

REGISTERED COMPANY NUMBER: 02326382 (England and Wales)
REGISTERED CHARITY NUMBER: 801260

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020
FOR
MTC LEARNING

Atkinsons
Chartered Accountants
Registered Auditors
The Red House
10 Market Square
Old Amersham
Buckinghamshire
HP7 0DQ

MTC LEARNING

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FOR THE YEAR ENDED 31 JULY 2020

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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

Objectives and aims

In setting out our objectives and aims the trustees have given careful consideration to the Charity Commission's guidance on public benefit. The Charity is committed to provide, promote and assist in the provision of education and training, including vocational training and the special needs of migrant workers (including refugees) and their families.

Significant activities

MTC Learning continued to arrange suitable academic training for migrants and renew its contracts with educational establishments. All incoming resources from training activities during the current year derived from these contracts.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The trustees are pleased with the achievement of the charitable activities to date, but would like to expand the training opportunities where possible beyond those currently in place in order to further accommodate the projected rise in the numbers.

Internal and external factors

The trustees have made a full assessment of the internal and external factors that may affect these financial statements and do not deem any factors material enough to have an impact.

FINANCIAL REVIEW

Reserves policy

The trustees review the funds held in reserves. The trustees maintain that the level of reserves held should be sufficient to cover more than the annual expenditure of the charity. The charity needs these ready funds to commence new courses and also to meet the financial commitments under property rental agreements, and under contracts of employment. The trustees consider that the level of reserve funds reduces risk to the stakeholders of the charity going forward.

The charity considers that the present level of funding is adequate to support the continuation of training courses in operation for the medium term, to allow for fluctuation in public funding of adult learning and colleges and also meet the additional expenditure brought about by Covid-19. The trustees therefore consider the overall financial position of the charity to be satisfactory.

FUTURE PLANS

MTC Learning considers that it is well placed to be able to meet the demands for the training opportunities which are available.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the memorandum and articles of association, and constitutes a limited company, limited by guarantee.

Recruitment and appointment of new trustees

There has been an average of 4 trustees throughout the period. Any new appointments are at the recommendation of the board. In accordance with the articles of association, all trustees will retire at the forthcoming annual general meeting and, being eligible, will stand for re-election.

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REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The Board of Trustees must, as per the governing document, have at least 4 Trustees, and not more than 20, serving at any one time. Every application for membership shall be given to the Secretary and approved by the committee. Each member shall have one vote.

Every member may appoint (and subsequently remove) a representative to act on its behalf and the committee may delegate some or all of its powers to all or any of its officers. However, all the committee members shall retire at the end of every annual general meeting and shall be eligible for re-election or re-appointment.

Induction and training of new trustees

All new trustees are given, in the view of the board, sufficient training and have enough knowledge of their specific field to understand the nature of the charity and fully comply with the charity's current views of its progression. They are required to ensure that they are aware of both their legal and professional responsibilities under charity and company law.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02326382 (England and Wales)

Registered Charity number

801260

Registered office

The Red House
10 Market Square
Old Amersham
Buckinghamshire
HP7 0DQ

Trustees

H McCafferty
T V Wheeler
L McCalman
M Naeem

Company Secretary

L McCalman

Auditors

Atkinsons
Chartered Accountants
Registered Auditors
The Red House
10 Market Square
Old Amersham
Buckinghamshire
HP7 0DQ

Bankers

HSBC Bank plc
448 High Road
Tottenham
London
N17 9JN

MTC LEARNING

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 JULY 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of MTC Learning for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

AUDITORS

The auditors, Atkinsons, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 23 April 2021 and signed on its behalf by:



I. McCalman - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MTC LEARNING

Opinion

We have audited the financial statements of MTC Learning (the 'charitable company') for the year ended 31 July 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (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 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
MTC LEARNING

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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

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 purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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.

Our 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 a Report of the Independent Auditors 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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.



David Atkinson (Senior Statutory Auditor)
for and on behalf of Atkinsons
Chartered Accountants
Registered Auditors
The Red House
10 Market Square
Old Amersham
Buckinghamshire
HP17 0DQ

Date: 29th April 2021

MTC LEARNING

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities	3		
Direct Training			
		380,630	596,393
Other income		117,037	6,238
Total		497,667	602,631
 EXPENDITURE ON			
Charitable activities	4		
Direct Training			
		448,965	464,146
 NET INCOME		48,702	138,485
 RECONCILIATION OF FUNDS			
Total funds brought forward		877,984	739,499
 TOTAL FUNDS CARRIED FORWARD		926,686	877,984

The notes form part of these financial statements

MTC LEARNING

BALANCE SHEET
31 JULY 2020

	Notes	2020 Unrestricted fund £	2019 Total funds £
CURRENT ASSETS			
Debtors	11	18,979	87,910
Cash at bank and in hand		958,506	813,729
		<u>977,485</u>	<u>901,639</u>
CREDITORS			
Amounts falling due within one year	12	(50,799)	(23,655)
NET CURRENT ASSETS		<u>926,686</u>	<u>877,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>926,686</u>	<u>877,984</u>
NET ASSETS		<u>926,686</u>	<u>877,984</u>
FUNDS	14		
Unrestricted funds		926,686	877,984
TOTAL FUNDS		<u>926,686</u>	<u>877,984</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22 April 2021 and were signed on its behalf by:


.....
L. McCalman - Trustee


.....
T V Wheeler - Trustee

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	<u>144,777</u>	<u>250,695</u>
Net cash provided by operating activities		<u>144,777</u>	<u>250,695</u>
Change in cash and cash equivalents in the reporting period		<u>144,777</u>	<u>250,695</u>
Cash and cash equivalents at the beginning of the reporting period		<u>813,729</u>	<u>563,034</u>
Cash and cash equivalents at the end of the reporting period		<u><u>958,506</u></u>	<u><u>813,729</u></u>

The notes form part of these financial statements

MTC LEARNING

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2020

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020	2019
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	48,702	138,485
Adjustments for:		
Decrease in debtors	68,931	116,611
Increase/(decrease) in creditors	27,144	(4,401)
	<u>144,777</u>	<u>250,695</u>
Net cash provided by operations	<u>144,777</u>	<u>250,695</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.8.19	Cash flow	At 31.7.20
	£	£	£
Net cash			
Cash at bank and in hand	813,729	144,777	958,506
	<u>813,729</u>	<u>144,777</u>	<u>958,506</u>
Total	<u>813,729</u>	<u>144,777</u>	<u>958,506</u>

The notes form part of these financial statements

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2020

1. STATUTORY INFORMATION

MTC Learning is a private company limited by guarantee and incorporated in England and Wales. The company's registered number and registered office address can be found on the Report of the Trustees.

The principal place of business is First Floor, Alison House, 638 High Road, Leytonstone, London, E11 3DA.

The principal activity of the company is the provision of education and academic training.

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

2. ACCOUNTING POLICIES

Basix of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure and irrecoverable vat

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Tangible fixed assets

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

Computer equipment - 33% on cost and 20% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2020

2. ACCOUNTING POLICIES - continued

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid including any irrecoverable VAT

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

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

Financial instruments

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

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
	Direct Training	£	£
Training income			
		<u>380,630</u>	<u>596,393</u>

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Direct Training			
	<u>417,941</u>	<u>31,024</u>	<u>448,965</u>

5. SUPPORT COSTS

	Other	Governance costs	Totals
	£	£	£
Direct Training			
	<u>23,344</u>	<u>7,680</u>	<u>31,024</u>

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 JULY 2020

6. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Auditors' remuneration	<u>7,680</u>	<u>6,766</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

8. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	240,068	206,946
Social security costs	17,713	19,959
Other pension costs	12,636	4,451
	<u>270,417</u>	<u>231,356</u>

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

	2020	2019
Training	<u>7</u>	<u>7</u>

No employees received emoluments in excess of £60,000.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Charitable activities	
Direct Training	596,393
Other income	<u>6,238</u>
Total	602,631
EXPENDITURE ON	
Charitable activities	
Direct Training	464,146

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

Unrestricted
fund
£

NET INCOME

138,485

RECONCILIATION OF FUNDS

Total funds brought forward

739,499

TOTAL FUNDS CARRIED FORWARD

877,984

10. TANGIBLE FIXED ASSETS

Computer
equipment
£

COST

At 1 August 2019 and 31 July 2020

28,519

DEPRECIATION

At 1 August 2019 and 31 July 2020

28,519

NET BOOK VALUE

At 31 July 2020

-

At 31 July 2019

-

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

2020

2019

£

Other debtors

12,571

76,358

Prepayments

6,408

11,552

18,979

87,910

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Social security and other taxes	5,611	10,465
Other creditors	6,804	1,540
Accrued expenses	38,384	11,650
	<u>50,799</u>	<u>23,655</u>

13. LEASING AGREEMENTS

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

	2020	2019
	£	£
Between one and five years	<u>19,480</u>	<u>48,900</u>

14. MOVEMENT IN FUNDS

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General fund	877,984	48,702	926,686
	<u>877,984</u>	<u>48,702</u>	<u>926,686</u>
TOTAL FUNDS			
	<u>877,984</u>	<u>48,702</u>	<u>926,686</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	497,667	(448,965)	48,702
	<u>497,667</u>	<u>(448,965)</u>	<u>48,702</u>
TOTAL FUNDS			
	<u>497,667</u>	<u>(448,965)</u>	<u>48,702</u>

Comparatives for movement in funds

	At 1.8.18 £	Net movement in funds £	At 31.7.19 £
Unrestricted funds			
General fund	739,499	138,485	877,984
	<u>739,499</u>	<u>138,485</u>	<u>877,984</u>
TOTAL FUNDS			
	<u>739,499</u>	<u>138,485</u>	<u>877,984</u>

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	602,631	(464,146)	138,485
TOTAL FUNDS	<u>602,631</u>	<u>(464,146)</u>	<u>138,485</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.18 £	Net movement in funds £	At 31.7.20 £
Unrestricted funds			
General fund	739,499	187,187	926,686
TOTAL FUNDS	<u>739,499</u>	<u>187,187</u>	<u>926,686</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,100,298	(913,111)	187,187
TOTAL FUNDS	<u>1,100,298</u>	<u>(913,111)</u>	<u>187,187</u>

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 July 2020.

MTC LEARNING

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 JULY 2020

16. COMPANY STATUS

The charitable company does not have a share capital and is limited by the guarantee of its members of £1 each. The membership at 31 July 2020 was 4 (2019 - 4).