

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 2022

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
LEGAL AND ADMINISTRATIVE INFORMATION

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

ROCHDALE TRAINING ASSOCIATION LIMITED

COMPANY LIMITED BY GUARANTEE

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Detailed income and expenditure account	Appendix

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)
FOR THE YEAR ENDED 31 JULY 2022

The trustees present their report and financial statements for the year ended 31 July 2022.

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, 2022, our strategic objectives were:

- To increase apprenticeships.
- To source other funding streams e.g. Princes Trust, GMCA.
- To maintain commercial training and income directly from employers by offering a more holistic service, in order to reduce dependency on government funding.
- To maximise participation, retention, success and timeliness and progression rates and increase the number of merits and distinctions.
- To raise the standards of the key learner experiences and further improve teaching and learning i.e. 95% of staff observations meeting the required standard.
- To achieve Outstanding Ofsted inspection grades.
- 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 £2.6m and a £44k surplus.
- To raise the standing of Technical Education and Skills.
- To grow Traineeships and pre-employed (especially English and maths).
- 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 Apprenticeships Standard subjects.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

We wish to regrow Apprenticeship provision following the pandemic and have had some success with Levy Payers through winning tenders for local authority and large employers' apprenticeship delivery.

Our apprenticeship starts are 284 for 2021/22, an increase of 67 enrolments, + 31%, and we will work to achieve 324 in 2022/23.

This year we also intend to grow traineeships from 64 learners to 70.

Our tenders to source other funding streams generated £527K of ESF, AEB, Prince's Trust, Acorn Training and other income. Our AEB sub-contract value for 2021/22 is £240K. The Prince's Trust contracts did very well generating £231k over two years. However, this year the contract finished. Furlough ended as did the non-devolved AEB contract. We did not receive the GMCA grant to help with Covid or the £109K from Remploy. This amounts to a reduction in income of £266K in 21/22 in comparison to 20/21.

The commercial courses have increased this year and we would like to develop this further in 2022/23, as we now have a full time member of staff working on this area. We have 18 members, and we are aiming for 3 more in 2022/23.

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 financially as apprenticeship starts have not yet returned to pre-pandemic levels. However, we reported a small surplus and operationally we have done better if consideration is taken of the fact that the prior year's figures were supported by one off grants related to Covid of £149k.

In April 2022, we were inspected by Ofsted and achieved a Good for overall effectiveness, Quality of Education, Behaviour & Attitudes, Personal Development, Leadership & Management, Education for Young People and Apprenticeships.

Our success rate on apprenticeships was 72% compared with the national average of 58% and on the adult workplace learning programmes it was 89%.

The Apprenticeship Standards we began to deliver in 2017/18 are going well, with a 100% EPA pass rate in 2021/22 and 58% of Apprentices achieving a distinction and 19% a merit.

We have installed pods to enable us to continue our blended learning approach from the Training Centre and continue to update our building and IT equipment.

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

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.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Financial review

The net incoming resources for the year amounted to £2,901 (2021 - £52,069) and details are shown in the statement of financial activities on page 13. Direct charitable expenditure accounted for 65% (2021 - 66%) of total expenditure.

We continued to furlough some staff during the lockdown period and received £5,751 (2021 - £56,789) 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 £563,670 - £1,127,341 in general funds. At present the free reserves, which net of designated and restricted funds amount to £2,055,818, can continue to support this policy for the immediate future. Some of the 'free reserves' will be used to improve the premises and equipment. Also rising energy costs and other economic pressures mean 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:

- levy-paying employers
- non-levy paying employers via AS system
- traineeships

Other sundry sources of income include:

- Remploy / Maximus
- Acorn Training
- Princes Trust
- 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 2022-23 is the impact of the pandemic which has caused a drop in Apprenticeship starts. We intend to deliver more Traineeships and adult courses e.g. Skills Bootcamp and Skills for Growth courses to make up for the shortfall in Apprenticeships.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

Another risk is not achieving the required grades / standards set by Ofsted. Ofsted introduced a new Inspection Framework in September 2019. We had an inspection in April 2022 and maintained our Grade 2 - good - provision for overall effectiveness and for all the other judgements. 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 apprenticeship starts have not yet returned to pre-pandemic levels, 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.

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

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

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

Increases in line with cost of living will be discussed and reviewed at the Board meeting in September and will be confirmed in November, following the accounts being finalised. They will be granted if they are sustainable for the business i.e. if the financial performance of the Association during the immediately preceding 24 month period justifies the increase.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

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.

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.

**ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022**

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

A. Wilding

A Wilding

Trustee

Dated: 14 February 2023

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 JULY 2022

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; 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.

**ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS OF ROCHDALE TRAINING ASSOCIATION LIMITED

Opinion

We have audited the financial statements of Rochdale Training Association Limited (the "charitable company") for the year ended 31 July 2022 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 2022 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 MEMBERS OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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.

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 MEMBERS OF ROCHDALE TRAINING ASSOCIATION LIMITED

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	<ul style="list-style-type: none">• 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 MEMBERS OF ROCHDALE TRAINING ASSOCIATION LIMITED**

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.

Mark Holmes

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

14 February 2023

**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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
Income from:							
Donations and legacies	3	3,281	-	3,281	3,637	-	3,637
Charitable activities	4	2,236,350	14,325	2,250,675	2,173,042	82,975	2,256,017
Investment income	5	3,799	-	3,799	2,940	-	2,940
Total income		2,243,430	14,325	2,257,755	2,179,619	82,975	2,262,594
Expenditure on:							
Charitable activities	6	2,234,195	20,487	2,254,682	2,128,557	82,829	2,211,386
Net gains/(losses) on investments	9	(172)	-	(172)	861	-	861
Net incoming/ (outgoing) resources before transfers		9,063	(6,162)	2,901	51,923	146	52,069
Gross transfers between funds		(69)	69	-	386	(386)	-
Net income/(expenditure) for the year/ Net movement in funds		8,994	(6,093)	2,901	52,309	(240)	52,069
Fund balances at 1 August 2021		2,932,680	202,424	3,135,104	2,880,371	202,664	3,083,035
Fund balances at 31 July 2022		2,941,674	196,331	3,138,005	2,932,680	202,424	3,135,104

The notes on pages 16 - 31 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 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	10	1,071,528		1,114,237	
Investments	11	1,837		2,009	
		<u>1,073,365</u>		<u>1,116,246</u>	
Current assets					
Stocks	13	3,500		3,500	
Debtors	14	358,118		245,995	
Investments	15	592,492		588,744	
Cash at bank and in hand		1,282,074		1,345,631	
		<u>2,236,184</u>		<u>2,183,870</u>	
Creditors: amounts falling due within one year	16	(171,544)		(165,012)	
Net current assets		<u>2,064,640</u>		<u>2,018,858</u>	
Total assets less current liabilities		<u>3,138,005</u>		<u>3,135,104</u>	
Income funds					
Restricted funds	18	196,331		202,424	
<u>Unrestricted funds - general</u>					
Designated funds	20	1,837		2,009	
General unrestricted funds	19	2,939,837		2,930,671	
		<u>2,941,674</u>		<u>2,932,680</u>	
		<u>3,138,005</u>		<u>3,135,104</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 16 - 31 form an integral part of these financial statements.

The financial statements were approved by the Trustees on 14 February 2023

A. Wilding
A Wilding
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 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	27		(10,529)		110,928
Investing activities					
Purchase of tangible fixed assets		(53,079)		(34,893)	
Proceeds on disposal of investments		(3,748)		110,296	
Investment income received		3,799		2,940	
Net cash (used in)/generated from investing activities			(53,028)		78,343
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(63,557)		189,271
Cash and cash equivalents at beginning of year			1,345,631		1,156,360
Cash and cash equivalents at end of year			1,282,074		1,345,631

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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) (effective 1 January 2019)". The charity 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 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.

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.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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.

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).

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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.

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.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

1 Accounting policies

(Continued)

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

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Membership training fees	3,281	3,637

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 2022

4 Charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Training course fees and consultancy	179,961	-	179,961	113,531	-	113,531
Skills Funding Agency and similar funding	2,027,417	14,325	2,041,742	1,940,866	42,975	1,983,841
Rental income and hire of assets	286	-	286	-	-	-
Other	28,686	-	28,686	118,645	40,000	158,645
	<u>2,236,350</u>	<u>14,325</u>	<u>2,250,675</u>	<u>2,173,042</u>	<u>82,975</u>	<u>2,256,017</u>
Analysis by fund						
Unrestricted funds - general	2,236,350	-	2,236,350	2,173,042	-	2,173,042
Restricted funds	-	14,325	14,325	-	82,975	82,975
	<u>2,236,350</u>	<u>14,325</u>	<u>2,250,675</u>	<u>2,173,042</u>	<u>82,975</u>	<u>2,256,017</u>

5 Investment income

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Dividends receivable	69	12
Interest receivable	3,730	2,928
	<u>3,799</u>	<u>2,940</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 2022

6 Charitable activities

	Raising funds 2022 £	Direct training 2022 £	Support costs 2022 £	Total 2022 £	Raising funds 2021 £	Direct training 2021 £	Support costs 2021 £	Total 2021 £
Staff costs	-	790,413	566,792	1,357,205	-	787,957	577,367	1,365,324
Depreciation and impairment	-	64,860	30,928	95,788	-	68,594	33,177	101,771
Lecturers and course costs	-	447,494	-	447,494	-	436,309	-	436,309
Motor and travelling costs	-	-	8,907	8,907	-	-	5,365	5,365
Telephone and communications	-	-	12,462	12,462	-	-	9,770	9,770
Printing, postage and stationery	-	25,239	2,585	27,824	-	24,794	2,160	26,954
Bank charges	-	-	1,662	1,662	-	-	1,534	1,534
Health and safety	-	19,330	-	19,330	-	36,187	-	36,187
Repairs and renewals	-	40,196	56,244	96,440	-	24,628	52,783	77,411
Insurance	-	-	19,909	19,909	-	-	23,516	23,516
Subscriptions	-	45,583	-	45,583	-	40,107	-	40,107
Audit and accountancy	-	-	19,828	19,828	-	-	15,785	15,785
Legal and professional fees	-	-	27,312	27,312	-	-	8,282	8,282
Rent, rates, heat and light	-	30,570	16,001	46,571	-	20,188	12,844	33,032
Bad debts	-	-	-	-	-	1,431	-	1,431
General expenses	-	2,217	18,653	20,870	-	9,992	13,810	23,802
Other charitable expenditure	7,497	-	-	7,497	4,806	-	-	4,806
	7,497	1,465,902	781,283	2,254,682	4,806	1,450,187	756,393	2,211,386
	7,497	1,465,902	781,283	2,254,682	4,806	1,450,187	756,393	2,211,386

* - governance costs

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

6 Charitable activities

	(Continued)						
	Raising funds 2022	Direct training 2022	Support costs 2022	Total 2022	Raising funds 2021	Direct training 2021	Support costs 2021
	£	£	£	£	£	£	£
Analysis by fund							
Unrestricted funds - general	7,497	1,450,226	776,472	2,234,195	4,806	1,382,658	741,093
Restricted funds	-	15,676	4,811	20,487	-	67,529	15,300
	7,497	1,465,902	781,283	2,254,682	4,806	1,450,187	756,393

The restricted expenditure in 2022 relates to:-

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

GMCA capital grant fund - depreciation (£4,093), printing, postage and stationery (£5,337)

Reducing Barriers to Apprenticeships (RBA) - Administration - staff costs (£390)

The restricted fund expenditure in 2021 related 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).

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

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:

	2022	2021
	Number	Number
Training projects	28	30
Management and administration	19	20
Total	47	50

Employment costs	2022	2021
	£	£
Wages and salaries	1,185,373	1,194,937
Social security costs	109,111	105,370
Other pension costs	62,721	65,017
	1,357,205	1,365,324

The trustees neither received nor waived any remuneration during the year, nor received any reimbursement for any expenses incurred (2021: £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 £378,148 (2021: £297,223).

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

	2022	2021
	Number	Number
£80,000 - £90,000	1	1

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

9 Net gains/(losses) on investments

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Gain/(loss) on sale of investments	(172)	861

10 Tangible fixed assets

	Freehold land and buildings £	Plant and machinery £	Total £
Cost			
At 1 August 2021	1,560,751	873,488	2,434,239
Additions	-	53,079	53,079
At 31 July 2022	1,560,751	926,567	2,487,318
Depreciation and impairment			
At 1 August 2021	631,983	688,019	1,320,002
Depreciation charged in the year	51,334	44,454	95,788
At 31 July 2022	683,317	732,473	1,415,790
Carrying amount			
At 31 July 2022	877,434	194,094	1,071,528
At 31 July 2021	928,768	185,469	1,114,237

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 2022

11 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 August 2021	2,009
Valuation changes	(172)
At 31 July 2022	<u>1,837</u>
Carrying amount	
At 31 July 2022	<u>1,837</u>
At 31 July 2021	<u>2,009</u>

12 Financial instruments

	2022 £	2021 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	307,004	190,949
Equity instruments measured at cost less impairment	1,837	2,009
Instruments measured at fair value through profit or loss	<u>592,492</u>	<u>588,744</u>
Carrying amount of financial liabilities		
Measured at amortised cost	<u>98,954</u>	<u>104,449</u>

13 Stocks

	2022 £	2021 £
Training materials	<u>3,500</u>	<u>3,500</u>

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	286,755	175,700
Other debtors	20,249	15,249
Prepayments and accrued income	<u>51,114</u>	<u>55,046</u>
	<u>358,118</u>	<u>245,995</u>

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

15 Current asset investments

	2022	2021
	£	£
Amounts held in fixed term deposit accounts and bonds	592,492	588,744

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

16 Creditors: amounts falling due within one year

	2022	2021
Notes	£	£
Other taxation and social security	52,277	38,920
Deferred income	20,313	21,643
Trade creditors	37,514	49,927
Other creditors	14,706	8,773
Accruals	46,734	45,749
	<u>171,544</u>	<u>165,012</u>

17 Deferred income

Deferred income is included in the financial statements as follows:

	2022	2021
	£	£
At 1 August 2021	21,643	-
Amount deferred in the year	20,313	21,643
Amount released to income in the year	(21,643)	-
At 31 July 2022	<u>20,313</u>	<u>21,643</u>

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

FOR THE YEAR ENDED 31 JULY 2022

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:

	Balance at 1 August 2020 £	Movement in funds			Transfers £	Balance at 1 August 2021 £	Movement in funds			Transfers £	Balance at 31 July 2022 £
		Incoming resources £	Resources expended £	Incoming resources £			Incoming resources £	Resources expended £	Incoming resources £		
RTA Restructuring Grant	202,664	-	(10,667)	-	-	191,997	-	(10,667)	-	-	181,330
GMCA Capital Grant	-	40,000	(11,443)	(386)	(386)	28,171	-	(9,430)	69	69	18,810
RBA - Engineering	-	21,788	(33,262)	-	-	(11,474)	7,063	-	-	-	(4,411)
RBA - Administration	-	21,187	(27,457)	-	-	(6,270)	7,262	(390)	-	-	602
	202,664	82,975	(82,829)	(386)	(386)	202,424	14,325	(20,487)	69	69	196,331

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 2022

19 Unrestricted funds - general

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

	Balance at 1 August 2020	Movement in funds			Balance at 1 August 2021	Movement in funds			Balance at 31 July 2022
	£	Income including gains & losses	Resources expended	Transfers	£	Income including gains & losses	Resources expended	Transfers	£
General funds	2,879,223	2,179,619	(2,128,557)	386	2,930,671	2,243,430	(2,234,195)	(69)	2,939,837

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:

	Balance at 1 August 2020	Movement in funds		Balance at 1 August 2021	Movement in funds		Balance at 31 July 2022
	£	Income resources	£	£	Income resources	£	£
Revaluation fund	1,148	861		2,009	(172)		1,837
	1,148	861		2,009	(172)		1,837

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 2022

21 Analysis of net assets between funds

Fund balances at 31 July 2022 are represented by:

	Restricted funds		Unrestricted general funds		Unrestricted designated funds		Total	Restricted funds general funds		Unrestricted funds		Unrestricted designated funds		Total
	2022	£	2022	£	2022	£	2022	2021	£	2021	£	2021	£	2021
Tangible assets	187,509		884,019		-		1,071,528	202,269		911,968		-		1,114,237
Investments	-		-		1,837		1,837	-		-		2,009		2,009
Current assets/(liabilities)	8,822		2,055,818		-		2,064,640	155		2,018,703		-		2,018,858
	196,331		2,939,837		1,837		3,138,005	202,424		2,930,671		2,009		3,135,104

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

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:

	2022	2021
	£	£
Within one year	5,054	8,243
Between two and five years	1,401	5,330
	<u>6,455</u>	<u>13,573</u>

24 Capital commitments

2022	2021
£	£

At 31 July 2022 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	11,923	-
----------------------------------------------	--------	---

25 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 £62,721 (2021: £65,017). There were £16,782 (2021: £7,776) outstanding contributions payable to the scheme at 31st July, 2022.

ROCHDALE TRAINING ASSOCIATION LIMITED
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2022

26 Related party transactions

During the year ended 31st July, 2022 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, 2022 the charitable company paid expenditure of £5,000 on behalf of Radama and received repayments of £nil from Radama. At 31st July, 2022 there was an amount of £20,249 (2021: £15,249) owing to Rochdale Training Association Limited. The balance of £20,249 is shown as "Other Debtors" as at 31st July, 2022.

Andrew Nagy is the husband of Jill Nagy (Chief Executive). During the year ended 31st July, 2022 Rochdale Training Association Limited incurred expenditure totalling £4,260 (2021: £7,575) on tutor services provided by Andrew Nagy. There was a balance outstanding as at 31st July, 2022 of £4,260 (2021: £nil).

Rachel Yates, Engineer Manager, is a member of the key management personnel. During the year ended 31st July, 2022 she received a loan of £100 from Rochdale Training Association Limited. She repaid this in full and so as at 31st July, 2022 there was a balance outstanding of £nil (2021: £nil). The loan was interest free.

27 Cash generated from operations	2022	2021
	£	£
Surplus for the year	2,901	52,069
Adjustments for:		
Investment income recognised in statement of financial activities	(3,799)	(2,940)
Loss/(gain) on disposal of investments	172	(861)
Depreciation and impairment of tangible fixed assets	95,788	101,770
Movements in working capital:		
(Increase) in debtors	(112,123)	(7,767)
Increase/(decrease) in creditors	7,862	(52,986)
(Decrease)/increase in deferred income	(1,330)	21,643
Cash (absorbed by)/generated from operations	(10,529)	110,928

28 Analysis of changes in net funds

The charity had no debt during the year.