

**Charity registration number 801260**

**Company registration number 02326382 (England and Wales)**

**MTC LEARNING**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2022**

# **MTC LEARNING**

## **LEGAL AND ADMINISTRATIVE INFORMATION**

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<b>Trustees</b>	Dr L Mccalman Ms H Mccafferty Mr M Naeem Mr T Wheeler
<b>Charity number</b>	801260
<b>Company number</b>	02326382
<b>Registered office</b>	Alison House, First Floor 638 High Road Leytonstone England E11 3DA
<b>Auditor</b>	MUS Accountants Limited 125 The Grove Stratford London United Kingdom E15 1EN

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# **MTC LEARNING**

## **CONTENTS**

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	<b>Page</b>
<b>Trustees report</b>	<b>1 - 3</b>
<b>Independent auditor's report</b>	<b>4 - 6</b>
<b>Statement of financial activities</b>	<b>7</b>
<b>Balance sheet</b>	<b>8</b>
<b>Statement of cash flows</b>	<b>9</b>
<b>Notes to the financial statements</b>	<b>10 - 17</b>

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# **MTC LEARNING**

## **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 JULY 2022**

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The trustees present their annual 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 charity's [governing document], 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**

In setting 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 migrant and refugee communities. The charity has renewed its contracts with educational establishments. All incoming resources from training activities during the year derived from these contracts.

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

### **Achievements and performance**

#### **Charitable activities**

The trustees are pleased with the achievements 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**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to the annual expenditure of the charity. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. 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 colleagues. The trustees therefore consider the overall financial position of the charity to be satisfactory.

This level of reserves has been maintained throughout the year.

### **Plans for future periods**

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



## **MTC LEARNING**

### **TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022**

The board of trustees has examined the level of reserves required by the charity in view of the main risks to the organisation. In the trustees' view, the reserves provide the charity with adequate financial stability and the means for it to meet its charitable objectives for the foreseeable future and to invest in the long-term viability and development of the Charity. The free reserves have been designated as follows:

1. Working Capital (unrestricted reserves): £400,000
2. Working Capital Funding towards outright purchase of premises for MTCL: £400,000
3. Legal Fees: £5,000
4. Business development consultancy: £10,000
5. IT and Communication Reserve: £15,323
6. Staff Commitment Costs for upcoming salary review: £75,000

**Designated Total: £905,323**

#### **Structure, governance and management**

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

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Dr L McCalman  
Ms H McCafferty  
Mr M Naeem  
Mr T Wheeler

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.

#### **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.

#### **Supplier payment policy**

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

# MTC LEARNING

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### Statement of Trustees responsibilities

The trustees, who are also the directors of MTC LEARNING 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Auditor

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

The Trustees report was approved by the Board of Trustees.



Dr L Mccalman  
Trustee



Mr T Wheeler  
Trustee

Date: 26/04/23



# MTC LEARNING

## INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF MTC LEARNING

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### Opinion

We have audited the financial statements of MTC LEARNING (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 charity 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

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 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.



# **MTC LEARNING**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MTC LEARNING**

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

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the statement of Trustees responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

- 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 identified the laws and regulations applicable to the charity through discussions with trustees and other management, and from our commercial knowledge and experience of the sector; and
- 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 charity, including the SORP, taxation legislation and data protection, anti-bribery, employment, environmental and health and safety legislation.

We also considered potential fraud drivers: including financial or other pressures, opportunity, override of controls and personal or corporate motivations. We considered the programmes and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing journals, evaluating the business rationale of significant transactions outside the normal course of business and validating the appropriateness of internal controls and significant accounting estimations based on our fraud risk criteria;



# MTC LEARNING

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF MTC LEARNING

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

- making enquiries of 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.

To address the risk of fraud through management bias and override of controls, we:

- 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 set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims.

We obtained understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those related to the financial reporting framework, tax regulations in the jurisdictions in which the charity operates.

Based on this understanding we designed our audit procedures to identify non-compliance with laws and regulations. Our procedures involved: making enquiries of management, those responsible for legal and compliance procedures and reviewing other correspondence.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion.

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 company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Muhammad Salar Arain FCCA (Senior Statutory Auditor)  
for and on behalf of MUS Accountants Limited

27/4/2023

Chartered Certified Accountants and  
Statutory Auditor

125 The Grove  
Stratford  
London  
United Kingdom  
E15 1EN

# MTC LEARNING

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total Unrestricted funds 2022 £	Restricted funds 2021 £	Total 2021 £
<b>Income from:</b>						
Charitable activities	3	349,192	195,607	544,799	164,900	447,046
Investments	4	232	-	232	62	62
<b>Total income</b>		<b>349,424</b>	<b>195,607</b>	<b>545,031</b>	<b>164,962</b>	<b>447,108</b>
<b>Expenditure on:</b>						
Charitable activities	5	283,520	256,558	540,078	233,764	473,424
<b>Net incoming/(outgoing) resources before transfers</b>		<b>65,904</b>	<b>(60,951)</b>	<b>4,953</b>	<b>(68,802)</b>	<b>(26,316)</b>
<b>Gross transfers between funds</b>		<b>(2,391)</b>	<b>2,391</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>63,513</b>	<b>(58,560)</b>	<b>4,953</b>	<b>(68,802)</b>	<b>(26,316)</b>
<b>Fund balances at 1 August 2021</b>		<b>841,810</b>	<b>58,560</b>	<b>900,370</b>	<b>16,074</b>	<b>926,686</b>
<b>Fund balances at 31 July 2022</b>		<b>905,323</b>	<b>-</b>	<b>905,323</b>	<b>841,810</b>	<b>900,370</b>

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.



# MTC LEARNING

## BALANCE SHEET

AS AT 31 JULY 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	9		856		1,712
<b>Current assets</b>					
Debtors	10	217,434		47,235	
Cash at bank and in hand		706,076		890,613	
		<u>923,510</u>		<u>937,848</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(19,043)</u>		<u>(39,190)</u>	
<b>Net current assets</b>			<u>904,467</u>		<u>898,658</u>
<b>Total assets less current liabilities</b>			<u>905,323</u>		<u>900,370</u>
<b>Income funds</b>					
Restricted funds			-		58,560
Unrestricted funds			<u>905,323</u>		<u>841,810</u>
			<u>905,323</u>		<u>900,370</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

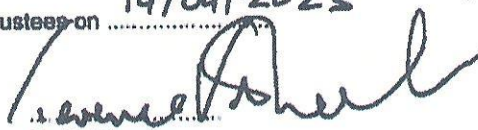
These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on

14/04/2023



Dr L Mccalman  
Trustee



Mr T Wheeler  
Trustee

Company registration number 02326382

# MTC LEARNING

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 JULY 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	14		(184,769)		(65,387)
<b>Investing activities</b>					
Purchase of tangible fixed assets		-		(2,568)	
Investment income received		232		62	
<b>Net cash generated from/(used in) investing activities</b>			232		(2,506)
<b>Net cash used in financing activities</b>			-		-
<b>Net decrease in cash and cash equivalents</b>			(184,537)		(67,893)
Cash and cash equivalents at beginning of year			890,613		958,506
<b>Cash and cash equivalents at end of year</b>			<u>706,076</u>		<u>890,613</u>



# **MTC LEARNING**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 JULY 2022**

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### **1 Accounting policies**

#### **Charity information**

MTC LEARNING is a private company limited by guarantee incorporated in England and Wales. The registered office is Alison House, First Floor, 638 High Road, Leytonstone, E11 3DA, England.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's (governing document), the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. 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. 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.

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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### **1.4 Income**

Income is recognised when the charity 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.

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 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:

Fixtures and fittings	20% on cost
Computers	33% on cost

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 the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.9 Financial instruments

The charity 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.

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

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



# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

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

#### **1.10 Employee benefits**

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### **1.11 Retirement benefits**

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

### 2 Critical accounting estimates and judgements

In the application of the charity'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.

## MTC LEARNING

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

#### 3 Charitable activities

	Charitable Income Direct training 2022 £	Charitable Income Direct training 2021 £
Services provided under contract	195,607	46,699
Performance related grants	349,192	400,347
	<u>544,799</u>	<u>447,046</u>
Analysis by fund		
Unrestricted funds	349,192	164,900
Restricted funds	195,607	282,146
	<u>544,799</u>	<u>447,046</u>

#### 4 Investments

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Interest receivable	<u>232</u>	<u>62</u>



# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 5 Charitable activities

	Charitable Expenditure Direct training 2022 £	Charitable Expenditure Direct training 2021 £
Staff costs	296,818	304,699
Depreciation and impairment	856	856
Staffing expense	12,594	-
Telecommunication	3,138	3,016
Light & heat	5,238	3,191
Insurance	11,739	7,585
Travel and subsistence	8,707	50
Awarding body fee	8,606	10,388
Consultancy	55,899	61,917
Rent	56,467	38,814
Bank charges	183	-
Other charitable expenditure	56,741	-
	<u>516,984</u>	<u>430,516</u>
Share of support costs (see note 6)	9,028	29,757
Share of governance costs (see note 6)	14,066	13,151
	<u>540,078</u>	<u>473,424</u>
<b>Analysis by fund</b>		
Unrestricted funds	283,520	233,764
Restricted funds	256,558	239,660
	<u>540,078</u>	<u>473,424</u>

# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

### 6 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Postage and stationery	5,767	-	5,767	18,145	-	18,145
Sundries	-	-	-	10,712	-	10,712
Advertising	3,261	-	3,261	900	-	900
Audit fees	-	8,950	8,950	-	8,950	8,950
Legal and professional	-	5,116	5,116	-	4,201	4,201
	<u>9,028</u>	<u>14,066</u>	<u>23,094</u>	<u>29,757</u>	<u>13,151</u>	<u>42,908</u>
Analysed between Charitable activities	<u>9,028</u>	<u>14,066</u>	<u>23,094</u>	<u>29,757</u>	<u>13,151</u>	<u>42,908</u>

Governance costs includes payments to the auditors of £8,950 (2021- £7,660) for audit fees.

### 7 Trustees

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

### 8 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
	<u>10</u>	<u>10</u>
Employment costs	2022 £	2021 £
Wages and salaries	261,851	265,592
Social security costs	25,619	23,682
Other pension costs	9,348	15,425
	<u>296,818</u>	<u>304,699</u>

There were no employees whose annual remuneration was more than £60,000.



# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

### 9 Tangible fixed assets

	Fixtures and fittings £	Computers £	Total £
<b>Cost</b>			
At 1 August 2021	4,159	37,685	41,844
At 31 July 2022	4,159	37,685	41,844
<b>Depreciation and impairment</b>			
At 1 August 2021	4,159	35,973	40,132
Depreciation charged in the year	-	856	856
At 31 July 2022	4,159	36,829	40,988
<b>Carrying amount</b>			
At 31 July 2022	-	856	856
At 31 July 2021	-	1,712	1,712

### 10 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	13,926	19,287
Other debtors	203,508	22,478
Prepayments and accrued income	-	5,470
	<u>217,434</u>	<u>47,235</u>

### 11 Creditors: amounts falling due within one year

	2022 £	2021 £
Other taxation and social security	8,599	2,342
Other creditors	92	9,812
Accruals and deferred income	10,352	27,036
	<u>19,043</u>	<u>39,190</u>

# MTC LEARNING

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

### 12 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 July 2022 are represented by:						
Tangible assets	856	-	856	1,712	-	1,712
Current assets/ (liabilities)	904,467	-	904,467	840,098	58,560	898,658
	<u>905,323</u>	<u>-</u>	<u>905,323</u>	<u>841,810</u>	<u>58,560</u>	<u>900,370</u>

### 13 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

### 14 Cash generated from operations

	2022 £	2021 £
Surplus/(deficit) for the year	4,953	(26,316)
Adjustments for:		
Investment income recognised in statement of financial activities	(232)	(62)
Depreciation and impairment of tangible fixed assets	856	856
Movements in working capital:		
(Increase) in debtors	(170,199)	(28,256)
(Decrease) in creditors	(20,147)	(11,609)
Cash absorbed by operations	<u>(184,769)</u>	<u>(65,387)</u>

### 15 Analysis of changes in net funds

The charity had no debt during the year.