

Company registration number: 01219838

Charity registration number: 507573

# Kirkdale Industrial Training Services Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

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A23 22/12/2021 #257

COMPANIES HOUSE

Walker & Sutcliffe  
Statutory Auditors  
12 Greenhead Road  
Huddersfield  
West Yorkshire  
HD1 4EN

# **Kirkdale Industrial Training Services Ltd**

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# Kirkdale Industrial Training Services Ltd

## Reference and Administrative Details

<b>Trustees</b>	D Brennan A M Denford G J Short H L Thornber J Wright
<b>Secretary</b>	S Bonfield
<b>Principal Office</b>	Kirkdale House Armytage Road Brighouse West Yorkshire HD6 1QF
<b>Registered Office</b>	Kirkdale House Armytage Road Brighouse West Yorkshire HD6 1QF  The charity is incorporated in England & Wales.
<b>Company Registration Number</b>	01219838
<b>Charity Registration Number</b>	507573
<b>Solicitors</b>	Chadwick Lawrence LLP The Fire Station Dean Clough Mills Halifax West Yorkshire HX3 5AX
<b>Bankers</b>	Lloyds Bank Commercial Street Halifax HX1 1BB
<b>Auditor</b>	Walker & Sutcliffe Statutory Auditors 12 Greenhead Road Huddersfield West Yorkshire HD1 4EN

## **Kirkdale Industrial Training Services Ltd**

### **Strategic Report for the Year Ended 31 March 2021**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

#### **Fair review of business**

The Charity did not trade normally in the year ended 31 March 2021 incurring significant extraordinary expenditure and generating no income at all after 30 June 2020. Reserves have fallen accordingly.

In April 2020, the then CEO advised the then Trustees (Old Trustees) that he had been unable to appoint or even identify a suitable contractor to deliver the Further Education element of the Charity's Apprenticeship programme to replace Calderdale College which had notified the Charity that it would not be renewing the existing relationship. He advised the Old Trustees that in the light of the worsening trading conditions as a consequence of the rapidly developing Coronavirus pandemic, it would not be possible, in his opinion, for the Charity to offer training services and facilities for the upcoming academic year and that an alternative strategy should be considered, including the option of ceasing to trade. The Old Trustees authorised the CEO to investigate the feasibility and consequences of closing the Charity down. On 10 June 2020 the Old Trustees decided that the Charity should cease trading on 30 June 2020 and authorised the CEO to proceed accordingly. Between then and the end of August the CEO and his team notified the ESFA of the decision, finished or transferred the remaining 267 active learners to other providers, terminated the employment of training staff, negotiated enhanced severance packages for the CEO and senior managers, secured an offer subject to contract for the sale of the Charity's freehold training facility in Brighouse (Site) and decommissioned and arranged an auction sale of all the Charity's plant, machinery and equipment.

The Old Trustees did not consult the Members of the Charity, many of whom were established users of the Charity's services, until 30 June 2020 when they distributed a letter advising the Members that the apprenticeship training business had closed.

On becoming aware of the actions of the Old Trustees, Members responded angrily being satisfied that given the strength of its balance sheet and proper management, the Charity could not only survive but prosper as a going concern. The Members established an action group to challenge and reverse the decision to close the Charity and to remove the existing Old Trustees from office. Facing a vote of no confidence and the threat of removal by resolution pursuant to section 168 (1) Companies Act 2006, the Old Trustees cancelled the auction and the property sale, appointed four nominees from the action group as additional Trustees (New Trustees) and on 11 September 2020, resigned en bloc, since which time the Charity has operated under the control of the New Trustees.

Having preserved the Charity's capital assets, the focus of the New Trustees since their appointment has been to re-establish the Charity as the provider of facilities to assist in the provision of industrial and commercial training, a task made significantly more difficult by virtue of the fact that the actions of their predecessors resulted in the removal of the Charity from the Register of Apprenticeship Training Providers. In the period between September 2020 and March 2021 the New Trustees undertook an exhaustive due diligence process out of which no less than 5 potential strategic partners, who would be able to assist the Charity to re-enter the market, were identified. Ultimately the Charity entered into an arrangement with Calderdale College to ensure that the training of apprentices from the Site would recommence from the start of the 2021/22 academic year. In the short term the Charity's involvement is based on the licensing of the workshops within the Site its, machinery, plant, equipment and other facilities to generate the limited income stream required to service its minimal outgoings until such time as the direct delivery of apprenticeship training and other services can be restored.

## **Kirkdale Industrial Training Services Ltd**

### **Strategic Report for the Year Ended 31 March 2021**

#### **Financial review**

For the Financial Year ended 31 March 2020 the Charity reported total income of £1,785,724 (including £1,713,997 from Training Activities), expenditure of £1,759,067 and a surplus of £26,657.

For the Financial Year ended 31 March 2021 the Charity reported total income of £130,209, (including £61,369 from Training Activities), expenditure of £1,112,931 and a loss of £982,722.

Apprenticeship funding ceased on 30th June 2020 on which date the Old Trustees closed that business down.

No income was generated from either the provision of Health & Safety training or the letting of Conference Centre in the Financial Year as no commercial trading was able to take place as a result of the decision of the Old Trustees to close and decommission the Site and the lockdown restrictions imposed during the coronavirus pandemic.

Notwithstanding the absence of trading activity, overall expenditure decreased by only £646,136 against the previous year because of the extraordinary expenditure which the Charity was obliged to incur as a consequence of the decisions taken by the Old Trustees to close and decommission the Site. Extraordinary expenditure included the funding of clawbacks demanded by the ESFA, the payment of significantly enhanced severance packages to the CEO and his senior management team, legal fees and the cost of works which the New Trustees were obliged to undertake to recommission and make safe parts of the infrastructure of the Site, plant, machinery and equipment, before it could be offered to strategic partners for commercial use.

As a consequence, Cash Reserves decreased from £2,496,103 to £1,593,843, a decrease of £902,260 (36%). Nevertheless, the Charity's overall financial position remains strong with Net Current Assets reported on the balance sheet to £1,461,316, which supports the decision of the New Trustees to challenge and then reverse the decisions taken by the Old Trustees and to preserve and to continue to operate the Charity as a going concern.

## **Kirkdale Industrial Training Services Ltd**

### **Strategic Report for the Year Ended 31 March 2021**

#### **Financial review**

##### ***Policy on reserves***

The Old Trustees estimated what amount of the Charity's free reserves, i.e those funds not committed or invested in tangible fixed assets, they may need to access in order to sustain the operations of the Charity throughout any period in which some of the Charity's income generating activities might be temporarily curtailed concluding that for the Financial Year to 31 March 2021, the appropriate figure would be £880,000. In June 2020 the Old Trustees decided to close down the Charity's training business, to liquidate its tangible assets to create a fund to be deployed for providing grants and other forms of assistance to apprentices trainees and other individuals employed or intending to be employed in industry and commerce in Kirklees and Calderdale, rendering their Policy on Reserves otiose.

When the New Trustees took office in September 2020 as a consequence of the decisions taken by the Old Trustees, the Charity was generating no income and had incurred significant liabilities which had been met out of reserves. The ad hoc policy adopted by the New Trustees was to protect the remaining reserves to the greatest extent possible by minimising the Charity's expenditure whilst exploring all opportunities firstly, to generate sufficient income in the short term to service its essential outgoings and secondly, in the longer term, to allow the Charity to viably re-enter the direct training market in some capacity.

At 31 March 2021 the Charity's free reserves were £1,461,316.

The Policy on Reserves will be reviewed annually as the re-positioning of the Charity continues to develop and gather momentum.

##### ***Investment policy and objectives***

Under the Memorandum of Association the Charity has powers to invest any monies in any manner the Trustees wish.

Having regard to the liquidity requirements of the Charity in connection with funding the ESAF clawbacks and the costs of re-commissioning the Site and making safe the plant machinery and equipment to make it available for commercial letting the New Trustees have continued to keep available funds in short term money market deposits.

## **Kirkdale Industrial Training Services Ltd**

### **Strategic Report for the Year Ended 31 March 2021**

#### **Plans for future periods**

##### *Aims and key objectives for future periods*

On taking office in September 2020 the New Trustees came to realise the full extent of both the physical damage (to the Site) and the reputational damage which the Charity had suffered as a direct consequence of the decisions and actions taken by the Old Trustees in closing down the training business and decommissioning the facilities.

The short term objective was to rebuild the credibility of the Charity generally and the confidence in the Charity of the third parties including apprentices, suppliers, strategic partners, funders and the ESFA, all of whom had been affected by the totally unanticipated decision of the Old Trustees to immediately close down the Charity's training operations.

Having been removed from the Register of Approved Training Providers, the Charity was no longer able to apply to ESFA for government funding to provide apprentice training and it was realised that the Charity would need to go through a period of rehabilitation and reconciliation before it would have any chance of making a successful application and be able to deliver training itself.

In the meantime the purpose built site, the workshops, the training facilities, plant machinery and equipment were standing idle.

In order to fulfil their charitable objectives the Trustees needed to identify and make arrangements with one more strategic partners who would utilise the facilities for their intended purpose. To that end the Charity entered into a licence agreement which allows Calderdale College to occupy part of the Site and use the equipment for the training of apprentices in consideration of a monthly occupation fee which the Charity will use to defray its expenses.

Staff have been and will be recruited to manage the Charity's financial, operational and administrative functions with a view to the Charity being able to provide training in Health and Safety and to offer conference facilities to increase income. They are also charged with interacting with employers to establish their training needs with a view to increasing the membership of the Charity.

Negotiations are continuing with training providers in other sectors who might occupy other parts of the Site on a similar basis to the College and discussions are well advanced with an international franchisor which might lead to the Charity being authorised to directly offer a unique technical training package as the UK training centre for this revolutionary product.

The Charity has retained the services of an extremely experienced and well qualified individual on a consultancy basis who is tasked with increasing the Charity's profile and improving its relationship with similar organisations, NGOs, local, regional and national government institutions both as part of the rehabilitation / conciliation exercise and to identify partnership or collaboration opportunities which might further enhance the Charity's reputation and profile.

The Charity is in the process of changing its name to West Yorkshire Manufacturing Services (WYMS) and is upgrading its image.


**Kirkdale Industrial Training Services Ltd**

**Strategic Report for the Year Ended 31 March 2021**

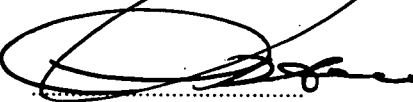
*Principal risks and uncertainties*

The trustees have a risk management strategy which comprises of an ongoing review of the risks the charity may face. As part of the controls assurance process, a risk register, which evaluates and grades the likelihood of occurrence and potential impact of risk, has been drawn up.

The strategic report was approved by the trustees of the charity on 16th December 2021 and signed on its behalf by:



.....  
S Bonfield  
Company Secretary



.....  
A M Denford  
Trustee

# **Kirkdale Industrial Training Services Ltd**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

### **Trustees**

C Somers (resigned 11 September 2020)  
M Procter (resigned 11 September 2020)  
W D Currie (resigned 11 September 2020)  
D Edwards (resigned 11 September 2020)  
I R Holdsworth (resigned 11 September 2020)  
D Brennan (appointed 10 February 2021)  
A M Denford (appointed 11 September 2020)  
J Richard (appointed 29 March 2021 and resigned 4 August 2021)  
L T Smith (appointed 29 March 2021 and resigned 4 August 2021)  
G J Short (appointed 11 September 2020)  
H L Thornber (appointed 11 September 2020)  
J Wright (appointed 11 September 2020)

### **Objectives and activities**

#### ***Objects and aims***

The objectives of the charity are defined in its Memorandum of Association and may be summarised as follows:-

- to provide facilities for and undertake and assist in the provision of industrial and commercial training;
- to generally supervise and further the industrial, commercial and general education of modern apprenticeship trainees and persons seeking re-training and upskilling;
- to organise, co-ordinate and further all training of the above industrial and commercial sectors within member and other companies and other organisations for all levels of employees;
- to provide equip and carry on training centres, workshops, libraries, lecture rooms or other facilities for training and education;
- to provide advice and technical assistance for businesses and organisations in the carrying out by them of the training of their own employees;
- to work in conjunction with government bodies, technical colleges and other educational or public authorities in the provision of industrial and commercial training or education;
- where possible to provide assistance by obtaining grants or otherwise and redistribution to individuals employed or intending to be employed in industry and commerce to enable them to acquire training or education;

# **Kirkdale Industrial Training Services Ltd**

## **Trustees' Report**

The charity has the general aim of contribution to the economy of the surrounding area and the quality of life of the people by improving their skills and employment opportunities.

The main objectives for the year continue to be as set out above.

The strategies employed to achieve the charity's objectives are to:-

- offer opportunities for people to acquire skills to improve their prospects;
- provide and maintain the facilities for this to be achieved;
- celebrate the diversity of cultures in society by offering inclusive opportunities to all.

The major areas of activity are the provision of engineering and motor vehicles training funded by the Skills Funding Agency and the provision of short courses in skills such as health and safety awareness, and information technology.

### ***Public benefit***

The charity has the general aim of contributing to the economy of the surrounding area and the quality of life of the people by improving their skills and employment opportunities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

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

#### ***Nature of governing document***

Kirkdale Industrial Training Services Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 28 April 1975 and amended to allow for current governance arrangements on 29 April 2003. It is registered as a charity with the Charity Commission. In the main the company's membership is individuals representing member companies, with exceptions at the discretion of the Executive Board. In the event of the company winding up, each member agrees to contribute an amount not exceeding £10 towards the payment of debts and liabilities.

#### ***Recruitment and appointment of trustees***

As set out in the Articles of Association, the Board consists of the Chairman and Vice Chairman of the company, who shall be members ex officio, and members appointed by the company in General Meeting each of whom shall be chosen as representing one of the persons or bodies which are ordinary members of the company. Where a vacancy arises among the trustees, the Executive Board may appoint a person to fill it. The trustee so appointed shall hold office only until the next Annual General Meeting at which he may stand for re-election.

#### ***Induction and training of trustees***

A formal Trustee Induction Programme of one day duration has been established.

The programme covers strategy, board process and corporate governance issues and is led by the chairman and chief executive. The day is then rolled out to individual members of the senior management team who cover their own separate business units i.e. skills training, business services, personnel, finance and health, safety and environmental issues. The programme concludes with a review/feedback discussion with the chair and chief executive.

# **Kirkdale Industrial Training Services Ltd**

## **Trustees' Report**

### ***Arrangements for setting key management personnel remuneration***

The Trustees of the Charity annually review and determine the remuneration of all Senior Management and staff including inflationary uplifts and Performance Related Payments (PRP) where appropriate.

The meeting is held in Committee and written minutes confirm proceedings and decisions reached.

All Trustees give their time freely and receive no remuneration whatsoever in the 2020/21 Financial Period as disclosed in note 11 to the accounts.

### ***Organisational structure***

The Executive Board, which comprises of the Board of Trustees, administers the charity and meets quarterly. A chief executive is appointed by the trustees to manage the day to day operations of the charity. The chief executive has delegated authority from the Executive Board for all operational matters.

### ***Related parties***

Conferencing facilities are administered by a separate non-charitable trading subsidiary, Kirkdale Business Services Limited.

During the year, the Charity engaged the services of Chadwick Lawrence LLP, a business in which the Charity's secretary is a partner. All matters were undertaken at arms length, on a commercial basis at market rates.

Also, during the year the Charity engaged the services of 600 UK Limited t/a Colchester Machine Tools, a business in which one of the Charity's trustees is a director. All matters were undertaken at arms length, on a commercial basis at market rates.

### ***Disclosure in the strategic report***

The charity has disclosed achievements and performance, principal risks and uncertainties and financial review within the Strategic Report.

### ***Major risks and management of those risks***

The trustees have a risk management strategy which comprises of an ongoing review of the risks the charity may face. As part of the controls assurance process, a risk register, which evaluates and grades the likelihood of occurrence and potential impact of risk, has been drawn up.

# Kirkdale Industrial Training Services Ltd

## Trustees' Report

### Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.


### Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Walker & Sutcliffe as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 16th December 2021 and signed on its behalf by:



S Bonfield  
Company Secretary



A M Denford  
Trustee

## **Kirkdale Industrial Training Services Ltd**

### **Statement of Trustees' Responsibilities**

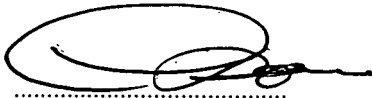
The trustees (who are also the directors of Kirkdale Industrial Training Services Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.

Approved by the trustees of the charity on 16th December 2021 and signed on its behalf by:



A M Denford  
Trustee

## **Kirkdale Industrial Training Services Ltd**

### **Independent Auditor's Report to the Members of Kirkdale Industrial Training Services Ltd**

#### **Opinion**

We have audited the financial statements of Kirkdale Industrial Training Services Ltd (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Balance Sheet, Consolidated Statement of Cash Flows 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charity's affairs as at 31 March 2021 and of the group's results 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 group 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 entity'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.

## **Kirkdale Industrial Training Services Ltd**

### **Independent Auditor's Report to the Members of Kirkdale Industrial Training Services Ltd**

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

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

We have nothing to report in this regard.

#### **Opinion 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 Strategic Report and Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of our knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees 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 charity or to cease operations, or have no realistic alternative but to do so.

## **Kirkdale Industrial Training Services Ltd**

### **Independent Auditor's Report to the Members of Kirkdale Industrial Training Services Ltd**

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

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

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

Our approach to addressing the risks of material misstatement due to irregularities, including fraud was to assess events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. We assessed the risks of material misstatement in respect of fraud as follows:

- Enquiring with trustees
- Reading board minutes
- Considering remuneration incentive schemes and performance targets for trustees
- Using analytical procedures to identify any unusual or unexpected relationships
- Review of correspondence with the Charity Commission and other significant bodies

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant are those related to the following:

Firstly, the charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, such as FRS 102 and Charities SORP. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charity is subject to other laws and regulation where the consequences of non-compliance could have a material effect of the amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect:

- Employment legislation
- Health and safety regulation
- Data protection laws
- Charities Act
- Charities Commission rules, regulations and guidelines

As required by auditing standards, and taking into account possible pressures to meet profit targets, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the charity fraud risk management controls.

We also performed procedures including:

- Identifying manual journal entries to test based on risk criteria and comparing the identified entries to supporting documentation
- Evaluating the business purpose of significant unusual transactions
- Assessing significant accounting estimates for bias

## **Kirkdale Industrial Training Services Ltd**

### **Independent Auditor's Report to the Members of Kirkdale Industrial Training Services Ltd**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial experience and through discussion with the trustees and other management. We discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations. We corroborated our enquiries through review of board minutes and review of correspondence with other regulatory bodies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

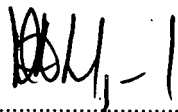
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not detect some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, misrepresentations or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

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](http://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 parent company's trustees, 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 group's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable parent company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Nicholas Ledgard BA FCA (Senior Statutory Auditor)  
For and on behalf of Walker & Sutcliffe, Statutory Auditor

12 Greenhead Road  
Huddersfield  
West Yorkshire  
HD1 4EN

16th December 2021

## Kirkdale Industrial Training Services Ltd

### Consolidated Statement of Financial Activities for the Year Ended 31 March 2021 (Including Consolidated Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £	Total 2020 (All Unrestricted funds) £
<b>Income and Endowments from:</b>				
Training activities	3	61,369	61,369	1,713,997
Conference facilities	4	(64)	(64)	59,900
Investment income	5	4,006	4,006	9,827
Government grant	6	64,898	64,898	2,000
<b>Total Income</b>		<u>130,209</u>	<u>130,209</u>	<u>1,785,724</u>
<b>Expenditure on:</b>				
Training activities	7	(1,110,556)	(1,110,556)	(1,700,955)
Conference facilities	8	(2,375)	(2,375)	(58,112)
<b>Total Expenditure</b>		<u>(1,112,931)</u>	<u>(1,112,931)</u>	<u>(1,759,067)</u>
<b>Net (expenditure)/income</b>		<u>(982,722)</u>	<u>(982,722)</u>	<u>26,657</u>
<b>Net movement in funds</b>		(982,722)	(982,722)	26,657
<b>Reconciliation of funds</b>				
<b>Total funds brought forward</b>		<u>3,892,883</u>	<u>3,892,883</u>	<u>3,866,226</u>
<b>Total funds carried forward</b>	21	<u>2,910,161</u>	<u>2,910,161</u>	<u>3,892,883</u>

All of the group's activities derive from discontinued operations during the above two periods.  
The funds breakdown for 2020 is shown in note 21.

## Kirkdale Industrial Training Services Ltd

(Registration number: 01219838)

### Consolidated Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	1,454,845	1,558,357
<b>Current assets</b>			
Debtors	17	13,491	202,619
Cash at bank and in hand		<u>1,593,843</u>	<u>2,496,103</u>
		1,607,334	2,698,722
<b>Creditors: Amounts falling due within one year</b>	18	<u>(146,018)</u>	<u>(356,196)</u>
<b>Net current assets</b>		<u>1,461,316</u>	<u>2,342,526</u>
<b>Total assets less current liabilities</b>		2,916,161	3,900,883
<b>Creditors: Amounts falling due after more than one year</b>		<u>(6,000)</u>	<u>(8,000)</u>
<b>Net assets</b>		<u>2,910,161</u>	<u>3,892,883</u>
<b>Funds of the group:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,910,161</u>	<u>3,892,883</u>
<b>Total funds</b>	21	<u>2,910,161</u>	<u>3,892,883</u>

The financial statements on pages 16 to 34 were approved by the trustees, and authorised for issue on 16th December 2021 and signed on their behalf by:

.....  
S Bonfield  
Company Secretary

.....  
A M Denford  
Trustee

## Kirkdale Industrial Training Services Ltd

**(Registration number: 01219838)**  
**Balance Sheet as at 31 March 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	1,454,845	1,558,357
Investments		<u>1</u>	<u>1</u>
		<u>1,454,846</u>	<u>1,558,358</u>
<b>Current assets</b>			
Debtors	17	9,240	333,303
Cash at bank and in hand		<u>1,593,843</u>	<u>2,354,969</u>
		1,603,083	2,688,272
<b>Creditors: Amounts falling due within one year</b>	18	<u>(143,302)</u>	<u>(349,720)</u>
<b>Net current assets</b>		<u>1,459,781</u>	<u>2,338,552</u>
<b>Total assets less current liabilities</b>		2,914,627	3,896,910
<b>Creditors: Amounts falling due after more than one year</b>		<u>(6,000)</u>	<u>(8,000)</u>
<b>Net assets</b>		<u>2,908,627</u>	<u>3,888,910</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>2,908,627</u>	<u>3,888,910</u>
<b>Total funds</b>	21	<u>2,908,627</u>	<u>3,888,910</u>

The financial statements on pages 16 to 34 were approved by the trustees, and authorised for issue on 16th December 2021 and signed on their behalf by:

.....  
S Bonfield  
Company Secretary

.....  
A M Denford  
Trustee

## Kirkdale Industrial Training Services Ltd

### Consolidated Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash (expenditure)/income		(982,722)	26,656
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	8	101,668	126,926
Investment income	5	(4,006)	(9,827)
Loss on disposal of fixed assets held for the group's own use	11	(5,627)	-
		<u>(890,687)</u>	<u>143,755</u>
<b>Working capital adjustments</b>			
Decrease in debtors	17	189,128	211,015
(Decrease)/increase in creditors	18	(210,177)	16,220
Decrease in deferred income		(2,000)	(2,000)
Net cash flows from operating activities		<u>(913,736)</u>	<u>368,990</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	4,006	9,827
Purchase of tangible fixed assets	15	(10,782)	(83,699)
Sale of tangible fixed assets		18,252	-
Net cash flows from investing activities		<u>11,476</u>	<u>(73,872)</u>
Net (decrease)/increase in cash and cash equivalents		(902,260)	295,118
Cash and cash equivalents at 1 April		<u>2,496,103</u>	<u>2,200,985</u>
Cash and cash equivalents at 31 March		<u><u>1,593,843</u></u>	<u><u>2,496,103</u></u>

All of the cash flows are derived from discontinued operations during the above two periods.

## **Kirkdale Industrial Training Services Ltd**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England & Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Kirkdale House  
Armytage Road  
Brighouse  
West Yorkshire  
HD6 1QF

These financial statements were authorised for issue by the trustees on 16th December 2021.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Kirkdale Industrial Training Services Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The presentational currency is £ sterling.

Kirkdale Industrial Training Services Ltd meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement, intra-group transactions and remuneration of key management personnel.

##### **Basis of consolidation**

The consolidated financial statements consolidate the financial statements of the charity and its subsidiary undertakings drawn up to 31 March 2021.

No statement of financial activities is presented for the charity as permitted by section 408 of the Companies Act 2006. The charity made a (loss)/profit after tax for the financial year of (£982,722) (2020- £26,657).

## **Kirkdale Industrial Training Services Ltd**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

A subsidiary is an entity controlled by the charity. Control is achieved where the charity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the statement of financial activities from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the group.

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the charity and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

#### **Going concern**

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the group.

#### **Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lesser are charged to the Statement of Financial Activities as incurred.

#### **Donated assets**

Donated assets are shown as income in the Statement of Financial Activities at valuations assessed by the trustees.

#### **Income and endowments**

Charity and commercial income is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability. Investment income is recognised on a receivable basis.

## **Kirkdale Industrial Training Services Ltd**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Grants receivable***

Government grants, including non-monetary grants are not recognised until there is reasonable assurance that: The company will comply with the conditions attaching to them; and The grants will be received.

The company recognises grants either based on the performance model or the accrual model. This policy choice is applied on a class-by-class basis.

The company measures grants at the fair value of the asset received or receivable.

Where a grant becomes repayable it is recognised as a liability when the repayment meets the definition of a liability.

#### **Performance model**

The performance model recognises grants as follows:

A grant that does not impose specified future performance-related conditions on the company is recognised in income when the grant proceeds are received or receivable.

A grant that imposes specified future performance-related conditions on the company is recognised in income only when the performance-related conditions are met.

Grants received before the revenue recognition criteria are satisfied are recognised as a liability.

#### **Accrual model**

The accrual model classifies grants either as a grant relating to revenue or a grant relating to assets.

Grants relating to revenue are recognised in income on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate.

A grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs is recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred it is recognised as deferred income and not deducted from the carrying amount of the asset.

#### ***Gifts in kind***

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

(i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.

(ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.

(iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

#### **Investments**

Fixed asset investments are stated at cost, which the Trustees consider equates to market value. Realised gains and losses are taken to the Statement of Financial Activities.

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### Grant expenditure

Grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable. Grants for revenue expenditure are matched with the expenditure as it falls due.

#### Governance costs

These include the costs attributable to the Charity's compliance with constitutional and statutory requirements, including audit, strategic management and Trustee's meetings and reimbursed expenses.

#### Pensions

The company has a defined contribution pension scheme. The costs of the contributions made by the company to the scheme are charged to the Statement of Financial Activities as incurred.

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold buildings	Over 50 years
Plant and machinery	Over 4 to 8 years
Fittings and equipment	Over 3 years
Computer equipment	Over 3 years
Motor vehicles	Over 3 years

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the group.

### 3 Income from charitable activities

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Courses	(9,965)	(9,965)	393,130
Skills training	71,334	71,334	1,320,867
	<u>61,369</u>	<u>61,369</u>	<u>1,713,997</u>

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 4 Income from other trading activities

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Trading income;			
Conference facilities	(64)	(64)	59,900
	(64)	(64)	59,900
	(64)	(64)	59,900

#### 5 Investment income

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	4,006	4,006	9,827
	4,006	4,006	9,827
	4,006	4,006	9,827

#### 6 Other income

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Grants receivable	1,993	1,993	2,000
Coronavirus Job Retention Scheme	62,905	62,905	-
	64,898	64,898	2,000
	64,898	64,898	2,000

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 7 Expenditure on charitable activities

	Note	Unrestricted funds		
		General £	Total 2021 £	Total 2020 £
Training activities expenditure		284,368	284,368	642,703
Depreciation, amortisation and other similar costs		107,295	107,295	126,926
Staff costs		718,893	718,893	931,326
		<u>1,110,556</u>	<u>1,110,556</u>	<u>1,700,955</u>

£1,110,556 (2020 - £1,700,955) of the above expenditure was attributable to unrestricted funds and £Nil (2020 - £Nil) to restricted funds.

#### 8 Expenditure on conference facilities

	Note	Unrestricted funds		
		General £	Total 2021 £	Total 2020 £
Staff costs				
Wages and salaries		258	258	13,195
Social security		4	4	1,964
Pension costs		65	65	764
Audit fees				
Audit of the financial statements		3,311	3,311	2,213
Other resources expended		(1,263)	(1,263)	39,976
		<u>2,375</u>	<u>2,375</u>	<u>58,112</u>

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 9 Analysis of governance and support costs

The charity allocates its support costs as shown in the table below. Support costs are allocated on a basis consistent with the use of resources.

##### Support costs allocated to raise funds

Narrative Column	Governance costs £	Skills training £	Courses £	Conference centre £
Depreciation	77,522	19,300	4,199	647
Management	99,900	24,300	5,287	1,529
Audit & Accountancy	14,867	-	-	-
Administrative costs	20,654	5,130	1,116	186
Legal & professional	97,943	-	-	-
	<b>310,886</b>	<b>48,730</b>	<b>10,602</b>	<b>2,362</b>
			<b>2021</b>	<b>2020</b>
			<b>Total</b>	<b>Total</b>
Narrative Column			£	£
Depreciation			101,668	126,926
Management			131,016	583,151
Audit & Accountancy			14,867	9,250
Administrative costs			27,086	71,995
Legal & professional			97,943	7,022
			<b>372,580</b>	<b>798,344</b>

#### 10 Government grants

During the year, the charity received Coronavirus Job Retention Scheme (CJRS) grants in relation to Covid19 support that was made available from the Government.

The amount of grants recognised in the financial statements was £62,905 (2020 - £Nil).

#### 11 Net incoming/outgoing resources

Net (outgoing)/incoming resources for the year include:

	2021 £	2020 £
Operating leases - motor vehicles	33,621	33,129
Audit fees	14,867	13,676
Loss on disposal of fixed assets held for the group's own use	5,627	-
Depreciation of fixed assets	<u>101,668</u>	<u>126,926</u>

#### 12 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the group during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 13 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	632,234	847,482
Social security costs	57,001	78,825
Pension costs	30,506	54,613
Other staff costs	4,825	6,416
	<u>724,566</u>	<u>987,336</u>

The monthly average number of persons (including senior management team) employed by the group during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Administration and management	<u>10</u>	<u>29</u>

10 (2020 - 26) of the above employees participated in the Defined Contribution Pension Schemes.

During the year, the group made exceptional redundancy and/or termination payments which totalled £315,493 (2020 - £Nil).

The emoluments, including benefits in kind, of one member of staff are within the range of £230,000 to £239,999 (2020 - one in the range of £100,000 to £109,999) not including retirement benefits which are accruing under a defined contribution scheme.

The total emoluments of the key management personnel of the group were £239,248 (2020: £108,360).

#### 14 Taxation

The company is a registered charity and is not subject to corporation tax. The trading subsidiary has retained profits of £Nil (2020 - £Nil) therefore there is no corporation tax payable (2020 - none payable under previous legislation).

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 15 Tangible fixed assets

Group	Land and buildings £	Furniture and equipment £	Plant and machinery £	Total £
<b>Cost</b>				
At 1 April 2020	2,303,935	695,109	852,937	3,851,981
Additions	-	10,782	-	10,782
Disposals	-	(84,760)	(29,318)	(114,078)
At 31 March 2021	<u>2,303,935</u>	<u>621,131</u>	<u>823,619</u>	<u>3,748,685</u>
<b>Depreciation</b>				
At 1 April 2020	973,525	638,719	681,378	2,293,622
Charge for the year	38,472	22,608	40,588	101,668
Eliminated on disposals	-	(72,133)	(29,317)	(101,450)
At 31 March 2021	<u>1,011,997</u>	<u>589,194</u>	<u>692,649</u>	<u>2,293,840</u>
<b>Net book value</b>				
At 31 March 2021	<u>1,291,938</u>	<u>31,937</u>	<u>130,970</u>	<u>1,454,845</u>
At 31 March 2020	<u>1,330,410</u>	<u>56,390</u>	<u>171,559</u>	<u>1,558,359</u>

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

<b>Charity</b>	<b>Land and buildings £</b>	<b>Furniture and equipment £</b>	<b>Plant and machinery £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 April 2020	2,303,935	695,109	852,937	3,851,981
Additions	-	10,782	-	10,782
Disposals	-	(84,760)	(29,318)	(114,078)
At 31 March 2021	<u>2,303,935</u>	<u>621,131</u>	<u>823,619</u>	<u>3,748,685</u>
<b>Depreciation</b>				
At 1 April 2020	973,525	638,719	681,378	2,293,622
Charge for the year	38,472	22,608	40,588	101,668
Eliminated on disposals	-	(72,133)	(29,317)	(101,450)
At 31 March 2021	<u>1,011,997</u>	<u>589,194</u>	<u>692,649</u>	<u>2,293,840</u>
<b>Net book value</b>				
At 31 March 2021	<u>1,291,938</u>	<u>31,937</u>	<u>130,970</u>	<u>1,454,845</u>
At 31 March 2020	<u>1,330,410</u>	<u>56,390</u>	<u>171,559</u>	<u>1,558,359</u>

The Charities property had previously been used for training directly given by the Charity. The property is now being let to a third party training provider. As the Charity is a public benefit entity, the Trustees have taken the decision to account for the property under FRS102 S16.3a.

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 16 Fixed asset investments

Group

Charity

#### Shares in group undertakings and participating interests

	Subsidiary undertakings £	Total £
<b>Cost</b>		
At 1 April 2020	<u>1</u>	<u>1</u>
At 31 March 2021	<u>1</u>	<u>1</u>
<b>Net book value</b>		
At 31 March 2021	<u><u>1</u></u>	<u><u>1</u></u>
At 31 March 2020	<u><u>1</u></u>	<u><u>1</u></u>

#### Details of undertakings

Details of the investments in which the charity holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Country of incorporation	Holding	Proportion of voting rights and shares held		Principal activity
			2021	2020	
<b>Subsidiary undertakings</b>					
Kirkdale Business Services Limited	England & Wales	Ordinary	100%	100%	Conference facilities

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Subsidiaries

The loss for the financial period of Kirkdale Business Services Limited was £2,439 (2020 - £Nil) and the aggregate amount of capital and reserves at the end of the period was £1,534 (2020 - £3,974).

The turnover of the subsidiary for the year was (£64) (2020: £59,900), cost of sales of (£1,606) (2020: £28,108), which resulted in a (loss)/profit of (£2,439) (2020: £1,790) that was gift aided to the charity.

#### 17 Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	-	60,683	-	49,917
Due from group undertakings	-	-	(4,251)	141,450
Prepayments	13,490	37,184	13,490	37,184
Other debtors	1	104,752	1	104,752
	<u>13,491</u>	<u>202,619</u>	<u>9,240</u>	<u>333,303</u>

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

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	601	42,423	601	42,423
Other taxation and social security	1,680	23,585	1,680	19,870
VAT liability	(26,129)	12,331	(26,129)	12,331
Other creditors	88,294	53,985	88,294	53,985
Accruals	81,572	223,872	78,856	221,111
	<u>146,018</u>	<u>356,196</u>	<u>143,302</u>	<u>349,720</u>

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 19 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
<b>Other</b>				
Within one year	3,586	33,705	3,586	33,705
Between one and five years	<u>6,275</u>	<u>5,822</u>	<u>6,275</u>	<u>5,822</u>
	<u>9,861</u>	<u>39,527</u>	<u>9,861</u>	<u>39,527</u>

#### 20 Pension and other schemes

##### Defined contribution pension scheme

The assets of the pension scheme are held separately from those of the company in an independently administered fund. The pension costs, which represent contributions payable by the company to the fund, amounted to £30,506 (2020 - £54,614) which all were paid from unrestricted funds.

Contributions totalling £773 (2020 - £3,081) were payable to the scheme at the end of the year and are included in creditors.

## Kirkdale Industrial Training Services Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 21 Funds

##### Group

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	3,892,883	130,209	(1,112,931)	2,910,161
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>				
<i>General</i>				
General	3,866,226	1,785,724	(1,759,067)	3,892,883

#### 22 Analysis of net funds

##### Group

	At 1 April 2020 £	Cash flow £	At 31 March 2021 £
Cash at bank and in hand	2,496,103	(902,260)	1,593,843
Net funds	2,496,103	(902,260)	1,593,843

#### 23 Related party transactions

##### Group

The Charity has taken advantage of the disclosure exemption contained in FRS 102, as a parent with wholly owned subsidiary undertakings from disclosing transactions within the group.

During the year, the Charity engaged the services of Chadwick Lawrence LLP, a business in which the Charity's secretary is a partner. All matters were undertaken at arms length, on a commercial basis at market rates.

Also, during the year the Charity engaged the services of 600 UK Limited t/a Colchester Machine Tools, a business in which one of the Charity's trustees is a director. All matters were undertaken at arms length, on a commercial basis at market rates.