:

	Restricted funds		Unrestricted general funds		Unrestricted designated funds		Total	Restricted funds		Unrestricted general funds		Unrestricted designated funds		Total
	2021	£	2021	£	2021	£	2021	2020	£	2020	£	2020	£	2020
Tangible assets	202,269		911,968		-		1,114,237	202,664		978,450		-		1,181,114
Investments	-		-		2,009		2,009	-		-		1,148		1,148
Current assets/(liabilities)	155		2,018,703		-		2,018,858	-		1,900,773		-		1,900,773
	202,424		2,930,671		2,009		3,135,104	202,664		2,879,223		1,148		3,083,035

**ROCHDALE TRAINING ASSOCIATION LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
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**22 Financial commitments, guarantees and contingent liabilities**

There are no contingent liabilities of a material amount for which provision has not been made in the financial statements.

**23 Operating lease commitments**

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	8,243	8,243
Between two and five years	5,330	11,493
	<u>13,573</u>	<u>19,736</u>

**24 Pensions**

The charitable company contributes to a personal pension scheme on behalf of the employees. The pension cost charge represents contributions payable by the charitable company to the scheme and amounted to £65,017 (2020: £73,137). There were £7,776 (2020: £8,204) outstanding contributions payable to the scheme at 31st July, 2021.

**25 Events after the reporting date**

In early 2020 the Coronavirus pandemic (COVID-19) spread to the UK and in March 2020 the UK Government announced measures to mitigate the spread in the UK, including social distancing and a "lockdown".

As a consequence the organisation's operations have been affected from late March 2020 and continue to be affected after the year end.

The organisation took advantage of the Government's financial support packages, including the Job Retention Scheme (Furlough Scheme) and has continued to do so after the year end. Despite this financial support it is considered that there may be some adverse financial impact on the organisation in the financial year 2021/22. The financial effect can not be reliably estimated given the uncertainties, notably the extent of any "lockdown" together with the potential resurgence of the virus.

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**26 Related party transactions**

During the year ended 31st July, 2021 the charitable company has acted as custodian to the funds of Radama, a training provider group, which is chaired by Jill Nagy (Chief Executive).

During the year ended 31st July, 2021 the charitable company paid expenditure of £15,249 on behalf of Radama and received repayments of £nil from Radama. At 31st July, 2021 there was an amount of £15,249 (2020: £nil) owing to Rochdale Training Association Limited. The balance of £15,249 is shown as "Other Debtors" as at 31st July, 2021.

Andrew Nagy is the husband of Jill Nagy (Chief Executive). During the year ended 31st July, 2021 Rochdale Training Association Limited incurred expenditure totalling £7,575 (2020: £4,040) on tutor services provided by Andrew Nagy. There was no balance outstanding as at 31st July, 2021 (2020: £nil).

Rachel Yates, Engineer Manager, is a member of the key management personnel. During the year ended 31st July, 2021 she received further loans totalling £120 from Rochdale Training Association Limited and in the same year repaid £1,549. As at 31st July, 2021 there was a balance outstanding of £nil (2020: £1,429). The loan was interest free.

Cathy Partington, Business Department Manager, is a member of the key management personnel. At 1st August, 2020 she had an outstanding loan with Rochdale Training Association Limited of £150 and during the year she repaid £150. As at 31st July, 2021 there was a balance outstanding of £nil (2020: £150). The loan was interest free.

Elaine Nelson provided consultancy services in her capacity as quality manager at Rochdale Training Association Limited and was a member of the key management personnel until she stood down from this role at the end of May 2021. During the year ended 31st July, 2021 the company of which she is a director, Elaine Nelson Limited (trading as Arcadia Consultancy), provided services totalling £29,250 until the end of May 2021 (2020: £39,514) to Rochdale Training Association Limited. As at 31st July, 2021 there was a balance outstanding to Arcadia Consultancy by Rochdale Training Association Limited of £nil (2020: £3,250).

<b>27 Cash generated from operations</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Surplus for the year	52,069	16,188
Adjustments for:		
Investment income recognised in statement of financial activities	(2,940)	(7,571)
(Gain)/loss on disposal of investments	(861)	620
Depreciation and impairment of tangible fixed assets	101,770	101,805
Movements in working capital:		
(Increase)/decrease in debtors	(7,767)	95,627
(Decrease) in creditors	(52,986)	(10,551)
Increase in deferred income	21,643	-
<b>Cash generated from operations</b>	<b>110,928</b>	<b>196,118</b>

**28 Analysis of changes in net funds**

The charity had no debt during the year.